

The New _____ **INTERNATIONAL**

DECEMBER • 1945

UAW vs. GM

THIS IS NO ORDINARY STRIKE

An Editorial

Can Fascism Be Suppressed By Law?

Two Points of View: By James Barrett and Harold Draper

MAX SHACHTMAN:

Pre-War Perspectives And Post-War Realities

An Analysis of the Politics of the Fourth International

Behind the Pearl Harbor Expose.....Emanuel Garrett

Is Full Employment Possible?.....David Francis

Economic Basis of the Black Market.....Susan Green

How PAC's Strategy Worked Out.....Eleanor Mason

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Editor: MAX SHACHTMAN

Managing Editor: ERNEST ERBER

Business Manager: PAUL BERN

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MEMO TO OUR READERS

The circulation of THE NEW INTERNATIONAL is gradually taking an upward swing. Our subscription drive initiated in the November issue has started out slowly but promises to reach the goal of 500.

An additional month though would be a great help in attaining our goal of 500 subscriptions. We are therefore extending the drive until February 1, 1946.

This issue of THE NEW INTERNATIONAL is being mailed to every subscriber of *Labor Action* as a sample copy with an appeal for a subscription. We hope the readers of *Labor Action* will take advantage of this special offer and subscribe. THE NEW INTERNATIONAL is the magazine companion of the weekly newspaper, *Labor Action*.

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PAUL BERN.

EDITORIAL NOTE

The "Correction" published in the preceding issue concerning the article by Comrade Arlins on the "International Significance of the English Elections," seems to have created the unfortunate impression that the Editorial Board takes no responsibility for the article. This is not the case. The Workers Party, and the Editorial Board of THE NEW INTERNATIONAL, have not yet taken a position, one way or the other, on the specific theory of Comrade Arlins and the comrades of the German section of the Fourth International (IKD) which is commonly referred to as the "theory of retrogression." This fact was, as our readers know, indicated in the editorial preface to the document of the German comrades, "Capitalist Barbarism or Socialism" which we printed as a special supplement in October, 1944. It is primarily in so far as Comrade Arlins' article deals with the theory of retrogression that the "Correction" referred to it as a discussion article. In the same sense, other articles on the same subject will be printed in forthcoming issues—including an article by Comrade J. R. Johnson—as discussion articles. However, in so far as the Arlins article dealt with the national question, we find its position entirely in harmony with our own, again as indicated in our October, 1944, preface. A similar harmony of views between us and the German comrades exists in the general estimate of the significance of the English elections and the task of the British Trotskyists. The same may be said about the criticisms made by Comrade Arlins, regardless of their severity, of the political course of the official Fourth International in Europe and in particular the course of the SWP majority.—The Editor.

THE NEW INTERNATIONAL

A Monthly Organ of Revolutionary Marxism

VOLUME XI

DECEMBER, 1945

NUMBER 9

EDITORIAL COMMENT—

UAW vs GM

This Is No Ordinary Strike A New Level for American Labor

Coen: Is the UAW fighting for the whole world:

Reuther: We have been fighting to hold prices and increase purchasing power. We are making our little contribution in that respect.

Coen: Why don't you get down to your size and get down to the type of job you are supposed to be doing as a trade union leader and talk about the money you would like to have for your people and let the labor statesmanship go to hell for a while?

Reuther: Translate that so I know what you mean. . . . I understand you think our position makes it more difficult to work out a solution because we are getting into issues here that lie outside the narrow limits of collective bargaining. Instead of talking about wages, what we want, and sticking to that, we are talking about prices and profits.

Coen: That is very well stated. Nobody else is doing that but you. You are the fellow that wants to get the publicity out of this whole thing. You want to enhance your own personal political position. That is what the whole show is about.

Reuther: I see.

Coen: Do you believe we have to learn to live fifty per cent better, or do you believe first we have to learn how to create that much more wealth? What has that got to do with dividing up profits and reducing the salaries of the people in the corporation?

Reuther: Because unless we get a more realistic distribution of America's wealth, we won't get enough to keep this machine going.

Coen: There it is again. You can't talk about this thing without exposing your socialistic desires.

Reuther: If fighting for a more equal and equitable distribution of the wealth of this country is socialistic, I stand guilty of being a socialist.

Coen: You are wasting your time and our time with all this crap.

* * *

This was strange talk for a contract-negotiations meeting between an American trade union and an American corporation. It was enough to make old Sam Gompers turn over in his grave. American labor had come a long way since he had

nailed to its masthead the slogan of "A fair day's pay for a fair day's work!"

Nor was this a freak. The spokesman of labor was not speaking on behalf of some left wing, two-by-four local, in some unimportant industry, and the spokesman of capital was not the harassed employer of a few dozen workers in some loft. Walter Reuther spoke as vice-president of the United Automobile Workers (CIO) which boasts that it is the "world's largest trade union" with over a million members at its wartime peak. Harry Coen spoke as the director of labor relations of the General Motors Corporation which is the nation's (and probably the world's) biggest capitalist enterprise with a capitalization of over two billion dollars.

