

# "Give Business All It Demands, Nothing to Labor"--Congress

The senators who defeated the Kilgore bill contended in debate that the unemployment compensation rates of the bill were too high, that the government didn't have the money and that if it did, payment of the money to the unemployed would "demoralize" millions of them—make them "idlers and slackers."

These same senators, in the words of Senator Harley M. Kilgore, have been "the most fervid proponents of colossal favors, benefits and donations to the rich."

Here's what was pointed out to the senators on the floor—as if they already didn't know:  
Under existing tax laws, corporations after the war may withdraw from the Treasury the normal and excess taxes they have paid in during the two years preceding the end of hostilities.

The accumulations now amount to \$28,000,000,000 and by the end of the war will reach forty billion dollars, according to Treasury estimates.

Every penny of this stupendous sum will probably find its way into the swollen cash accounts of the corporations, which have paid out more than twenty billions in war dividends and piled up undistributed surpluses of more than twenty-five billions.

In addition, these corporations have rolled up a 329 per cent increase in profits since the beginning of the war!

Here are some quotations from Kilgore's speech on behalf of his bill in the Senate:

"When the gigantic corporations of the country looked for a way in which to safeguard their swollen

war profits it did not take the leaders of the opposition to the Kilgore bill long to find out how to do it.

"THEY DID NOT THEN STOP TO COUNT THE COST! THEY DID NOT THEN SAY THAT \$28,000,000,000 WAS TOO MUCH TO PAY OUT OF THE TREASURY!"

"But now, when we are deliberating the question of assuring the average American worker that his family need not starve during the period when his employer is reconverting his production to a peacetime basis—that period so magnificently safeguarded for the employer—there are those who have become suddenly economy-minded and fear for the economic strength of the nation.

"We must not spend, the opposition tells us, for the

barest subsistence for workers and their families, but they had no fear when they voted *profits plus subsistence* to corporations."

"The difference between our treatment of corporations and the treatment we ask for workers is this:

"We do not attempt to guarantee the worker what he received in wartime. We provide an amount barely sufficient to provide him with the necessities of life, if  
"FOR THE CORPORATIONS WE HAVE GUARANTEED PROFITS AS LARGE AS THEY EARNED IN WARTIME, EVEN IF THEY DO NOTHING TO EARN THEM."

"We have made arrangements to pay off industry in cash, and those who favored that plan now want to send the workers to breadlines."

## Convention of UAW Will Face Big Issues Soon

By STANLEY HOLLAND

The ninth annual convention of the United Automobile, Aircraft & Agricultural Implement Workers of America—the UAW-CIO—will open on September 12.

The importance of this convention to the entire labor movement cannot be overemphasized. The UAW is today the most powerful union in the country and its decisions will influence the direction and actions of the entire trade union movement. To a great extent we can say that the decisions reached at this convention can have the effect of spurring the labor movement on to greater heights or can have an adverse effect of leading to a setback for the whole labor movement.

### UAW SETS CIO TONE

Even in its early days, the militant UAW set the tone for the CIO. Today the UAW has in its ranks more than one million workers—the largest single union in the entire world. Its membership is engaged one hundred per cent in war industries, building airplanes, trucks, jeeps, tanks, tools, etc. That means a membership that will be vitally affected by changes in production in the coming post-war days. It has more than 300,000 members at present in one or another of the armed services who will soon be coming home and expecting jobs in the plants that they left when they were drafted. And when the UAW sets the pace for dealing with the problems of this tremendous number of workers from every section of the country, the CIO may again follow its path.

That is why every delegate to the UAW convention should seriously consider the problems of his union for, in reality, he is considering the problem of every worker, every serviceman and every housewife.

### JOBS PROBLEM LOOMS

Undoubtedly the biggest problem of the UAW convention will be the question of jobs. Post-war unemployment has already started. If the war ends, as it possibly may, between now and the next convention of the UAW a year hence, the army of unemployed will grow overnight and most of the members of the UAW will find themselves pounding pavements looking for work. This can only be offset by a program of action

on the part of the UAW that will prevent mass unemployment during the period of reconversion. This means that the UAW will have to originate their own reconversion plans and carry them through.

With this problem weighing heavily on their minds, the delegates will have to deal with another life-and-death question to their union: the question of how deal with the all-out anti-labor offensive of the auto barons against the organized auto workers of America. This offensive against the UAW has as its goal the lowering of wage standards, restoring the open shop to the industry

(Continued on page 2)

## Anti-Dalrymple Forces Sweep URW Elections!

By BILL FORD

AKRON, Aug. 22 — Akron rubber unionists have won a smashing victory in their local union elections for delegates to the United Rubber Workers September convention, where they will be out to nail the hide of President Sherman H. Dalrymple, international union president, to the barn door.

Of the 142 delegates being sent from the Big Four Akron locals, only six of them are stooges of Dalrymple and the International Executive Board. The solidarity of the Akron unionists at the convention, after months of preparation, is a foregone conclusion, since they have reviewed carefully just how bad a spot the URWA will be in if Dalrymple or his henchmen should be re-elected.

Cause for the greatest rejoicing in the ranks of the anti-Dalrymple forces came from a complete victory of the Progressive slate at Goodyear Local No. 2, where Joe Stalin's henchmen have long been in a dominant position. This setback for the strike-breaking Communist Party means that they have lost their last foothold in the Akron labor movement.

At Goodrich Local the slate of President George Bass won a 62-to-0

AUGUST 28, 1944

A PAPER IN THE INTERESTS OF LABOR

ONE CENT

# LABOR MUST FIGHT FOR POST-WAR SECURITY NOW!

shutout victory against an unprincipled opposition group. The Akron Beacon Journal took occasion to bemoan the fact that the treasurer of this local was defeated. Goodrich Local at the convention will appeal its case of last spring in expelling Dalrymple from membership in the local for his unconstitutional expulsion of seventy-two striking workers of the General Tire Local, which LABOR ACTION has previously reported. At that time the pro-Dalrymple International Executive Board ordered Goodrich Local to reinstate him under penalty of lifting the local's charter.

As things look here today, the forces standing for a progressive and democratic Rubber Workers Union are a strong and well-knit grouping. Success in their fight to throw Dalrymple and his ilk out of office in the international union depend from now on their ability to mobilize the smaller locals of the URWA, of which there are many, to their side at the convention. Dalrymple's organizers have been attempting for months to get these votes safely tucked away in the bag prior to the convention, when many of these unionists will get a true picture for

the first time of the union-wrecking that Dalrymple & Co. have engaged in since the last convention—in the name of "supporting Roosevelt and the no-strike pledge."

The program of the anti-Dalrymple forces has taken more concrete shape as the convention approaches, although as yet resolutions have not been released. The Goodyear Progressives' slate, however, gives an indication of what is on its mind:

"1. We are opposed to the employers being left free to cut wages and reinstitute the old speed-up system while at the same time labor is bound by a no-strike pledge.

"2. We condemn any officer who will expel his union brother or sister without first giving them a fair trial. We pledge ourselves to work for the removal from office of any guilty parties."

### GUARD AGAINST UPSETS

Between now and the convention, of course, there can be upsets. LABOR ACTION has pointed out two factors that the rubber barons and Dalrymple hope will stem the Progressive tide. One of these is the tremendous pressure being put against the local unions by the War Production Board and War Manpower Commission to reinstate the speed-up

## Congress Hands Business 100 Billion War Surplus!

LABOR ACTION reported a few weeks ago on the "left-overs" of war, the seventy-five to one hundred billion dollar surplus property that remains to be disposed of. Legislation that seems destined for easy passage through Congress has now been drawn up to take care of these goods, ranging from razor blades to multi-million dollar factories.

The bill is sponsored by the Post-war Planning Committee, headed by Congressman William M. Colmer, (Democrat, Mississippi). The bill was drafted by Marion B. Folsom, a banker and director of the United States Chamber of Commerce, "counsel" for the Colmer Committee. The terms were dictated by William M. Clayton, surplus property administrator, appointee of Roosevelt. Clayton is an extreme reactionary. He was one of the backers of the Liberty League, and put up his money to support the Associated Farmers and other organizations in the Southwest which have waged campaigns of terrorism against organized labor.

LABOR ACTION believes the surplus problem is a "LABOR PROPOSITION."

Who created this hundred billion dollars in surplus property?

Who sweated under lowered standards, the yoke of the no-strike pledge, the burden of enormous taxes, the scourge of high prices?

Who now is being given the gate as far factories become "surplus property"?

And who, on the other hand, grew fat on the profit-feast of war, and now scrambles after the left-overs?

The government, being the representative of big business, isn't going to compete with big business by selling the products in competition with business prices, or the factories and land at prices anywhere near their value.

A labor government is needed to place this surplus property, and all property at the disposal of the public, for public use, instead of private profit. Labor has built the machines of war, paid for the war, and died in it. It is high time for labor to turn out the war-making profiteers, take what is its own—NATIONALIZE INDUSTRY UNDER WORKERS' CONTROL. No handing over of government-built and owned plants and facilities to private ownership!

Passed in the Senate, the George "states' rights" demobilization measure, which fixes post-war unemployment compensation rates at an average of \$13.84 a week, was sent to the House of Representatives last week, where that body promptly sidetracked the measure in favor of other reconversion legislation.

In addition, it was reported that the House Ways and Means Committee not only ditched the Cellar bill, House companion to the defeated Kilgore-Murray bill, but was considering ways and means of further watering down the George legislation, which has been called "an unprincipled fake" by the CIO.

The legislation it preferred to deal with first was the disposal of upwards of seventy-five billions in surplus war properties. As was to be expected, however, this huge sum of money, representing property, machinery and goods paid for out of the pockets of millions of workers and agricultural laborers through oppressive taxes and forced savings, was given to the economic group that has benefitted most from Roosevelt's wartime administration—BIG BUSINESS.

### BUSINESS GETS PRIORITY

By switching to this piece of unfinished business, Wall Street's plan to emerge from the war in full control of every phase of the nation's economy was given congressional priority. Thus Congress apparently sought to take the heat off itself for its failure to accept the Kilgore-Murray bill, which was supported by all the national labor organizations and the National Farmers' Union.