The Immediate Background

The immediate economic background of the dispute was not difficult to discern. It was rooted in the wartime economy that froze the wages of labor in the midst of steadily rising prices and mounting blood profits for industry. The rise in the cost of living for the period of 1941 to 1944 was variously estimated from the CIO-AFL's figure of 44 per cent increase to the Department of Labor's estimate of 28 per cent (as of August, 1945). This increase had been covered during the war years by a lengthening work week that gave workers from eight to sixteen and more hours of overtime at time and a half. V-J Day was quickly followed by a rapid decrease of the working week that practically reduced all industrial workers to a forty-hour week. This meant a cut in "take-home pay" of anywhere from 20 to 50 per cent. The UAW has estimated that the "take-home" of GM employees has dropped from a wartime average of \$58 a week to a current \$44 a week. The drop in weekly earnings saw no commensurate drop in the cost of living. On the contrary, the steadily rising price index seemed completely unaffected by the end of the war.

A few days after V-J Day, Walter Reuther addressed a letter to General Motors stating the union's wage demand—a flat 30 per cent increase for all GM auto workers. (Some 30,000 GM employees work in electrical appliance plants and are organized by the United Electrical, Radio & Machine Workers of America, CIO.)

A Break with Traditional Philosophy

It was not the size of the increase demanded, however, that made the UAW proposals significant. The AFL's International Association of Machinists made the same demand upon a number of corporations and is at present waging a most militant strike against the Yale & Towne Manufacturing Company of Stamford Conn., to achieve it. What gave rise to the universal comment that "this is no ordinary strike" was the line of argumentation employed by the UAW and the implications inherent in it.

The UAW did not proceed from the traditional philosophy of trade unionism and rest its case for the 30 per cent increase merely on the cost of living figures. It made a significant new departure and proceeded from an argument based upon the corporation's ability to pay. The union did not merely say that labor was entitled to enough wages to live on. It also said that labor was entitled to share in the wealth produced by industry. It set forth the entirely logical (but from the standpoint of capital entirely unreasonable) demand that profits were a legitimate subject of collective bargaining.

The UAW's position flatly contradicted the capitalist economists who preached that increased wages were only possible as a result of increased profits. This capitalist theory is based upon the concept that the interests of capital and labor are complementary, that the welfare (i.e., profits) of industry meant the welfare (i.e., higher wages) of labor. The UAW proceeded from a position which had implicit within it the concept that the interests of capital and labor were antagonistic, i.e., the concept which Karl Marx established a hundred years ago and which the leaders of American labor have until now sought to deny. The UAW stated that it was the aim of labor to increase wages at the expense of profits. It took the position that if the workers continued to work at present wage rates it would only lead to super-profits for GM. The 30 per cent increase, therefore, was to be paid at the expense of GM profits.

The Issue of Prices

The union went a step further. It stated that the 30 per cent was not to be passed off to the public in the form of increased prices for automobiles. This meant a second decisive break with traditional trade union concepts. The old AFL position had been to consider prices the sole province of capital. More than that, the AFL's unions often entered into collusion with the employers to increase and regulate price levels as a means of securing a wage increase. This is a very familiar practice in the building trades industry.

The UAW stated that GM was in a position to grant the 30% increase, not only on the basis of the present prices, but could reduce prices and still make a profit. GM replied with a curt statement that it refused to make profits and prices the subject of bargaining with a union. It based itself upon the established capitalist position that bargaining with a union was the means of collectively "purchasing" labor power and no more. How much production it was able to secure from the workers on the basis of the agreed-upon rates and what prices it charged for its products were not the business of the union, according to this point of view.

But the union went even further than the argument that it was vitally concerned with GM's profits and prices. It stated that it was advancing the 30 per cent demand as a means of securing high purchasing power for labor and, thereby, contributing to full employment and prosperity for the country as a whole. "... Unless we get a more realistic distribution

of America's wealth, we won't get enough to keep this machine going," said Reuther. The union was stating that it was concerned with more than how much *its members* earned. It was concerned with the entire American economic structure. It was concerned with whether there would be jobs for everyone that would make possible the purchasing power needed to create the market for automobiles to keep UAW members on the job. This was an outlook new to an American trade union. It was fighting not only for its own immediate interests but for the working class at large and, in the last analysis, for the people as a whole. Truly, in the words of GM's Harry Coen, the UAW was fighting for the "whole world."

The position of the UAW marks a new level of *social consciousness* for American labor.

The GM-UAW negotiations open a new chapter in the development of the American working class.

Historic Roots of New Consciousness

The explanation for this new development goes deeper than the war years which gave it its immediate economic stimulus. The roots go back into the economic history of American capitalism and the political history of maturing class relations.

Never has a people suffered such major social shocks within such a compressed time span as did the American people who went through ten years of the most devastating economic dislocation followed by six years of the most feverish war activity. The worker was caught up in the most paralyzing, far-ranging mass unemployment and the most aggravated, critical manpower shortage. He saw within a short time span the signs on plant gates that read "No Help Wanted" and the nation-wide, high powered advertising campaigns for "Workers—full time, part time—all the overtime you want—no experience needed—we pay while you learn," etc. Hardly a year elapsed from the formal closing down of the Works Progress Administration (WPA) to the opening up of the War Manpower Commission with the job freeze and the wage freeze. Within ten years, from 1933 to 1943, the index of industrial activity passed from the lowest possible depths short of economic collapse to the soaring heights that surpassed previously established theoretical capacity.