The House of Representatives, aware that the defeat of the Kilgore-Murray bill in the Senate resounded through the country, arousing resentment among workers everywhere, is using familiar delaying tactics in the hope that labor will slow down its campaign for passage of the Cellar bill in the House. The Cellar bill embodies the main features of the defeated Kilgore-Murray measure.

(Continued on page 2)

## The "Big Three" -- Hitler's Aids

Washington, Moscow, London Help Nazis Keep Power

By Max Shachtman

One thing is pretty clear: Germany will not win the war. Hitler's "new order in Europe" was built on sand from the very beginning and was held together only at bayonet point. Fortress Europa has been breached at several vital points. Germany is unmistakably on the defensive. The cry, "On to victory!" is sounded only feebly by the Nazis, where it is uttered at all. In actual fact, it has been replaced by the plea, "We must hold out."

If victory is not the goal for which the Germans are now called upon the "hold out," then what is? A "negotiated peace." That is, a war settlement which will yield Germany the most favorable terms, or the least unfavorable terms, she can expect under the circumstances. How is it possible, according to the Nazi masters, to accomplish such a goal? By making such a stubborn defensive fight as will cost the Allies the heaviest possible casualties and the most stupendous expenditure of national wealth, and reconcile them to some sort of negotiated peace.

### MORALE IS HITLER'S PROBLEM

Such a fight, however, is not the easiest thing in the world to make. It requires great military-economic strength. But right now it requires more than anything else a readiness of the German people to continue pouring out its blood on the battlefield. This "readiness" is often, and

rightly, referred to as "morale." Hitler's problem boils down to the heightening or at least the maintenance of the morale of the German people. The greater his success in solving this problem, the longer he and his henchmen remain in power and the longer the war lasts, with its attendant blood-letting and devastation.

If this is understood, the matter of the recent purge in Germany becomes comparatively simple to grasp. We do not know the real truth about the "attempt to bomb" Hitler. It would not be surprising if the attempt were genuine. Nor would it be surprising to learn that the whole affair was concocted for political purposes by Hitler's own underlings. In either case, the uses to which Hitler has put the alleged occurrence would be the same. Reactionary regimes—Stalin's is only one example—have made use of such situations before.

### OBJECTS OF THE NEW PURGE

By crushing the "assassins" and hanging the Junkers officers who "confessed," Hitler sought to accomplish these objectives: (a) place the responsibility for Germany's defeats on elements outside the highest circles of the Nazis themselves, where, of course, it primarily and properly belongs; (b) turn the discontentment of wide sections of the population against the never popular Junkers who, the Nazis have suddenly and profitably discovered, were always "swinish aristocrats"; (c) extract new declarations of loyalty to the Fuehrer from those officers who have flirted with the idea of cutting loose from the Nazis; (d) rally the Nazi machine closer to the gang at the top; (e) declimate in advance any potential combination of leaders who might serve, tomorrow or the next day, as a substitute for the present regime; (f) carry through the most totalitarian possible



Max Shachtman

mobilization of physical strength, with the greatest possible imposition of burdens on the people, for the last-ditch fight.

To what extent will the Hitlerites succeed in this new super-mobilization? For how long will they succeed in holding power in their iron claws? We do not know, because totalitarian regimes do not make it possible to acquire the data on which a reasonably realistic reply could be given to such questions.

### ALLIES PROLONGING THE WAR

But this we DO know: the Allied governments are doing EVERYTHING they can do to keep Hitler in power and to prolong the war. They are not giving him military aid, to be sure; that they cannot do. But, we repeat, everything they CAN do, they are doing.

How?

If you understand the problem in the simple terms in which it exists, you understand that for Hitler it is a problem of how to keep the German people fighting. If not fighting enthusiastically, then at least stubbornly. If not fighting with love of Hitlerism in their hearts, then at least with hateful acceptance of it as an evil which is not more to be feared than an alternative evil that stares them in the face.

What the Allied governments have done is to supply Hitler and his propaganda machine with

(Continued on page 3)

## Raises? That's Inflation! Profits? That's 'Free Enterprise!'

DETROIT—K. T. Keller, president of Chrysler Corp.—the man who would rather not deal with unions—has just announced his company's profits for the first six months of 1944.

After taxes and after reserves, this amounts to the juicy little figure of \$12,873,146.90.

When this is handed out to the coupon clippers it comes to \$2.91 a

share and is known as profit.

If someone would suggest that this be given to the Chrysler workers who earned it, it would then become known as inflation.

One of these days the workers are going to get wise to the fact that their dinner pails could stand some inflation a little more than the bosses' bellies.

## Michigan Politics A Sewer

By MARTIN HARVEY

DETROIT — Democratic Party and Republican Party politics, that is, capitalist politics, is at best a pretty rotten and slimy affair. It is based on the colossal lie that a Republican or Democrat can represent the "people." LABOR ACTION has long contended—and has proved over and over again—that capitalist politicians have as their main function the preservation of the rule of capital, which means keeping this country under the control of the "Sixty Families" who own most of the nation's wealth.

This isn't always too obvious to working men, since big business men and politicians do their flinching behind closed doors—the traditional smoke-filled room. A friendly note, a long distance phone call, a timely campaign contribution and Mr. Politician, who was the friend of the people at election time, is voting according to the wishes of his real friend: Lamont of Morgan & Co.

But there are always the hogs who spoil everything. The guys who like a little extra graft—the illegal kind. And they go and tip off the "great game of politics" to the poor, unsuspecting worker, who isn't supposed to know about such things.

Take what just happened in Michigan, for example. Some Republicans got the bright idea that if they could split the beans on a few Democrats it would increase their chances of having the signal honor of representing big business in the halls of the state legislature.

So they set a couple of lawyers to work in the cesspools of Lansing and came up with a bunch of mud-spattered Democrats—and, to make it look good, one Republican. These august lawgivers (who included, by the way, a majority of the 1936 Wayne County—Detroit—delegation to the state legislature) were charged with selling their votes for from \$50 to \$100 apiece!

Now that, you might think, is small stuff. These guys were practically robbed. Whoever heard of a state representative—even a state representative—letting a vote go for a measly fifty bucks? But before you get real mad you must remember that these votes weren't sold to Henry Ford or Alfred Sloan. They were sold to small fry who don't always get proper consideration from the representatives of big business. They were sold to a group of small loan companies to prevent the lowering of interest rates on small loans, that is, loans to workers.

### CONVICTS RENOMINATED

Now this, you must understand, was getting to be sort of embarrassing to the Democrats—what with Commander-in-Chief Roosevelt coming up for re-election—and even the support of Phil Murray's Political Action Committee wasn't going to

(Continued on page 3)



NEWS AND VIEWS FROM THE LABOR FRONT

What Sperry Local Needs: DEMOCRACY

NEW YORK CITY—Sperry Local 450, UERWMA, came into being two years ago after a long and hard fight—a fight against a company noted for its blatant anti-union policies, and a fight, as well, against a rival AFL union.

(The UE won out by a large majority of votes in the NLRB election, proof of the fact that Sperry workers were fed up with company unionism, and wanted an honest-to-goodness trade union to lead their struggle for higher wages (Sperry still pays practically the lowest wages in the industry of this area) and decent working conditions. Thus did the UE enter the scene, the hope of the many workers it represented.

LOCAL FAILED MEMBERSHIP

One might expect that after waging the kind of fight that the union did, it might emerge a wise and militant trade union, but no such thing occurred. No, from its very inception it was characterized by the same

lack of democracy that identifies it to this day.

Despite the fact that after one year of organizing and consolidating its gains, Local 450 had a membership of nearly 15,000, stewards were not elected. Instead, appointments were made by the leadership of the local. Elections did not take place until this year!

The union faced many problems from the very beginning. It was inexperienced, young and unwise in the ways of trade union procedures.

This was not only the time for the education of its membership (which was sadly neglected) but also the time for constant consultation with these men and women who showed their faith by their vote.

This was the time for membership meetings—which would educate the members in the fundamentals of trade unionism—would educate them in trade union democracy—would give the union some direction, a direction based on the needs and de-

sires of its members, the men and women who work in the shop.

UNION DEMOCRACY LACKING

For the first year of its existence the union held exactly ONE membership meeting! Everything was executed from above, with absolutely no regard for the wishes of its members. There were those who fought constantly for membership meetings, for union democracy, and among them some of the oldest union members, men who had worked for years to organize the union at Sperry.

Little by little these people, who were waging the fight on behalf of the membership, found themselves the butt of a furious attack by the leadership of the union—an attack which dealt in name calling and mud slinging. Later, a little more sure of itself, the clique which had established itself as the leadership of the local actually went so far as to threaten people running for office in the union who disagreed with them.

One could be a steward one day—an elected steward at that, and the next day be thrown out of steward council meetings on the say-so of the chairman.

What kind of union is it that in its constitution states that the highest body of the union shall be the stewards' council? And what of the membership? What purpose do they serve? Are they merely the financial support—the dues-paying throng? No; in any union worth its salt the membership IS the union—it speaks, it votes, it decides.

The union constitution made official what had been going on unofficially for over a year. It legalized the undemocratic methods practiced by the union leadership.

The membership does not meet to nominate candidates for office, but petitions are circulated instead, giving the rank and file no opportunity to choose or hear the candidates. Only the executive board and the stewards' council are permitted to amend the constitution.

This fantastic, undemocratic policy has had dire effects on the union consciousness of the men and women in the shop. For most of them this has been their first contact with the union movement and because the union leadership has neglected their education and, what is more, mis-educated them, they have become disillusioned and apathetic.

This was borne out by the recent elections for delegates to the coming UE convention. At the main building, which has approximately 7,000 workers, only TWENTY-SEVEN of them voted! What further proof is needed to show that the leadership has so demoralized the members of the union that they no longer realize their duties and responsibilities?

Succeeding articles will discuss the steward system in the shop, the course that Sperry workers must take to gain democracy in their union, the proposed raise in dues and other issues vital to the welfare of all the workers at the Sperry company.