No people can undergo such shocks without a resulting deep-going transformation of social outlook. The shock of the depression had already been sufficient to break the back of social and economic conservatism and usher in the New Deal with its far-reaching social reforms. The shock had already so deeply affected the working class as to give birth to the CIO and open a new chapter of American labor history. The New Deal and the CIO could hardly be absorbed into a stabilized pattern before the war again thrust the most shaking economic and political questions upon the country. The workers saw full employment replace mass unemployment, all-out production replace economic stagnation, wartime government planning, regulation and intervention replace hopeless peacetime "pump priming" experiments that failed to stimulate private enterprise. In addition, the worker had been deluged with wartime propaganda about the "better life for all" that would follow victory. Not a return to pre-war depression America, but a new, post-war America of peace and plenty was what he had been asked to win the war for.

What Workers Learned

How much has the working class learned from these tremendous experiences? They most assuredly have learned some

simple economic facts which seem so logical to them that they stubbornly refuse to reconcile themselves to any other explanation. They have learned that: 1. unemployment *can* be solved; it was done during the war, 2. poverty is unnecessary; war production showed how much this country can produce, 3. full employment and a high standard of living must be planned for by government and industry and it is their responsibility if they do not materialize.

These three fundamental lessons stood behind the demands that the UAW made upon GM. That is why discussion of full employment, "living fifty per cent better," guaranteed annual wages and similar demands is considered quite normal by the CIO members. The economic development of American capitalism had reached a stage where even the politically-backward American working class could understand that the old demands for "enough to live on" were out of season. It is this which constitutes the vast advance in *social* consciousness by the working class. They no longer accept status quo economic relationships as sacrosanct. There is a widespread feeling that "something more" is possible.

The UAW answered GM's plea of inability to pay with the demand that the corporation "open its books." Implicit in this demand was the third lesson listed above: that industry has the responsibility to provide full employment and a living wage. Implicit in this demand was the contention that whether or not GM worked at one-quarter, one-half or full capacity it was the concern of the union. Implicit in this demand was the contention that whether or not GM was financially able to pay an adequate wage could not be accepted upon its own say-so but had to be publicly established. Implicit in this demand was the contention that a private corporation was not the same as a private home ("A man's home is his castle") but rather a public responsibility and subject to public investigation for failure to discharge that obligation.

Reuther's Inconsistency

When reporters asked Reuther whether he would be willing to scale down the union's demands if an examination of the books revealed an inability to pay, he replied that he would only ask as much as the corporation's financial standing permitted. This reply revealed the hesitant and inconsistent course which the trade union leaders follow as they traverse the new grounds they have embarked upon. The revolutionary implications of their position from time to time frighten them and they retreat rather than carry it to its logical conclusion.

What is the implication of the demand that a private enterprise, privately owned and operated for private profit "open the books" and pay wages and charge prices based upon what they reveal? Hearst's *New York Daily Mirror* gave the correct answer in an alarmed editorial. It stated that this places every private industry in the category of a "public service" and makes its wages, profits and prices subject to public control. This is exactly the position which the UAW and, in greater or lesser degree, the rest of the CIO, is taking. However, Reuther, in the above reply, refused to carry this position to its full logic; namely, that if GM is a "public service" and an examination of its books reveals that it cannot pay a living wage to its employees nor sell to the public at reasonable prices, then such a "public service" forfeits its right to remain in business. The only solution for such openly avowed bankruptcy is to vest ownership in the government and control in the workers for whom the efficient functioning of this

industry is a life and death matter. This implication is inherent in the entire situation.

Rôle of the Government

Rather than point to this perspective, Reuther made a retreat and, on the very eve of the strike, called upon the government to intervene as arbitrator. GM refused to be trapped by Reuther's arbitration offer, which would have made profits and prices subject to negotiations. However, the government, in the person of President Truman, took up Reuther's call for intervention and used it as the basis for a brazen proposal that the workers go back to work while a government "fact-finding commission" made a study of the matter. Along with this proposal, Truman advocated that Congress pass legislation making such "fact-finding" procedure mandatory in strikes, along with a thirty-day "cooling off" period, during which labor was forbidden to strike.

Truman's intervention raised the whole dispute to its inevitable level, i.e., the political struggle. This was inevitable precisely because all the questions at stake are *political* questions. Subjects like profits, prices, "fifty per cent better living," "a more realistic distribution of wealth," etc., are settled, in the last analysis by whoever controls the government. Truman's intervention left no doubt as to who controls the government today. The speed with which Congress, which has only passed a single important piece of legislation in 1945, suddenly sprang into action to push through legislation to hog-tie the trade unions, likewise left no doubt as to where it stood.

The "single important piece of legislation" was the tax bill, which included the repeal of the excess profits tax with a carry-over provision that permits a corporation that earns less than its 1936-39 average during 1946 to receive a rebate of its 1944 and 1945 excess profits taxes up to that amount. Since the difference between normal corporation taxes and the excess profits tax is a difference between forty and eighty-five per cent (i.e., forty-five per cent), GM can remain closed and get a quarterly check refund from the Treasury Department equal to what it would earn in full operation. In other words, Congress passed a tax law which permits the corporations to insure themselves against any losses while strike-bound.

Where Are PAC's Congressmen?

When the present Congress was elected in November, 1944, the PAC hailed it as a great victory for labor. Today Congress is running hog-wild in an all-out offensive against labor. All the labor-baiting senators and congressmen are having a field day. Says Representative Cox of Georgia in reference to the strike wave: "The goons have got the country by the tail."

On its way through the House is the notorious Smith bill which replaces the earlier Smith-Connally law with a more effective anti-labor straitjacket. The Smith bill would take away for one year the bargaining rights of a union which struck during the life of a contract that contained a no-strike clause. It would, further, require a thirty-day "cooling off" period before any strike and would bar unions from using any of their funds for political educational purposes during election campaigns.

While this anti-labor crusade is riding high in Congress, where are the vaunted "friends of labor" whom the CIO's PAC elected last year? Where are the fearless spokesmen who will defend labor and answer the evil, foul-mouthed slanders of men like Cox? Not a voice is raised in the halls of Congress

to defend labor. Here is such crushing proof of the utter failure of the PAC strategy to elect "pro-labor" Democrats that the most thick-skulled unionist must take note.

Labor's Break with Truman

Truman's position in the battle of titans could not long remain an obscure one. The deep-seated social issues at stake in the dispute with GM forced the ten-year-old CIO-Democratic alliance to the breaking point—and break it did. Murray's stinging rebuke to Truman was supported by John L. Lewis, miners' chieftain, and William Green, doddering AFL boss, who thereby revealed he was not yet entirely senile.

Labor's break with the Democratic Administration has far-reaching importance. The ascending curve of the class struggle in America makes ever more difficult the alliance be-

tween the trade union officialdom and the Democratic Party. The breach with Truman may be patched up and the CIO may embark upon a campaign to unseat the "reactionaries" in the Democratic Party during the 1946 primaries. But the reconciliation will find no stability. The GM workers are only the first of labor's battalions on the battle field. Steel, rubber, electrical and radio and millions of other workers in the mass production industries stand poised to follow at the decisive moment. Each accentuation of the class struggle will place a new strain upon the alliance of labor with capitalist politicians.

The social, economic and political ramifications of the GM situation are most profound. Truly, this is no ordinary strike.

IS FULL EMPLOYMENT POSSIBLE?

An Analysis of Wallace's Theory

Excluding all of those workers who are now out on strike, there are at present more than two million unemployed. This is two and one half times the number of unemployed officially recorded in Government statistics just prior to V-J Day. On all sides, from Government, private research organizations and trade unions, we are being warned of the dire prospect that by next spring there will be at least eight million unemployed. It is only natural that the workers of America are concerned. With good reason, they ask: if it was possible for all to have jobs in wartime, why cannot the same be done in peace? Full employment has become our Number One domestic issue.

It is in this setting, the basic transition from a war economy to a peacetime mode of life, that the Administration has come forward with its Full Employment Bill. This Bill is the legislative expression of the slogan, "60 million jobs," raised by the late President Roosevelt in his last campaign. Chief popularizer of the slogan, which expresses in simple terms the desires of the masses, is Henry A. Wallace, Secretary of Commerce. Wallace, indeed, has written a book entitled "60,000,000 Jobs." It has become a best seller and its contents have been endorsed by numerous trade unions, particularly within the CIO.

The Truman Administration regards the so-called Full Employment Bill as one of the pillars of its legislative program. The Act was passed on September 28 in somewhat emasculated form by the Senate, but it is still described as satisfactory to the Administration. At present it is reposing in the House Committee on Expenditures, in spite of Truman's efforts to pry it loose. These "representatives" of the people, although admitting the urgency of the measure, are alleged to feel that they cannot pass judgment while the current strike wave is on.

What the future of this legislation is remains to be seen. Informed Washington correspondents believe that it has a 50-50 chance of passing in at least a modified version. The entire dispute over the Full Employment Bill, the fact that most trade unions are supporting it, and the special role of Wallace, all give rise to questions of prime importance to the workers of America and their organizations. How can we establish full employment? Why have we not had full employment before? What would be the cost of full employment? These and many related questions are really the subject matter of this article.

What Is Full Employment?

Full employment does not mean that every American between the ages of 14 and 65 will have a job or even that all those who want to work will have jobs. The term, as used by Wallace and other proponents of the legislation, is based on the accepted definition among professional economists. It is felt that at all times there will be some people who will be moving from one job to another, or will be temporarily out of work but who can reasonably be expected to obtain jobs in a short time. Wallace says in justification of his figure of 60 million jobs as the goal of full employment: ". . . 60 million jobs will provide work for all the people in the labor force in the country—except for those who at any one time are in transition from one job to another, or are in the 'frictional unemployed' for other reasons. It includes those who had jobs before the war; those who were unemployed then but have since found jobs and want to keep them; those who have been added to the labor force because of normal population growth; and those employed in the armed services." Thus, 60 million jobs is estimated as the number needed to provide full employment between 1949 and 1951. This school of thought claims that full employment existed in 1929 when there were almost two million unemployed. In other words, two million unemployed is normal in a "free enterprise" economy functioning at peak levels.

In defining full employment it has been necessary to use the term "labor force." A few key statistics on the size and composition of the labor force will give us some perspective on the size of our problem. The official tabulation of the labor force, as prepared by the Bureau of the Census, included 66.6 million individuals at its all-time peak in July, 1944. At that time there were 11.6 millions in the armed forces. This left 55 million in the civilian labor force. The civilian labor force, in turn, may be divided into employed and unemployed, of which there were in the former category 54 million and in the latter category one million. The employed portion may be divided in terms of occupation. There were 9.7 million in the agricultural labor force and 44.3 million in the non-agricultural labor force. The non-agricultural portion comprises many occupations which can be broken down as finely as one desires and the statistics permit.