To Avert Strikes, Ban Unions -- Chrysler's Bid

Unions and collective bargaining are now accepted by all Americans —by industrialists, including such diehards as Tom Girdler and Henry Ford, as well as by both major political parties. The unions need more responsible leaders and, perhaps, a good dose of government regulation, but they are here to stay.

That is the widespread myth about the state of mind of the capitalists and their political hacks.

Testifying recently before a WLB panel, which was hearing evidence on the demands of unionized foremen, spokesmen for the Chrysler company stated that the only way to avert strikes is to abolish unions, because collective bargaining is the cause of strikes. Chrysler Labor Relations Director Conder admitted that the corporation is now forced to "live with the unions" and will have to deal with them after the war too, but he immediately added with a note of hope: "If the unions are still here." (Detroit Free Press, July 23.)

This is the kind of management that Chrysler workers (and other auto workers and steel workers and rubber workers and other workers) have to deal with. The result at Chrysler has been a really impressive number of stoppages. Who is re-

sponsible? You would think there could be only one answer.

That's what you would think. But the War Labor Board says the workers are to blame. In a famous decision made just about a year ago, the WLB crew of strike-breakers expressed the amazing thought that provocation by the company, while deplorable, was really a big opportunity for the workers—to show the sincerity of their no-strike pledge. If there were no provocation, there would be no reason at all for striking—consequently no opportunity for testing the genuineness of the no-strike pledge.

The international executive board of the United Automobile Workers agrees, although its words are somewhat different, with the WLB. The company by provocations is being unpatriotic. This is an opportunity for the workers to prove that they are super-patriots. If they refuse to embrace the opportunity, "trouble-makers" will be expelled and a dictator will be placed over the rest.

With such a powerful ally as the WLB—and the ruinous policies of the executives of the UAW, Chrysler officials have every right to express a hope that unions may soon not be here!

Navy Cracks Down On San Francisco Machinists

SAN FRANCISCO—In attempting to break the union rules of Local 68, International Association of Machinists AFL, the Navy Department issued, this past week, the harshest penalties that any section of the labor movement has yet faced during this war. These penalties were threatened against the members of Local 68, who are employed in the 104 machine shops that were "seized" by the Navy Department, upon receiving an executive order to do so by President Roosevelt.

The present situation developed last March, when the union was attempting to negotiate an improved agreement with the owners of these machine shops. The employers, functioning through their organization, the San Francisco machine shop division of the notorious California Metal Trades Association, knowing full well that the national union leadership had pledged itself in favor of the no-strike pledge, refused the union's demands. The local, in an attempt to force the owners to accept its demands, decided to work only a forty-eight-hour week until such time as the owners sat down and talked turkey.

Since that time the War Labor Board has been continuously putting

pressure on Local 68 to lift its "overtime ban" on these shops. The local has consistently answered that they were more than willing, but that first these owners must agree to the terms of the union contract. On June 8, Chairman Davis of the WLB wrote to President Roosevelt to sign a directive taking over the five largest machine shops, employing about 1,000 workers, expressing the hope that such action would "result in removal of the ban." The reasons why the machinists were working only forty-eight hours were, of course, unimportant to W. L. Davis.

Roosevelt signed the directive for seizure of the five big plants on August 14. In one of the largest shops, the Federal-Mogul Corporation, the workers had walked out on strike when the company refused to fire some of the workers who were working overtime.

As soon as the Navy Department took over it began announcing the stern measures it would take against the workers who refused to comply with its dictates. Immediate induction into the armed forces, of all those who were in the appropriate age groups; refusal of job clearance certificates for those who are too old or physically unfit to be taken into

the armed forces, thus blacklisting them from working at their trade or any other war job; supplemental gasoline allowances to be cancelled; orders were also issued instructing men that they must work overtime.

The results of these threats were that workers in other shops in addition to the original one, either stayed away from work completely, or else came in late, so that they worked only eight hours.

Local 68 met on August 16 and decided to lift the "overtime ban" on the five shops that had been "seized" by the government. Neither the WLB nor the Navy Department were satisfied with this. They had expected the sweeping penalties they had threatened to frighten the pants off the workers and the overtime ban to be lifted on all 104 shops. So President Roosevelt obliged once again and "seized" the remaining ninety-nine.

The union met again and in the face of government threats decided to permit its members to work overtime and take up disputed points and the agreement as a whole to the WLB.

Thus the Roosevelt Administration, the darling of the labor leaders and the communists, has once again shown its iron fist to the workers.

Issues at the Coming UAW Convention ---

(Continued from page 1)

and reducing labor to its miserable standards of ten years ago. These captains of the auto industry can only succeed if they can meet as their opponent a weak UAW.

THE ISSUES AT STAKE

How will the UAW smash the wage-freeze and once and for all end the Little Steel formula?

What can the UAW do about the raw decisions being handed down daily by the infamous WLB?

Shall the returning soldier member of the UAW be forced to take up selling apples on a street corner as his post-war career?

Shall every woman worker be forced out of work?

Shall anti-labor legislation continue to wreck and lower the conditions of American labor?

Many questions must be dealt with by the UAW convention delegates, and answers must be given to every one of them. For this reason we would like, to discuss these problems and offer LABOR ACTION's ideas on how the UAW convention can answer them correctly. In addition, we would like to discuss the situation inside the UAW, because we feel that inside the union itself are many tendencies and trends which deal with these same questions in many different ways. The only way a correct solution of the many problems can be made is by understanding the situation as a whole.

END "NO-STRIKE" POLICY

The most important task before the UAW convention is to rid itself of the no-strike pledge. This pledge, which was made by the leaders of the CIO at the beginning of the war and was made, incidentally, without consulting the membership of the union, has been one of the greatest handicaps and has been one of the most harmful obstacles to the growth and strengthening of the UAW. As a matter of fact, it has led to numerous defeats and is largely responsible for the success with which the powerful automobile industries have been conducting their offensive.

The no-strike pledge was originally given to Roosevelt in return for a promise that there would be no drive against the union and collective bargaining. The union pledged to give up its most effective weapon—the strike weapon—and in turn the auto industry promised to halt its offensive

against the UAW. There was to be an "equality of sacrifice." It was expected that the government would limit the salaries of executives to \$25,000 a year, and that the workers and the bosses would work in harmony for the war effort. This was an impossibility. It never could be accomplished. From the very first day the auto barons refused to "sacrifice" anything. Instead, they did just the opposite. Their war profits bulged in their pockets; their attacks on labor became increasingly vicious.

Once the big automobile corporations realized that labor had given up its powerful strike weapon, they knew that they could take advantage of the unions. Company after company ignored contract provisions; grievances were disregarded as they piled up in personnel offices. Stewards were discriminated against and in many cases fired for doing their jobs as stewards. The union was able to shout "unfair," but it could not strike back. Transfers, layoffs, re-rating at lower pay became a common method of the big corporations. They have already gone so far as to challenge a local union's right to remain as representative.

LEADERS MADE THE PLEDGE

The no-strike pledge was made by the leading officers of the UAW. They still stick to that pledge today as they did in the very beginning. R. J. Thomas has not only insisted on the pledge being kept but he has done so in the face of the vilest attacks against locals by the companies. Ad-des and Frankenstein are running up and down the country, forcing the workers to swallow it against their will. Reuther engages in double-talk, sounding vaguely against it but coming out for it every time a real strike situation is faced by a local.

The top leadership of the UAW is for the no-strike pledge for political reasons. For one reason or another, they are supporters of the Roosevelt Administration and as such are determined to maintain so-called national unity for him.

Thus, when the workers were facing the anti-union drive of Henry Ford against Local 600, and when, in order to save their local and its rights, a strike was called, the top leaders of the UAW stepped in and penalized the local leaders of the union. Threats against officers of the locals who lead "wildcats" removal

of officers as has occurred in Local 435 only recently, public condemnations, all have contributed to a weakening of the UAW.

WORKERS STRIKE FOR RIGHTS

The bosses throughout the country know only too well that the workers are against the no-strike pledge, for time and again they have ignored it when a crisis occurred. A strike was only made harder for the workers because their own leaders condemned them and forced them back to work. But the workers know out of necessity how wrong the no-strike pledge is. For that reason the representatives of big business in the halls of Congress passed the Smith-Connally bill to prevent strikes by law. After this outright slap in the face was handed to the workers, what earthly reason have they got for continuation of a "pledge"?

With the no-strike pledge as an aid, the War Labor Board went to work.

First came the Little Steel formula and with it a wage freeze. Prices kept rising. Profits kept rising. But living standards kept going lower and lower. The UAW sent case after case to the WLB for approval. The WLB stalled for months and usually came out with a decision that left the workers in no better position than they were before. But they could do nothing. The no-strike pledge held them back!

COVER UP FOR WLB

What was most galling was that the CIO sat in as part of the WLB. And even though the labor members of the WLB would disagree with the decisions handed down by the WLB, they acted as a labor cover for the miserable decisions the board handed down.

It is important to the UAW, if it desires to restore collective bargaining, to withdraw its members immediately from the WLB. Let labor have no part in its discriminatory de-

isions. The Little Steel formula must be smashed by militant action. The no-strike pledge must be ended.

Neither the Ad-des-Frankenstein caucus nor the Reuther-Leonard caucus is willing to do this at the present time. But in the ranks of the UAW the membership is not only willing but anxious. Local unions have gone on record against the no-strike pledge, against the wage freeze, for withdrawal of the labor members from the War Labor Board. It is mandatory upon the delegates to form themselves into a group to propose and advocate these necessary changes in the UAW so that the UAW may survive and grow more powerful.

End the no-strike pledge! Smash the Little Steel formula! Withdraw the labor members from the War Labor Board! (Next week we will discuss what the UAW can do about post-war jobs.)

Press Fight for Post-War Security Now! ---

As LABOR ACTION has pointed out in previous issues, the Kilgore bill was far from being a perfect bill. But it at least approached the problem of compensating the millions of prospective unemployed to a degree not provided for in the vicious George bill, stoutly defended by the reactionary press and the open-shoppers in the Senate.

To workers it meant a difference between partial protection in the form of unemployment compensation based on the workers' rate of pay, moving expenses, etc., and no protection at all.