We can get some idea of what the full employment problem really means by examining Wallace's chart, comparing the distribution of the labor force in 1940, by major occupation groups, with his proposals to achieve 60 million jobs in 1950.

COMPOSITION OF THE LABOR FORCE (In Millions)

OCCUPATION	1940	1950
LABOR FORCE: TOTAL	54.3	61.5
Employed: Total	46.9	60.0
Manufacturing & Mining	10.9	15.0
Construction	2.7	3.5
Transportation & Public Utilities	1.6	3.5
Trade	6.1	9.0
Finance, Service & Miscellaneous	3.6	6.0
Government	3.9	4.5
Armed Forces	0.6	2.5
Domestic Service	2.0	2.0
Self Employed	6.4	6.0
Agriculture	9.1	8.0
Unemployed Total	7.4	1.5

It should be noted that all statistics relating to manpower are, at best, estimates. And even among Government agencies that specialize in getting up such data, there is a considerable margin of difference. For example, the Bureau of Labor Statistics reports one million less employed in Construction in 1940 than the figure that Wallace uses. Yet Wallace's data, presumably based on the Bureau of the Census, give a total non-agricultural labor force in 1940, of comparable classification, that is 3 million less than that reported by BLS. There are many reasons for the differences between the two most important official sources of employment data, the basic reason being the different methods of estimating. The BLS bases its estimates on current pay roll reports, while Census adjusts its 1940 Census of Population through a representative sample. Even where there is agreement on the area of coverage, other Government sources as well as private agencies will come up with still different figures.

We are thus dealing with an aspect of the economy in which the statistics are admittedly uncertain. As is to be expected, the differences on past and present facts extend to the estimate of the number of jobs required to achieve full employment. The Brookings Institute, for example, a reputable private agency, estimates that no more than 54 million jobs would be sufficient to provide full employment. The more conservative figure may be accepted, since Wallace appears to underestimate the number who will voluntarily withdraw from the labor force, either because they are too young or too old, or they wish to complete their education, or the main breadwinner in the family earns enough to make their contribution unnecessary.

Wallace's figures, however, permit us to get some measure of the difficult task that lies ahead. If we exclude those listed as employed in the armed forces, domestic service, agriculture, and the self employed, we are then talking about the heart of our problem, the non-agricultural labor force. We leave to the psychiatrists to explain why soldiers and munitions workers should be classified as "employed" when, not so long ago, WPA workers were classified as "unemployed." According to Wallace, full employment will require an increase over 1940 of 44 per cent in the size of the non-agricultural labor force.

Necessity for Full Employment

Unless we wish to close our eyes to the elementary facts of economic life, we are confronted with a situation where there

shortly will be four workers available for every three jobs that existed in 1940. And even if we allow for a substantial increase in production over prewar levels, there will be in the neighborhood of 10 million unemployed unless wartime levels of output are maintained. The growth of America's productive resources during the war has been so phenomenal that we can exceed prewar production by sizable amounts and still have as large a volume of unemployment as existed during the depths of the depression. This would mean constant pressure on wage rates, so that even those with jobs would begin to experience sharply declining standards of living. For the workers, therefore, full employment is not a pious hope, but an imperative necessity.

The more enlightened capitalists, of whom Wallace is the outstanding public figure, are also desirous of seeing full employment established. They know that this country cannot stand another depression comparable in severity to the 1930's. Such a development would strengthen the appeal of totalitarianism, of both the Stalinist and fascist varieties. Mass unemployment was the direct economic cause of World War II. It brought Hitler to power and stimulated nationalistic and imperialistic rivalries to the point where the war was inevitable. Mass unemployment in the 1950's would be a direct invitation to World War III. The "liberal" capitalists could easily be crushed by such developments. Consequently, more as a matter of self-interest than out of humane considerations, they support the Full Employment Bill.

Even the big monopoly capitalists, who really wish to see five or more millions unemployed in order to keep wages down and weaken the unions, profess to be in favor of "full employment." Of course, it wouldn't be politic for General Motors or General Electric, or any of the other big corporations to say that they don't want full employment. To be sure, some of their spokesmen claim that "we can't guarantee jobs any more than we can guarantee dividends to our stockholders." And they are unanimous in their opposition to the Full Employment Bill. But before we jump to the conclusion that the Full Employment Bill is the answer to our problems, let us see what it calls for and how it would work.

The National Budget

The basic objective of the Full Employment Bill is, in the words of the Act as originally introduced in the Senate: "All Americans able to work and seeking work have the right to useful, remunerative, regular and full-time employment and it is the policy of the United States to assure the existence at all times of sufficient employment opportunities to enable all Americans who have finished their schooling and who do not have full-time housekeeping responsibilities freely to exercise this right." There has been sharp dispute over this preamble, concerning especially the "right" to a job that it would allegedly guarantee. The statement has already been watered down in the Senate and will undoubtedly be further weakened by the House, assuming that it ultimately becomes law. While this controversy over fundamental objectives is not without significance, the important aspect of the Bill is the method by which it is proposed to achieve full employment.

The Bill calls for the establishment of a National Production and Employment Budget (hereafter referred to as National Budget) which would attempt periodically to forecast the outlook for the economy. On the basis of these estimates of future income and expenditures for major segments of the economy, it would be possible to foretell the employment

and unemployment situation and to recommend, if necessary, policies designed to achieve the desired aim of full employment. In acknowledging Roosevelt as the political father of the full employment legislation, Wallace says:

He realized that the total number of job opportunities in any one year must depend upon the total amount spent for goods and services by all of the consumers, by industry and business, and by government (Federal, state, and local). And he believed that only by giving periodic comprehensive estimates of the overall purchasing power of the entire nation could we know exactly where we stood, all of us, at any one time—just exactly what was ahead of us, and what measures by private enterprise and government might be required to maintain full employment.

While predictions of national income and employment have never been distinguished by their accuracy, let us ignore this difficulty and grasp clearly the philosophy behind the proposal and what it signifies. As long as everything was in accordance with the desires of the officials in charge, the Government would merely publish its estimates and continue existing policies in regard to taxation, wages, prices, and other matters affecting the number of job opportunities.

But what if private investment were not sufficient to sustain "full employment?" Then, the Government would propose measures designed to stimulate private investment and increase employment opportunities. And if, in spite of Government support, private investment still fell short of providing full employment, then Government spending would have to make up the difference.

Wallace is convinced that to achieve 60 million jobs requires a National Budget of \$200 billion. He apparently draws this conclusion on the basis of our 1944 experience when, with the gross national product or total production at \$198 billion, there was an average during the year of slightly more than 63 million people receiving incomes. There are many ways in which a total production of \$200 billion could be spent, but the one which Wallace favors as most likely to provide full employment and preserve the freedom of private enterprise is the following, compared in the tabulation with his summary for 1944:

FULL EMPLOYMENT NATIONAL BUDGETS
(Billions of Dollars)

	1944 (Actual)	1950 (Wallace Proposal)
Consumers	97	135
Business for Capital Formation ¹	3	30
Government (Federal, State, Local)	98	35
TOTAL	198	200

The data for 1950 are, of course, expressed in 1944 prices. If the price level were different, allowances would have to be made. As can be seen, the average consumer would be about 40 per cent better off under the Wallace proposal than he was in 1944. This desirable result would be achieved by a tenfold increase in private capital formation and a decline of almost two-thirds in Government expenditures.

Any budget, including a National Budget, is merely a set of figures on a piece of paper. It is drawn up presumably to guide actions or to achieve certain goals. A National Budget might lead to the adoption of policies more readily conducive to full employment. We achieved full employment during wartime without benefit of a National Budget. Why, then, is it necessary to have a National Budget to achieve full employ-

1. Includes chiefly expenditures for plant and equipment, residential and other private constructions, and net exports of goods.

ment in peacetime? While this question is propounded chiefly by the reactionary opponents of the Full Employment Bill, it is a logical question and one that calls for an answer.

Let us listen to Wallace, the most ardent pleader for the Full Employment Bill:

We must find the proper balance between liberty and control, between stimulating full employment and keeping free enterprise free. I believe the national budget—representative of all segments of our national life—provides the answer.

I believe the people should direct the government to prepare a national budget—a budget covering not merely the expenditures and receipts of the Federal government, but also covering everything that would be bought and consumed each year by all segments of the nation. . . . To provide for prompt action for situations where this national budget showed that *the national market was not going to be big enough to keep people fully employed*, the government would be directed to prepare a program that would promote the maximum of private expenditure and the minimum of government expenditure to produce the necessary total national production. (My italics—F.D.)

In other words, there is an understandable fear that private enterprise, left to its own resources, will not, in fact, cannot, provide full employment. The National Budget, say Wallace, the CIO, Patton of the National Farmers Union (supposedly responsible for the initial proposal), Beardsley Ruml, President of Macy's, and other liberal capitalists, not only can provide full employment but is the only way to avoid the twin evils of "the so-called planned economy of the regimented state" and inflation.

The opponents of the legislation, chiefly spokesmen for the big corporations and the National Association of Manufacturers, deny that the National Budget can produce full employment and insist that it will surely sound the death knell for private enterprise.

The battlelines appear to be well defined. The issues are apparently simple and fundamental. Yet, at this point, an excursion into our past experience with unemployment is necessary so that we may obtain a clear perspective on all aspects of this important conflict.

Unemployment and Capitalism

We can distinguish among three major types of unemployment: seasonal, cyclical and normal. *Seasonal* unemployment is exemplified by the garment industry. Due to the character of production, employment reaches peak loads only at certain times during the year. While this is a serious problem in a number of industries, it is not a fundamental part of the problem of full employment and can be solved through such a measure as the "guaranteed annual wage," proposed by many unions and now supposed to be under study by the Government. Cyclical unemployment occurs when business is in a state of depression. Most businesses find it unprofitable to produce to capacity and close down, either in whole or in part, thus throwing millions out of work. At the low point of the last depression, 1932-1933, unemployment was variously estimated at from 16-23 millions. *Normal* unemployment exists even in times of so-called prosperity. Business is making large profits, but there are many workers who want to work but cannot find jobs. This includes those displaced by technological innovations in industry. Prior to 1929, the number normally unemployed never exceeded two million. But in 1936, when industry showed profits approximately equal to those of 1929, there were from 9-13 million unemployed (the higher estimate was made by the AFL).