CONGRESS DEFIES THE NATION

When the reactionary alliance of Democrats and Republicans in the Senate arrogantly chose the latter course, it dealt the entire working class a vicious blow. It sneered at facts and figures proving that Congress had more than adequately provided for the corporations in the form of billions in tax rebates. It defied labor to make what it would out of its blunt refusal to undertake the "human side" of reconversion.

This is a challenge that cannot and must not go unanswered. The leaders of labor have shown the ineffectiveness of their lobby on Capitol Hill. For all its well publicized "influence" in the Democratic Party, twenty-three Democrats lined up with twenty-six Republicans in the Senate against the Kilgore bill.

What then can labor do to obtain the kind of reconversion legislation that will provide workers and their families with the maximum amount of protection from the ravages of unemployment and insecurity?

Pass resolutions in their unions? Send letters and telegrams to their congressmen? Labor has done all that and still Congress sticks to its reactionary guns. This means: more, much more, is needed.

WHERE IS LABOR'S VOICE?

The answer to the problem lies in the fact that labor does not have a single representative in Congress—and if all the CIO and AFL supported candidates were elected in November it would still have none! The present Congress is an out-

and-out big business legislature that has enmeshed the capitalists beyond their wildest dreams. On the other hand, it has passed the Smith-Connally Act, the wage freeze, class taxation against the poor and other measures aimed against the well-being of the working class and its organizations.

The organization of an independent Labor Party, based on the trade unions, which would send its disciplined representatives to Congress to fight in behalf of the producers and not the parasites, is the road toward the correction of this evil.

Such a party could rally millions of workers, farmers, and middle class progressives to a fighting program that would insure the defeat of such insulting legislation as the George "states' rights" reconversion bill. Such a party would fight, not only for adequate unemployment compensation, but for all the things that guarantee and extend the living standards of the working class and the poor farmers.

What can be done immediately,



Sacco, Vanzetti, Labor's Martyrs, Will Be Remembered Forever

Out of the Past

By RUTH PHILLIPS

Tense crowds waited in the streets of cities throughout the world, men and women in their homes wept and cursed. Then the news reached them that all hope was gone, that on midnight August 22, 1927, the state of Massachusetts had legally murdered Bartolomeo Vanzetti and Nicola Sacco. For seven years the fight had gone on for the freedom of Sacco and Vanzetti, and for the revocation of the death sentence that had been pronounced upon them in 1921. In the eyes of millions, these two men had become martyrs to the cause of justice, a symbol of the oppression of the poor by the rich and mighty.

Before 1921, Bartolomeo Vanzetti and Nicola Sacco were known only to their fellow workers in the towns of Plymouth and Stoughton in Massachusetts—and to their employers. To their fellow workmen, most of whom were poor Italians and Portuguese immigrants, they were known as fighters for the rights of workers, as union organizers, as extreme radicals with high ideals for the future of society.

"DANGEROUS MEN"—TO THE EMPLOYERS

To the bosses they were known as "agitators," men with "dangerous ideas," dangerous especially to the profits of the shoe manufacturers of Stoughton and the rope and twine trust of Plymouth. Sacco had organized and led successful strikes of shoe workers for better wages. Vanzetti had been the leading spirit in the strike of 4,000 rope and twine workers for an increase in their six to nine dollars a week wages. It was as a result of this strike that Vanzetti was blacklisted in the industry and forced to peddle fish for a living.

The job of organizing workers into unions was a dangerous one in America after the last war; still more dangerous was it to hold and preach radical views. The success of the Russian Revolution in 1917 had frightened the American capitalist class into hysteria. They saw bolsheviks under every bed and in the mildest social idea saw a threat to their war-accumulated profits. In their controlled newspapers they whipped up the public against the "dirty Reds." At their instigation, A. Mitchell Palmer, then head of the Department of Justice, deported radicals of foreign birth, persecuted and hounded American citizens suspected of progressive ideas, and raided the offices of workers' parties, clubs and newspapers. The bosses were out "to get" men like Sacco and Vanzetti. They were waiting for a pretext.

The pretext presented itself when the paymaster of a big shoe factory in Braintree, Mass., and his bodyguard were shot and killed by a gang of bandits who made off with a \$15,000 payroll. This was one of a series of such crimes which had taken place throughout Massachusetts. It was obviously the work of professional robbers.

Fourteen months later, when Sacco and Vanzetti were brought to trial for the Braintree crime, one Judge Webster Thayer clearly prejudiced against them, presided over the court. The prosecution's case was whipped up into an anti-alien, anti-labor frenzy by the newspapers, intimidated by the powers-that-be, and prejudiced by the address of the judge. This has been proved to the hilt, many times over. It is not necessary to prove it here.

LABOR THE WORLD OVER PROTESTED

The trial lasted for seven weeks, during which the Italian workers of Massachusetts started a defense fund for their victimized comrades. As the trial proceeded, wider circles of workers became interested in the case. When the death sentence was brought in against Sacco and Vanzetti, workers, liberals and labor unions all over the country demanded a new trial.

For six long years the case went through appeal after appeal, through court after court while Sacco and Vanzetti suffered in prison. In those six years millions of people throughout the world came to their defense. In London, in Paris, in Buenos Aires, workmen demonstrated at American consulates, demanding an end to the agony of Sacco and Vanzetti. The state of Massachusetts turned a deaf ear to the pleas for justice for the common people of the world.

To the capitalist class, too, Sacco and Vanzetti had become a symbol or, more accurately, a threat. These two humble Italian workmen, through the sympathy they had aroused among the down-trodden of the world, were a threat to the rule of the exploiters. Sacco and Vanzetti must die, as an object lesson to workmen who dare to believe that the time had come for the poor to inherit the earth.

VANZETTI'S OWN BEAUTIFUL EPITAPH

During their seven years in prison, Sacco and Vanzetti were steadfast in the knowledge that through them the rule of capitalism stood exposed in all its brutality and injustice. In his last speech to the court, which will be remembered long after capitalist exploitation has vanished from the earth, Vanzetti wrote his own beautiful epitaph when he said:

"If it had not been for these things, I might have lived out my life, talking on street corners to scornful men; I might have died, unmarked, unknown, a failure. This is our career and our triumph. Never in our full life could we hope to do such work for tolerance, for justice, for man's understanding of man, as now we do by accident. Our words, our lives, our pains—nothing! The taking of our lives—lives of a good shoemaker and a poor fish peddler—all! That last moment belongs to us—that agony is our triumph!"



Introductory Offer

TO: LABOR ACTION 114 WEST 14th STREET New York 11, N. Y.

SIX MONTH SUBSCRIPTION 25¢

Name \_\_\_\_\_ Address \_\_\_\_\_ City \_\_\_\_\_

Kilgore Bill Was "Not Urgent"—FDR

While leaders of the CIO, AFL and Railroad Brotherhoods kept up a running campaign for the Kilgore reconversion bill in their national newspapers, what was their candidate for the presidency of the United States doing about the "human side" of post-war legislation?

In a news conference on a Washington-bound train, President Roosevelt, returning from his tour of Pacific war bases, told reporters that he had been in constant communication with the capital. When queried about legislation setting up post-war unemployment compensation programs, the New York Times reported, that "the President said he knew of no urgent domestic issues which awaited his arrival in Washington."

NEED REAL POLITICAL ACTION

The CIO has organized a Political Action Committee. Here is a chance, in fact, here is a crying need for genuine labor political action which would produce action in Congress. If the whole country rang with the organized protest of millions of workers gathered in meetings and demonstrations, Congress would have to sing a different song about the Kilgore bill. If the labor movement keeps quiet, or confines itself to behind-the-scenes lobbying or to casting a vote for some capitalist officeholder, even the rotten George bill will pale by comparison with anti-labor measures that the reactionaries will be emboldened to adopt. Labor has tremendous strength NOW. And NOW is the time to use it to the full.



# Cutback Tremors Shake Buffalo Labor Movement

By ERIC FLOYD

**BUFFALO**—This city, base of the third largest war-work area in the country, is experiencing what in medical terms may be described as "shock." The recent OWI report on aircraft cutbacks, directly affecting the C-46 Commando cargo plane built at the Curtiss-Wright plants, prompted the reaction. Curtiss workers and workers in hundreds of smaller plants have been jolted into asking pertinent questions, questions which the local managements, press and union officials are unable to answer. Simply stated, these questions are:

- (1) Are there going to be jobs for us when this war work is finished?
- (2) Are we headed for another depression?

## A BASTION GOES DOWN

To understand the situation here one must understand that since the beginning of the war Curtiss-Wright has been rightly considered the city's employment bastion. At its cost-plus height, the company employed approximately 40,000 workers at its two assembly and six storage and research plants. The saying up to now has been, "You can always get a job at Curtiss."

Even after the drastic cutbacks at Bell Aircraft, which employed as high as 35,000 workers, Curtiss was believed "safe." The company absorbed many of the workers laid off at Bell and other plants, and further, continually appealed for more and more workers. The fact that the C-46 was acknowledged to be a prime necessity in the eastern war theater rather than in Europe added weight to the question of production stability. So strong was this feeling among the Curtiss workers that the passing of the P-40 fighter plane into relative production obscurity went unnoticed and unheeded.

Although the stories of nation-wide cutbacks in all types of war materials created uneasiness among the workers the thought of its happening to contract-heavy Curtiss was joked into a distant future. The OWI announcement brought a sharp halt to the jokes and cut the future to the present.

## CUTBACK CONFUSION

The morning after publication of the OWI story the Curtiss management posted bulletins in the plants to the effect that the OWI had erred in its reference to cutbacks at Buffalo. It said there had been no contract cancellations, that production was scheduled to rise and that an increased effort was expected of the workers.

The local press, however, in its more detailed account of the original story, jumbled a makeshift case badly. In a maze of contradictions, it stated that present production was to be cut only to 150 planes a month.

The catch of course is that Curtiss has never made 150 planes per month and that according to an assistant superintendent at one of the assembly plants the schedule has already been cut down to 100 per month. When referring to "eventual" cutbacks to 100 planes per month (or less) it spoke in bold headlines in terms of 1945.