The problem of full employment is thus essentially that of eliminating both cyclical and normal unemployment. Ex-

pressed in other terms, it is the basic problem of our times: how to eliminate depressions and make sure that all those who wish to work can find suitable jobs at satisfactory wages. While they do not say so openly, the sponsors of the Full Employment Bill have this in mind and hope that the National Budget can eliminate depressions through providing the necessary amount of public investment to fill in the gap left by the failure of private investment to provide the necessary number of jobs.

The reader may be pardoned if, at this point, he asks: what has investment got to do with employment? Clearly, investment is decisive. The more money that is invested in plant and equipment, the more raw materials are purchased to be processed into finished items, the greater will be production and the more labor will be hired to make that production possible. The American economists, such as Hansen, who have provided the theory justifying Government deficit-spending, which underlies the Full Employment Bill, have based themselves on the British economist, Keynes. Keynes, now a Lord and Director of the Bank of England, became popular during the last great depression when he stated that the trouble was lack of investment. Savings must be spent, instead of being kept for old age as our Calvinistic forebears taught. Unless there are sufficient "offsets to savings," Keynes said, production will be restricted with unemployment resulting. If private enterprise cannot find the necessary inducements to invest. Government can help through lowering interest rates and taxes on business. And, if such measures fail, then the Government can borrow the people's savings through selling them bonds and put this idle money to work by investing it in various types of Government enterprises, such as public works.

What Is Wrong with This Theory?

There are only two things wrong with this theory: (1) it ignores a number of factors in its oversimplified explanation of the workings of our capitalist system and (2) it will not work without major alterations in the structure of our economic system, and even then it provides no permanent solution so long as the capitalist foundation remains.

The question in any investment approach to the problem of full employment is obviously: why will not business men invest more money? This is conveniently forgotten by the Keynesians. But the answer is simple. Business men invest money because they expect to make a profit. If they do not see the opportunity for maintaining or expanding their profits, they will not invest. None of these fundamental problems is new. They were analyzed by Marx almost 100 years ago.

In his analysis of capitalism, Marx established three fundamental propositions that relate to our problem: (1) there is an inherent tendency for capital to accumulate, i.e., capitalists must go on making more and more profits and, because of their inability to spend it all on themselves, continually reinvest a portion of their profit in established or new businesses; (2) as capital accumulates, the average rate of profit tends to fall, due to the introduction of more machinery and labor-saving devices and the relative decline in the amount of labor power required; and (3) capitalists attempt to offset the decline in the rate of profit by creating monopolies and introducing still more labor-saving devices, thus resulting in an ever-increasing industrial reserve army, or permanently unemployed, and the seeking of new markets through various types of imperialistic practices. We are only too familiar with

the resulting characteristics of capitalism, chronic mass unemployment, fascism, inflation and war.

Is full employment, then, impossible under capitalism? Must we conclude that the Full Employment Bill is unworthy of labor support? Before we answer these questions we must see how the proposed national budget would work and what the cost of such a bill would be.

What Price Cooperation?

Let us suppose the national budget is in operation and that Wallace is correct in stating that a \$200 billion gross national product is required to achieve full employment; and let us assume, further, as is most probable on the basis of past experience, that consumer outlay and private gross capital formation fall short of Wallace's model. If the consumers have and spend \$125 billion any time during the next several years, assuming prices remain at about current levels, this would be an excellent performance; one almost thirty per cent above the 1944 peak and more than seventy-five per cent above the pre-war peak in 1929. This would leave a "deficit" of \$10 billion. If business spends \$25 billion for plant and equipment, construction, the excess of exports over imports, building up inventories, etc., this would be almost thirty per cent above the previous peak in 1941 and more than forty per cent in excess of the boom year of 1929—a most optimistic forecast. Another "deficit" of \$5 billion develops. Thus, instead of government spending \$35 billion, which is all that Wallace considers to be safe and practical, government expenditures for goods and services would have to reach the impressive peacetime total of \$50 billion, almost twice the 1941 level (which included almost \$14 billion for direct war purposes), and more than three times the pre-war peak in 1939.

The absolute maximum that we could expect state and local governments to spend is \$15 billion, about twice the pre-war level; realistically, it is more apt to be in the neighborhood of \$10 billion. This leaves at least \$35 billion to be spent by the federal government. If the national budget were operating, machinery would immediately be put into effect to accomplish this. Normal peacetime expenditures, including sizable outlays for public works, might conceivably reach the sum of \$15 billion. On what is the remaining \$20 billion to be spent? On a Missouri Valley Authority or other river valley developments comparable to TVA? Perhaps, but not more than ten per cent of the necessary amount could be spent on projects of this sort, and these would receive the determined opposition of the big private utilities. On a vast public housing slum clearance program? We could certainly use a couple of billions spent on such a worthy objective, but the real estate and construction interests would yell bloody murder. On government operation of aluminum, synthetic rubber or other manufacturing plants built at a cost of \$16 billion during the war? Just imagine the hue and cry, the full-page ads, from Alcoa, U. S. Rubber and the other big corporations that would be affected. They would deafen us with their shouts that government is undermining "free private enterprise" and destroying the "American way of life."