Buried in small type in the last paragraph the reference was to "the first of the year." At present the final assembly plant is producing more than the cutback rate of 100. The variance between the "high" figure and the cutback figure makes it apparent that any rise will come only in the next few months, if at all.

There are, of course, all sorts of rumors in play. One has Curtiss building 4,000 P-40 fighters for China and another gives supposed information on the first big layoff date. Reliable workers within the plants, however, report that production has dropped steadily in the past month and that more and more emphasis is being placed on the quantity of material received from outside contractors.

## MASS LAYOFFS AHEAD?

According to all present indications, mass layoffs (Bell did it at the rate of 500 per week) can be expected within four months. The office workers may be hit sooner. As all the workers are saying: "1945 sounds far away, but it's only four months."

During the past week the press has broken into a rash of stories designed to calm the fears of the workers. Some "prove" by the Roger Babson

method that there will be no depression in the post-war years and others boast of the tremendous (but unverified) pent-up purchasing power in the city. How this last will automatically bring a helicopter into every garage makes sad reading. As has been said, none of these fairy tales answer the immediate questions foremost in the minds of the workers.

Unfortunately, the present union leaders and only a small number of the locals have desirable programs. Curtiss shop workers are saddled with the IAM and a set of officials typical of the worst AFL bureaucratic school. The office workers in the UOPWA have a union in name only and the combination of Stalinist domination to beat. At this writing the best that can be hoped for from the IAM, when mass layoffs begin, is a solid stand on seniority rights. The UOPWA may aid in escorting workers from the plant and in line with their Stalinist measures denounce those who protest.

## WHERE TO TURN?

Some workers, not knowing which way to turn, look for comfort to relief legislation, but to the majority, in constant touch with the most modern machinery and production technique, the prospect of unemployment insurance is neither gratifying nor understandable. It is the task of the progressives within the unions to rally rank and file militancy toward programs and action patterned on that of LABOR ACTION and the Workers Party, which is a practical demonstration of correct political action adapted to the current needs of the working class.

# What Is Behind the N. Y. Times' Account of the Matteotti Murder?

A few weeks ago LABOR ACTION commented in its editorial columns on a sensational dispatch from the Rome correspondent of the *New York Times*, Herbert Matthews, offering documentary proof that Benito Mussolini was directly involved in organizing the assassination of the Italian socialist leader, Giacomo Matteotti, on June 10, 1924.

Mussolini's complicity in this cold-blooded murder of a working class leader has long been known in the labor movement and, among other things, we pointed out this fact.

However, an attentive reader pointed out a strange aspect of the *New York Times* dispatch which, we confess, passed us unnoticed at the time but which, upon re-reading the Matthews story, proves to be of key importance.

At the very beginning of his dispatch, Mr. Matthews writes:

"The solution of this murder, which shook the fascist regime and which is still so hot politically that full publication of information in this correspondent's hands would cause the gravest repercussions here, lacked one element at the time that was the key to everything."

The "key to everything" is the memorandum of Filippo Filippelli, the fascist editor, who tells the story of how Matteot-

ti was murdered and who was behind the act. It is this memorandum that the *Times* published in full on July 28. Matthews then continues:

"This correspondent has unimpeachable information that many of the Italian political opposition leaders of the time—Liberals and Communists included—knew the contents of Filippelli's memorandum. Yet nobody dared to say anything publicly. The Matteotti affair was treated generally as a fascist crime, whereas had this memorandum been read in Parliament—and there were opposition deputies who had copies of it—nothing could have saved Mussolini. Nobody dared or wanted to bring it out, so Mussolini weathered the storm..."

What is the meaning of these fairly clear insinuations?

The "Italian political opposition leaders of the time" to whom Matthews refers are, by and large, the same leaders who head the present Bonomi cabinet or are grouped around the faction of its would-be substitute, Orlando. As our readers know, we hold no brief for any of this wretched crew of impotents, bootlicks and compromisers. But regardless of our political judgment of these gentlemen, Matthews' insinuations cry out for clarification.

He is saying, in almost so many words,

that the people who make up the present Italian "government" supporting the Allies and working with them, were aware of Mussolini's complicity in the murder of Matteotti but did not speak, and thus saved Mussolini's miserable skin.

Now, either this is true—in which case the men are out-and-out protectors of Mussolini and his gang and they should at least be driven out of office.

Or it is not true—in which case Matthews is guilty of spreading a filthy slander, in an underhanded way, for obscure but sinister political reasons.

In either case—just what or who is it that prevents Matthews from being outspoken and specific? Just what would be the "gravest repercussions here" that "full publication of information" in his hands would cause? Is his silence part of a frame-up and slander campaign, or an attempt to cover up tacit accomplices in a crime, or in the concealment of a criminal which would make Matthews himself a similar accomplice, twice removed? And is the fine hand of Anglo-American imperialism pulling the strings to this story?

Whether or not the *Times* clears up these questions, we are sure that the last word has not been written on this matter. The foul smell undoubtedly rises from a foul brew.

# Michigan Politics A Sewer --

(Continued from page 1)

wipe away that stain. But this wasn't the end of their troubles. Three of the indicted legislators got themselves renominated on the Democratic ticket. And then, to top it all off, the jury convicts the whole lot of them.

Clearly, some fast thinking was called for. And quick as you could call out the National Guard to break a strike, they found a solution. They called the three grafters into the back room and spoke to them in a fatherly way. "Look, boys," they said, "we're all good Democrats here. Can't something be done to straighten this out?" And the grafters, being good Democrats, said, "Sure, we'll cooperate."

## SWITCHING THE CROOKS

No Leo J. Wilkowski gave up the nomination on condition that his brother replace him—which was done. His brother, we are indeed sorry to

note, recently got out of the jug himself on parole. He was convicted of vote frauds.

And Frank Nowak gave up the nomination on condition that his wife replace him on the ticket—which was also done.

Now all this squabbling and bickering among capitalist politicians would be a huge joke if there were not a tragic sidelight to the affair. At the same time that all this is going on, the Michigan Political Action Committee, headed by the not-so-august August Scholle, endorses the whole Democratic state ticket from Banker Fry, who is running for Governor, down. The same Democratic Party that deals with convicted grafters, that is so discredited in Michigan that it can't find candidates for all available offices, this party gets the endorsement of the CIO bureaucrats and the brass-hats of the United Auto Workers!

# How the Allies Aid Hitler Rule --

(Continued from page 1)

this alternative evil. To facilitate his last-ditch mobilization of the Germans, Hitler need only cite to them what the Allies have already said they plan for Germany and its people on the day they are defeated.

Hitler's grotesque lies before the Nazis took power in Germany, and before the war broke out, were believed only by a minority of the German people, and not by the intelligent or informed minority. But a German, be he Nazi or anti-Nazi, intelligent or ignorant, has no ground for hesitating to believe—not what Hitler and Goebbels say about Allied plans, but what the Allies themselves say about them, in vague outline form, or as rumors in the beginning—at Casablanca, at Moscow, at Teheran, at Cairo.

## DEMAGOGUES ALL

What the Allies said in the Atlantic Charter served no other purpose than to throw a veil of hypocritical, high-minded phrases over their actual plans. Like Hitler's lofty speeches about the "new order in Europe," it merely concealed the real aims, and was meant for gullible people. The real aims began to appear, at first in vague outline, in the form of rumors, and then more clearly, as the Al-

lies went from conference to conference: Quebec, Casablanca, Moscow, Teheran, Cairo London, and now at Dumbarton Oaks.

What the Allies are beginning to say bluntly now only confirms our predictions:

Germany is to be occupied militarily by the three big powers. She is to be dismembered, carved up into a number of small, helpless states incapable of sustaining life on a decent plane. Parts of Germany are to be detached altogether and incorporated under the rule of other countries. Millions upon millions of Germans are to be sent to other countries as slave-laborers. A back-breaking tribute is to be imposed upon the German people. Their industries are either to be taken from them whole and transported elsewhere, or their operations suspended altogether. The Allies aim to accomplish by sheer military force what American imperialism sought to do by its great economic power after the First World War, namely, reduce Germany to a Balkanized colony.

This mad plan can mean only one thing: chaos, not order, in Europe, and fertilizing the soil of a Third World War even more surely than the infamous Versailles Treaty fertilized the soil of a second.

## ALLIES FEED GOEBBELS' MILL

We shall dwell on this on another occasion. What is to be emphasized here is that this madness has not been concealed from the German people. On the contrary! Hitler-Goebbels are working night and day to drum it into the minds and hearts of the Germans. They say: "This is the fate in store for you if we are defeated. It is not just us leaders the Allies are after, but all of us. The Allies only confirm what we, Hitler & Co., have been saying all along, that the fates of you, the people, and we, the masters, are interlinked. They mean to cut us all to pieces, to paralyze us economically, to reduce us to slavery, misery, poverty and alien rule. Against this, we must fight to the bitter end."

Hitler's greatest aids sit in Washington, London and Moscow! They are doing everything in their power to delay the inevitable revolution in Germany which can not only bring real peace, prosperity and freedom to that land, but contribute mightily to the peace and freedom of the whole world. They are doing everything they can to prolong the war. Hitler could not ask them to play into his faltering hands more completely than they are doing now.

# Mr. Minor, This War Is NOT Like the Civil War of 1861

By W. F. CARLTON

The events in Philadelphia are recognized on all sides as being of great significance in evaluating the present situation of Negroes and their future development.

To twist these events to suit their own perverted policy, the Stalinists are now twisting the history of the Negro people. In the *Daily Worker* of August 11, Robert Minor writes an article entitled "Like the Draft Riots of '63." He tells how, ten days after the defeat of Lee at Gettysburg in 1863, political gangs were organized by Fernando Wood, the defeatist former Mayor of New York. They captured and held New York and 1,000 people, most of them Negroes, were killed.

First, this "history" slanders the people of New York. What Minor says is misleading in the extreme.

## ROOTS OF ANTAGONISM

Organized labor was supporting the Republican Party and Lincoln by 1863, supporting them fully. But the Southerners who dominated the old Democratic Party had always had a following among the unorganized in Northern cities. These were very often immigrants, and in New York the immigrants were chiefly Irish. They were the ones who suffered from and feared more the danger of Negro competition in industry. Into this situation came the high prices and profiteering of the war, exasperating everybody. Finally the government was allowing rich men to buy off military service. The attempt to enforce the draft provoked riots, but it was especially the Irish masses who formed the mob. The German immigrants noticeably held off.

Nobody expects Minor in a newspaper article to tell the complete story, but at any rate it should not be told

in a way that gives a false impression of what happened.

## THE CIVIL WAR IN AMERICA

In reality, the Civil War was one of the greatest and most progressive wars in history. Its very name, civil war, tells us that it was a REVOLUTIONARY WAR, a war between contending forces in the same country. It destroyed chattel slavery. It abolished the threat of a divided America. After the Civil War the United States economy lifted this country into its present place as the most powerful nation in the world. Imagine what the United States would have been like today if slavery had continued in the Southern States.

Today we have arrived at a stage where the capitalist economy is as rotten as was the slave economy of those days. Robert Minor and his associates of the Communist Party (we beg their pardon), the Communist Political Association, have in days gone by told us the horrible truths about capitalism. The Civil War today which would correspond to the Civil War of 1861 is a war between the only progressive class today, the working class, and the enemies of progress, the capitalist class. And just as the Negroes fought with the capitalists who were progressive in those days, so today, if a new civil war should take place, the Negroes should, and we have no doubt would find themselves on the side of the workers.

But today we are in an imperialist war. As Minor told us up to June, 1941, i.e., when Russia was invaded, the war was being fought for imperialist purposes and could result only in increased chains and slavery for the colonial peoples abroad and greater burdens and sufferings for the American masses.

Today, however, Minor has the nerve to say: "The United States is passing through the early stage of a transition of its inner life, inevitable, long overdue and absolutely necessary for its stability, safety and prosperity."

This is a bare-faced attempt to make the Negroes believe that some sort of revolution is taking place in the United States today and therefore they must support the Roosevelt government, which is leading this revolution.

Here we have the crudest and most dishonest perversion of history. Minor brought in the draft riots only to help make the imperialist war into a revolutionary war. The Roosevelt government is as revolutionary as a dead fish. It is the government of Jim Crow. The Negroes had to threaten a march on Washington before the FEPC was formed. The Roosevelt government did not dare to make even a declaration of principles in the convention of the Democratic Party. For a Vice-President it had to take Missouri's Truman, to please the Southerners. Southern congressmen are high up in its councils. The New Deal, after seven years, still could not get rid of ten million unemployed. Roosevelt himself says that the New Deal is dead. Where is this "transformation... of inner life" which characterizes the government? All Minor means is that Roosevelt is allied with Stalinist Russia and to maintain this alliance the Communist Party will bamboozle the working class, break strikes, urge incentive pay, try to make the Negroes believe that Roosevelt is their savior. For this purpose they pervert history and create a revolutionary transformation in America at the typewriter.

## GUARDING HISTORY FROM THE LIARS

Negroes, very rightly, make a study of Negro history. They have had to rescue it from the lies and perversions of the capitalists. Now they have to guard it from the lies and perversions of the Stalinists.

We can sum up the main lesson of that history. It is this: to free the Negroes from chattel slavery, a revolution was needed, a revolution that put the capitalist class in undisputed economic and political power. To free the Negroes from the crimes of capitalism, a revolution is needed—one that will put the working class in full economic and political power. Only a renegade revolutionary like Minor and a renegade party like the Communist Party (we beg their pardon, the Communist Political Association) can pretend that this imperialist war is a revolution.

The Communist Party was founded to lead the American workers' revolution for socialism and to struggle against imperialist war. Today they are the loudest and most active supporters of imperialist war and bankrupt American capitalism which can only employ the full population in wartime. The Negroes should realize that the indispensable party for militants who see clearly the past and future of this country is not the Communist Political Association, which is ashamed even to call itself a party, but a great mass party of labor—the organized workers and their allies of the office and the farm.

The Workers Party is the rallying ground for all whites and Negroes alike, who see the need for a Labor Party and the equal need to expose the lies, current and historical, of the renegade Communist Party.

# Senator Backs Race Strike

The Jim Crow strikers on the Philadelphia transportation system were defended on the floor of the Senate in a seventy-minute speech by Senator Richard B. Russell, reactionary Democrat from Georgia, known for its chain gangs and lynchings.

Senator Russell blamed the whole situation upon the Fair Employment Practices Committee, which had ordered the PTC to cease discrimination against Negroes.

He claimed that the FEPC was hiding behind the war emergency to "change social relations and conditions." He termed the FEPC "the most dangerous force in existence in the United States today."

Needless to say, Senator Russell, despite his view on Negroes and the FEPC, supports, along with Hillman, Murray, Quill and Browder, the re-election of President Roosevelt.

## Labor Action Book Service

114 West 14th Street, New York 11, N. Y.

### BOOKS AND PAMPHLETS ON SOCIALISM

**The Communist Manifesto**

By Karl Marx and Frederick Engels..... .05

**Socialism, Utopian and Scientific**

By Frederick Engels, cloth bound..... .60

**The Class Struggle**

By Karl Kautsky..... .60

**Basic Principles of Socialism**

By A. S. Sachs..... .30

**Plenty for All**

By Ernest Lund..... .10

# C. P. Book-Burners Ply Trade on West Coast

Editor of Labor Action:

I wish to inform you and all the readers of LABOR ACTION of the outrageous and anti-democratic actions of the president of Local 1-13, of the ILWU, Bill Lawrence.

I was distributing LABOR ACTION outside the hall of the union meeting, and also present were some girls distributing *The Militant*. We were peacefully handing out our papers to the longshoremen, who have been receiving them for several years, when the president, Bill Lawrence, came over to me and asked me my name in a very belligerent tone. I asked him why he wanted it and he replied that he might want to report it to the Intelligence Department, and that he was keeping a file on the people who distributed this literature.

I pointed out to him the fact that and that I have a legal right to distribute. I also pointed out to the

men who were standing around that that kind of talk sounded just like a company flunk who stooped every time the men try to organize or fight for their rights. He certainly didn't sound like a union leader, who is supposed to be the best champion of democratic rights for minority groups, especially those which are pro-labor.

He threatened to take action to see that I couldn't distribute the paper again there. Now, I believe that Mr. Lawrence or any other man or woman has a right to disagree with LABOR ACTION or any other paper that is published, but I also believe that I have a right to distribute that or any other labor paper without intimidation and threats.

I should like to point out to the LABOR ACTION is a legal paper, members of Local 1-13 that the majority of them read the paper regularly and should fight any threats to

have it taken away from them. And I should, also, like to point out that it is up to the union movement to be the staunchest and firmest fighters for democratic rights. The CIO has made many protestations regarding its hatred for fascism and fascist methods. It is a sad fact to record that a local president of the CIO himself should adopt these methods.

## A LESSON TO REMEMBER

The lessons that German fascism taught us should be remembered by all workers. The book-burning and suppression began with the revolutionary groups and minorities of all sorts and ended up with smashing the entire organized labor movement. Every step toward the suppression of LABOR ACTION is another step toward crushing the labor movement.

I should like to mention briefly some of the accusations Lawrence

made against LABOR ACTION on the floor of the meeting a few minutes later. First, he said that LABOR ACTION accused the ILWU of strike-breaking in the Montgomery Ward strike. He said that this was a serious accusation, implying that it was untrue. I think it can be proved beyond any shadow of a doubt that the accusation made by LABOR ACTION is absolutely true, and LABOR ACTION was not the only paper to say so. The Michigan CIO News, an official organ of the CIO, made the same accusation, with absolute justification.

He then proceeded to explain that the reason LABOR ACTION is for a Labor Party today is because it is anxious to see Hoover and his representatives elected.

## AGAINST ALL BOSS PARTIES!

Now, I have been reading LABOR ACTION very carefully and I think

that perhaps if Lawrence read it as carefully he would see that it is opposed to Dewey, Hoover and the entire Republican Party and always has been, as well as to Roosevelt. It has explained why over and over again, and I think it can be safely stated that there are many honest militant workers who agree with LABOR ACTION wholeheartedly in its opposition to Tweedledee and Tweedledum, Roosevelt and Dewey and their respective parties.

Who is fighting for the interests of the workers best, the Lawrence's, who are trying to tie us to Roosevelt and his party of Southern landlords, who rule with the noose, the whip and the poll-tax, or LABOR ACTION, which tells the truth about BOTH capitalist parties and tells workers to organize their own party just as they organized their own unions?

R., San Pedro, Cal.



# Editorials

## Soak the Rich for Unemployment Benefits

In the discussion on the Kilgore bill, Senator Millard F. Tydings of Maryland asked this crushing question:

"How are we going to raise the money to pay unemployment benefits—by taxes or through borrowing?"

Senator Kilgore replied: "We shall raise it in exactly the same way we are going to raise it to pay billions on refunds to corporations and many more billions on contract terminations."

Both the question and the answer are interesting.

Senator Tydings did not ask: "How are we going to raise the money to pay the du Pont Corporation its huge profits for the glorious opportunity we have given it to defend its country in the war. Because the senator profoundly believes that the du Pont dynasty represents the very pinnacle of the democratic ideal, and that civilization, society and Congress exist to keep a thick layer of fat around this dynasty. Such a question could never pass his lips, and it never has."

Senator Kilgore's retort was not a bad debaters point. But as a sound answer, it is even less than inadequate. If he meant it literally, the answer would read: "We will raise the money for unemployed benefits at the expense of the working class." Because it is in "exactly the same way," that is, off the backs of the workers, that money will be raised "to pay billions on refunds to corporations," etc.

### Labor Party Needed

The Kilgore bill is not OUR idea of the kind of legislation that is needed. What is needed in the first place is legislation that provides planned security for all. Planned security for all means not so much unemployment relief, but jobs for all at the high wages which an advanced country like the United States makes easily possible. The Kilgore bill does not concern itself at all with providing post-war jobs for all. It is merely an unemployment relief measure. Thereby its author shows how even the most progressive of the capitalist politicians take widespread post-war unemployment for granted. They really do not believe a single word of all the talk—their own talk included—about high production rates, and jobs for all, after the war.

However, with all its weaknesses, inadequacies and compromises, the Kilgore bill attempts to make some provisions for the coming unemployment, and the rotten, reactionary attempts to kill the bill must be met by the organized militant resistance of the entire labor movement. If labor allows the reactionaries to defeat even such a weak bill, what will the reactionaries do with labor's more ambitious plans for the future?

Yet, the question asked by Senator Tydings remains to be answered. In fact, the failure to answer this question correctly can easily turn the

Kilgore bill into a burden on the working class as a whole by making IT pay for the unemployment crisis.

The Workers Party, in the platform it recommends for adoption by the labor movement and the coming Labor Party, has an answer:

First: Expropriate the "Sixty Families"—the plutocratic three per cent of the population who own ninety-six per cent of the national wealth. The government does not hesitate to draft millions into the Army and "expropriate" their very LIVES when it claims the nation needs to do so. Why cannot the plutocratic "Sixty Families," who are the backbone of every reactionary movement in this country, be expropriated not for the purpose of spreading death and destruction throughout the world, but for the purpose of maintaining life? Their wealth comes entirely from the exploitation of labor, plus outright plunder. High time labor got a "refund" from the blood and sweat that was coined into money.

### 100 Per Cent Profit Tax!

Second: A one hundred per cent tax on all war profits above a five per cent maximum on invested capital. Immediate renegotiation of all war contracts to cut the fabulous profit to this level. The big monopolistic war profiteers are the most shameless body-snatchers in all history. These scoundrels have the colossal impudence to speak continuously about labor being unpatriotic. But they themselves? For all they care, the soldiers can rot in the field unless they get absolute government guarantees that new plants and machinery are provided, for which they pay not one cent, unless raw materials and labor are provided, unless a paying market is provided, unless the most fabulous profits in history are assured and underwritten, and unless their post-war profits are equally guaranteed! Isn't five per cent profit on invested capital enough for these blood-sucking "pay-triots"? We ourselves think even this is unnecessary, because we are socialists who believe in and fight for a society based on production for use, not for profit. But surely, five per cent is enough, above all in wartime, when we are told everybody must make sacrifices in "defense of the nation." Anything above that—take it away!

### \$25,000 Income Ceiling

Third: A \$25,000 ceiling on total individual incomes. President Roosevelt talked about such a ceiling, but nothing whatsoever has been done about it. Roosevelt, Congress and capital don't merely talk about ceilings on wages. They DO plenty about them. They fix them, they fix them low, and they keep them there. That is what is known among jokesters as "equality of sacrifice." The capitalist hypocrites, their editors and scribes, piously repeat that "the boys in the foxholes" don't get high union wages. Too bad they don't,

we say. But neither do they get the kind of tremendous incomes enjoyed by the big monopolists, profiteers and speculators. Cut them down to a \$25,000 maximum! If they live right they can manage to exist on \$500 a week!

Fourth: A graduated capital levy on all accumulated wealth over \$50,000 to cover war costs and provide post-war security for labor. This proposal is not very radical, all things considered! It is not as "radical" as the "levy" on body, limb and life which the government undertakes when it drafts millions into the Army. What the now widely accepted graduated income tax is to incomes, the graduated capital levy is to accumulated wealth.

### A "Relief" Bill

All these proposals are frankly directed at the big capitalists. Why not? They have broad enough shoulders, economically speaking, to carry such a burden, and still live a life of ease. The economic shoulders of labor are too weak—and are kept too weak—for it to carry any serious tax burden.

The platform of the Workers Party points the road to the correct solution of the problem raised in Senator Tydings' question. The money CAN be raised, in ample amounts. It can be raised without backfiring on the working class itself, which is supposed to be saved.

Will Senator Tydings agree to our proposals? No, he loves and admires du Pont too much, and all that du Pont stands for. Will Senator Kilgore agree? We more than doubt it. But there is no earthly reason why labor itself should not agree, however. It is a labor program from A to Z. Labor can make it a living reality. The tool for transforming the program into life is militant, working class independent political action, based on a fighting party that is labor's own. All the vital problems of the workers lead up to the same point.

## LABOR ACTION

A Paper in the Interests of Labor

Published Weekly by the  
LABOR ACTION PUBLISHING ASSN.  
114 West 14th Street New York 11, N. Y.  
(Third Floor)  
Vol. 8, No. 35 August 28, 1944  
ALBERT GATES, Editor  
T. R. COBB, Asst. Editor  
Subscription Rate: 60 Cents a Year  
75 Cents for Canada, New York and Foreign  
Re-entered as second-class matter May 24, 1940,  
at the Post Office at New York, N. Y., under the  
Act of March 3, 1879.

# Stalin Leads Wolf Pack In Shameful Lust For Blood of German Workers

By J. R. JOHNSON

The Soviet government and its American satellite, the Communist Political Association, are now carrying on a campaign against the German workers which is as shameless and criminal as anything the war has so far produced in that line.

This is Mike Gold in the Daily Worker of August 18: "... The blind, bloody German ass is visibly weakening under the terrific load piled upon him by his mystic Fuehrer and mule-driver."

A little later he says: "Hitler and Goebbels tried to make the Teuton jackass at home and abroad believe that they could take a sort of tragic pride in the Stalingrad debacle, as much as did the British after Dunkirk."

The article is short, but Gold found room for this:

"This week from a Russian prison the field marshal [Von Paulus] spoke over the radio to all the punch-drunk German fools in the army or struggling against dark doubts on the home front."

"Blind, bloody German ass; Teuton jackass at home and abroad; punch-drunk fools in the army or on the home front."

Few of the columnists in the capitalist press have ever sunk to this level. But even if they did, it would only be another proof of the degradation of capitalist society. This Gold, a Communist, once a member of Lenin's Third International, in a paper called the Daily WORKER, abuses the German workers in terms comparable to those Hitler has used about the Jews, and takes exceptional care to show that he means not only the soldiers in the field but the workers at home.

Mike Gold is only following Ilya Ehrenburg, the Russian author and war correspondent. A few weeks ago this Stalinist "ace" writer said that there were no longer real men and women in Germany but only Fritzes and Gretchens.

### WHY RUSSIA GETS THAT WAY

The Russian state and its agents abroad are not behaving like this merely because they are no longer socialists, and no longer have any use

for the international solidarity of the working class. No; they have long lost all connection with international socialism. But this wild-eyed, founting abuse of the unfortunate German workers is to whip up the lynch spirit on a national and international scale. They want to have the German people completely at their mercy.

The same Ilya Ehrenburg recently wrote a long dispatch, published in PM on August 13. It was a list of atrocities and it ended with this:

"We want to carry a sword through Germany so as to kill the Germans' love of the sword forever. We want to go to their country so they never again will come to ours."

And as if this were not enough, he rises to a scream of sadistic anticipation: "And I know that soon we will be on a spree."

Yes, those are the words: "on a spree." This is the Stalinist solution to the German problem!

How official it all is receives further proof in this same article. It ends: "And when I, like all of us, am filled with intolerable grief, I support myself with the splendid heartening words: 'Stalin won't forget this.'"

### THIS IS STALIN SPEAKING

An ancient Hebrew would more easily have uttered the name of Jehovah than would Ehrenburg take the name of Stalin so pointedly in this connection, without consciousness that he was following an official line. Such sacred names are not taken in vain.

On Sunday, August 20, Ralph Parker, PM correspondent, published a long dispatch dealing with the "Soviets' first war aim: Destroy Prussianism."

The writer gives the latest doctrine of these Russian rulers, enemies of socialism, and shows their criminal responsibility. He says:

"It was not easy for the Soviet mind to grasp the conception that the German people more or less as a whole bore the responsibility for the war. I remember that when I arrived in the Soviet Union in the fall of 1941 there were many people who raised their eyebrows when Ilya

Ehrenburg omitted the word Hitlerite when he referred to Germany as the enemy."

But the crimes of the Nazi war machine gave the rulers of Russia their opportunity. The argument, according to Parker, is that the German people have talents and gifts, but that they have a fatal tendency to follow reactionary leaders. They showed it when the middle classes turned against the peasant revolt in the sixteenth century. They showed it, so the argument runs, in the barbarism of the Thirty Years' War of the seventeenth century; they showed it by maintaining conscription after the defeat of Napoleon in 1815; they showed it after the revolution of 1848; after 1918; and in 1933 by following Hitler.

Thus the German people are condemned for their behavior during the last four hundred years. The Stalin regime therefore proposes to destroy the main enemy, Prussianism.

### STALINIST VANSITTARTS

Only Vansittart in Britain has sunk so low. When the British Labor Party in 1943 so far forgot itself as to condemn the German workers, bracketing them with Hitler as being responsible for the war and the Nazi crimes, such a protest arose in Britain that the party had to retreat.

The American working class, whatever its internal political differences, should utter a resounding protest against the degradation of all social values and common decency represented by writing of the type now practiced by Ehrenburg and Mike Gold. It is an imperative duty above all to let the full weight of working class indignation fall upon Mike Gold, the Daily Worker and the Communist Party for dragging the best traditions of American labor into the mud and filth of Stalinism.

Those who work at one bench or on one production line should not tolerate for one single moment a so-called Communist Association calling workers on another bench or another production line "mule, bloody German ass, Teuton jackass, punch-drunk German fools" and, worst of all, look forward to the torture of a whole nation as going "on a spree."

# GM Workers Slugging It Out With Bosses and WLB!

By MARTIN HARVEY

DETROIT — The second strike of workers in the Chevrolet gear and axle plants in a month was ended at the insistence of Walter Reuther, a UAW-CIO vice-president, and Melvin Bishop, international-appointed administrator over the Chevrolet local, without settlement of the union's demands.

The men had walked out after a one-day return to work when the promise that local union leaders would not be fired proved to be a phony and seven men, including Nestor B. Dessey, former president of the local, were discharged by the company.

The union charged that General Motors had violated the Regional War Labor Board directive to end the first strike by its refusal to rehire these seven men. The WLB, however, running true to form, backed up the company. The WLB action so exposed the so-called impartiality of the "public" members of the board that the labor members, including CIO and AFL representatives, issued

a public statement condemning their action.

The statement charged that the public members' decision betrayed "the confidence that thousands of war workers in this vicinity have reposed in the WLB. The decision will, to a major extent, destroy their hopes for a peaceful and just settlement of labor disputes." Of course, many more thousands of workers in the Detroit area never had any confidence in the WLB, graveyard of labor grievances; but even this mild criticism is enough to raise the question of what the labor members were doing on the WLB in the first place.

As things now stand, whatever confidence labor has in the WLB comes from the presence of labor leaders on that reactionary body. The unions must get their people off the WLB and destroy completely the myth of impartiality which the WLB uses to make its anti-labor decisions acceptable.

Walter Reuther, put on the spot by the double-cross which his policies had made possible, immediately ran

to the National War Labor Board for a review of the case. The answer, of course, was the same. The discharge of the seven men would be arbitrated after the men went back to work.

### REUTHER'S WORDS, ACTIONS

The activity of Reuther during the strike consisted of pretty words—but not so pretty actions. In one of his statements Reuther charged that "it is becoming increasingly apparent that the corporation is using every pretext to weaken and undermine the UAW-CIO in the hope of destroying its power in the post-war period." It is gratifying that what was as plain as day to every auto worker is finally becoming "increasingly apparent" to Reuther. "However," Reuther added, "the workers at the plants should not fall into this corporate trap." And what is this corporate trap? Nothing more than the no-strike pledge which makes it possible for the corporations to fire union leaders without any fear of reprisals.

The no-strike pledge is the chief weapon of the corporations in undermining and weakening the union. And who led the workers into this trap? Why, none other than Reuther and his brother brass-hats in the UAW and the rest of the labor movement. This was made amply clear by the actions of Reuther in the Chevrolet strike. At the same time that he charged the company with trying to undermine and weaken the union, he asked the men to go back to work without having their grievances settled. It is no wonder that Walter Reuther is widely known as the No. 1 expert in double-talk.

### UAW FACTIONS ALIKE

Coming just before the UAW convention, Reuther's actions in the Chevrolet strike should end for all time the belief that there are fundamental differences between the Reuther and Addes factions in the UAW. Both are equally responsible for the infamous no-strike pledge, for upholding the War Anti-Labor Board and for selling labor down the river in politics.

Fortunately, at this convention there will be a third group to which militant union men can give their support—the new Rank and File caucus which was organized by progressive UAW locals from Detroit, Flint and Lansing. The Rank and File caucus is the only group in the UAW that can smash the no-strike pledge, end company union policies and remove from office dictatorial officials who do not hesitate to remove from office elected local union officers (as in Chevrolet Local 235 and Chrysler Local 459) in order to put over their anti-union policies.

## The Bretton Woods Conference

# THE PLUNDERBUND AND ITS PLUNDERFUND

By MARY BELL

(This is the first of three articles on the Bretton Woods Monetary Conference.)

If a union member rose on the floor of a union meeting to discuss the recently concluded conference of Allied nations' representatives at Bretton Woods, N. H., he would be faced with yawns or boos and probably be called out in order for discussing something that had nothing to do with union business.

Yet the Bretton Woods agreement may have an effect in determining whether union members go back to apple-peddling, whether coffee-burning in Brazil and ploughing-under of corn in the United States occurs when the cupboard is bare again.

The conference, composed of delegates from forty-five nations, white men and black, yellow men and brown, met to consider the problems of world-scale post-war financing. The conference drew no color lines, but it drew an unmistakable class line: no working people's representatives participated. But they decided on matters that affect us. Therefore, we must translate the complex language of international money experts into that of our own needs.

### ALLEGED AIMS OF AGREEMENT

Presided over by U. S. Secretary of the Treasury Morgenthau, the conference proposed to establish an international monetary fund, a pool of United Nations' money of \$8,800,000,000, and a Bank for International Reconstruction and Development to the tune of \$9,100,000,000.

The original fund and bank plan originated with the United States. The dominion of the U. S. was obvious throughout the conference. Not only did the U. S. have the chairman, the conference was held here. America's contribution to the fund more than doubled that of the nearest competitor, Great Britain, and her share in the bank is thirty-six per cent of the total of all participating countries combined.

Of the conference, Henry Morgenthau said: "The purpose is very simple, wholly within the American tradition and completely outside political considerations. The United States wants, after the war, full utilization of its industries, its factories and its farms, full and steady employment of its citizens, particularly its servicemen, and full prosperity and peace. It can have them only in a world with a vigorous trade."

Again on the parley's aims, Morgenthau stated: "We are to concern ourselves here with the essential steps in the creation of a dynamic world economy in which the people of every nation will be able to realize their potentialities in peace; will be able, through their industry, their inventiveness, their thrift, to raise their own standards of living and enjoy, increasingly, the fruits of material progress on an earth infinitely blessed with material riches. Prosperity has no fixed limits... the more of it that other nations enjoy, the more each nation will have for itself." So much for the alleged high-sounding aims.

### INTERNATIONAL "NEW DEALISM"

One of the stated aims of the U. S., and its actual need, is for a thriving post-war world

trade. "Whereas in the five pre-war years, U. S. exports amounted to three billion dollars, in the post-war years we must have seven billion dollars of exports or accept a depression," stated one of the conferees. In order to trade, there must be a period of stability, and other nations must have the wherewithal to buy products.

The other powers represented at the conference, England, France, Russia, China, etc., all have as their primary aim the rebuilding of their war-devastated economies.

How are the fund and the bank supposed to solve these problems? The Stabilization Fund is a kind of international Office of Price Administration. It would try to prevent underselling, accomplished through "competitive depreciation of currency," as was done in depression days due to the shrinking world market.

The aim of the World Bank, also couched in a catchword of the Roosevelt regime, as Morgenthau expressed it, would "drive the usurious money-changers from the temple of international finance." It would make long-term loans at relatively low rates of interest, or back loans of private investors. If a default on a loan occurred, the bank would make good. Will the conference do what it proposes—by harmonizing world trade, assure peace everlasting and plenty for all? This question can be answered only by looking at world trade as it exists today.

### THE WORLD WE LIVE IN

We live in the era of monopoly capitalism. By this we mean that in a few advanced countries, such as the United States, England, Germany, huge manufacturing enterprises and much of the farm land is in the hands of a few owners. Instead of many small, competing firms, we have a few giants controlling the market, as exist in auto, coal, steel, rubber, etc. And control is reduced to fewer hands through control by financiers of more than one company, thus largely eliminating competition. The workers have nothing but their ability to labor and, periodically, jobs. This is what LABOR ACTION means when it says the Sixty Families own and control America. The same situation exists in other countries.

Now, these profiteering monopolists squeeze dry their home populations. They produce as cheaply as they can, pay as low wages as they can, and sell at a profit. A time comes when the home market is exhausted, and they can't make a profit at home. So they go abroad.

In the past, before the world was divided up and possessed by the powerful nations, they obtained these markets for their excess goods and money by outright robbery, cheap goods to crowd out competitors or small wars. Now, since the world is an economic unit and all of it is under the ownership or control of one or another group of capitalist powers, a world war is the inevitable outcome of this struggle for markets, for land, for raw materials.

Depressions today are the result of monopoly capitalism. Home markets become exhausted. The fight for world markets becomes intense. So many powers fight for the same thing that, in time, the world markets are also glutted. The monopoly-capitalist stops producing, since no possibility of making profits exists.

The capitalist is slightly inconvenienced, too. He has his accumulated billions to weather the hard times, of course, but the golden stream of prosperity profits has been reduced to a mere trickle. This condition always gives rise to sharper competition between the capitalist powers, each trying to emerge from the crisis at the expense of the others.

### WHY THE PLAN WON'T WORK

How can the fund and bank prevent depressions and assure prosperity through expanding world trade?

Example: England borrows from the bank to rebuild its damaged industry. She starts producing again—iron, steel products, rubber goods, etc. The loan comes due. Can she pay by exporting her manufactured goods? She can't send them to the U. S. We already have them. South America? The U. S. gobbled up that market through producing cheaper than England, and taking advantage of her earlier preoccupation with war. India? India already is owed four billion dollars by Britain. Asia? She conflicts with U. S. interests there.

The only way England can pay her loan is to lower the prices of her goods and consequently lower the wages, raise the taxes and depress the standards of the English workers.

Another example: India wants to participate in vigorous post-war trade. England owes India over four billion dollars for war goods. By Empire agreement (the sterling bloc), India cannot use her credit to purchase elsewhere except in England. But England has nothing to give India.

S. A. D. Shroff, representative of the Indian delegation at the conference, proposed that four billion dollars of British indebtedness to India, represented by this blocked sterling, be converted into American dollars at the rate of forty to sixty million dollars a year. Shroff compared India to "a man with a billion dollars in the bank balance but not enough money to pay his taxi fare." Britain refused to unfreeze Indian money in a statement by her monetary seer, J. M. Keynes, who said Britain had fought the war "on the principle of an unlimited liability and reckless disregard of economic consequences." England needs the Indian market and Indian goods and will not release its hold.

These two examples suffice to show that no world prosperity will issue from the Bretton Woods agreement. The United States, financial and therefore political master at the conference, can expand its trade—at the expense of the workers of the rest of the world. But by depressing other nations, she will eventually find herself without a market.

The old days of "Prosperity is just around the corner" will be with us again.

(Next week: Mechanism of bank and fund, and U. S. domination.)

## Labor Action Book Service

114 West 14th Street, New York 11, N. Y.

### BOOKS AND PAMPHLETS ON SOCIALISM

#### Class Struggles in America

By A. M. Simons ..... 1.50

A short history of the origins of the workingmen's struggles in the United States. Sixty-four pages.

#### The Civil War in the United States

By Karl Marx and Frederick Engels..... 2.50

Correspondence of the founders of modern socialism relating to the issues raised by the Civil War, slavery, the working class movement, etc. 325 pages.

#### Labor in Modern Industrial Society

By Norman J. Ware ..... 1.50

A history of labor in the United States, 1895 to 1935. 561 pages.