The conclusion is inescapable. If the Federal Government undertakes large-scale expenditures that interfere with opportunities for private profit, such government investment would meet the determined opposition of the capitalist class. The budget planners would be told to revise their figures or think of some more acceptable type of government expenditure that would not interfere with profits. (And even if, by some mira-

cle, the government was permitted to spend the necessary amounts on useful projects and not on leaf-raking, taxes on business and corporations would have to be so high as to guarantee resistance from the capitalists and their representatives in Congress; otherwise, inflation would result.)

Making the most favorable allowance possible for the Wallace thesis, we still calculate that the Federal Government would have to find *acceptable* outlets for at least another \$15 billion. There is only one source for expenditures of this magnitude. They would have to be in the form of war outlays, direct or indirect. If only three or four billions can be spent on maintaining the permanent peacetime armed forces, including the occupation forces, then a couple of billions could be spent on further research in perfecting the atomic bomb and other new weapons, a few more on building useless battle-wagons and super-bombers, and perhaps the balance on stockpiling strategic war materials. If these do not add to the necessary amount, billions of dollars could easily be spent on going underground in preparation against the atomic bomb attacks anticipated in the next war. We are confident that the generals and admirals can devise ways and means of spending the necessary sums for war measures and presenting an "irresistible" case for their inclusion in the national budget. But sooner or later, and more likely sooner, this sort of policy would lead us smack into World War III and an even worse bloodletting than we have just experienced.

Wallace is not entirely unaware of the difficulties in the national budget proposal. Throughout his book there is a constant plea for coöperation as the precondition of successful operation.

Memories are short and peace is wonderful, but let's deal with realities. It was not so long ago that the AAA, under the very same Wallace, plowed under every third row of cotton and wheat and destroyed huge quantities of hogs, while millions starved and went ill-clothed. It is only a few short years ago, at the beginning of the war, that the big three automobile companies, Ford, General Motors and Chrysler, refused to furnish necessary information on their "captive" operations to the War Production Board on the ground that they didn't trust the government to handle such "confidential" information with the proper discretion. They successfully maintained that intransigent attitude throughout the war and not even the U. S. Government, with all its war powers, was willing to undertake a fight to get the data. And it was only a few months ago that Henry Ford, asked by a government official for information concerning his post-war investment plans, which would have a vital bearing on reconversion, replied that that was why he had built a ten-foot wall around the River Rouge plant. Modernizing the whole construction industry is a good trick if you can do it, but so far neither government, business or labor has had the courage to stand up against the racketeers who prey upon the building trades.

A national budget might work, but it would mean large and dangerous war expenditures and most of the coöperation would clearly have to come from labor's side. The "common understanding" that Wallace calls for can only be interpreted as a demand that labor give up its right to strike, the one economic weapon it possesses against the attacks of capital. It would mean an era of class collaboration and, eventually, a decline in the workers' standard of living and an encouragement of already evident trends toward an authoritarian state. This is too big a price to pay for "full employment."

Two Necessary Amendments

The entire debate over the Full Employment Bill is symptomatic of the importance of the issue to our times. Unquestionably the proposal, even if passed in very diluted form, will constitute additional evidence of the inability of capitalism to solve the everyday problems of living and the necessity for the capitalists to use increasing measures of states intervention in an attempt to meet the crisis. Full employment is impossible under capitalism, with the single exception of war or large-scale war expenditures. There must always be a certain amount of "normal" unemployment in order to help keep wages down. Nevertheless, the Full Employment Bill has become too important an issue for genuine socialists to isolate themselves from the struggle by dismissing it as just one more panacea designed to save a dying capitalist order. The measure should receive critical support, provided the following two amendments are incorporation in the bill:

1. *Trade Union Control of Employment Spending.* While the Senate version of the bill states that the President *may* establish advisory boards or committees composed of representatives of industry, agriculture, labor, etc., because of the importance that such a budget would have in determining our national life and because of the ease with which current statistics affecting the problem can be manipulated, it is absolutely essential that decisive control rest with labor's representatives on the government board or committee that draws up the national budget. These must be representatives of labor's own choosing, selected by the trade unions. They would clearly have to be competent people who, if their performance were unsatisfactory, could be removed by the trade unions. Since the trade unions have the largest stake in full employment and by far the largest organized group in the country, representing with their families about one-half the total population, they should demand a majority of the policy-making body that makes the recommendations emerging from the national budget, and they should be well represented among the statisticians and economists who would produce the figures upon which the recommendations would be based.

2. *Government expenditures must be for useful projects and without regard to their impact on profits.* Without such an amendment, we can be certain that the taxpayers' money will be wasted in either boondoggling projects or in preparations for war, disguised under the phrase "national defense." If private investment cannot sustain full employment, then let the government spend money on such socially useful projects as low-cost housing, school buildings, hospitals, public power developments, irrigation and anti-erosion measures, and, in general, on projects designed to make this a better world in which to live. If the sponsors of the bill are not willing to incorporate such an amendment, then they stand convicted of sheer demagoguery and do not deserve support.

One of the best ways to educate the union membership would be to discuss the Full Employment Bill and the necessity for these two amendments. The many issues to which such an educational discussion would lead would certainly help to heighten political consciousness on the part of the workers. They might see more clearly the necessity for an independent political party of labor to represent them within the various organs of government. And if a Full Employment Bill were to become law, the workers would begin to learn that achievement of its true objectives requires the replacement of capitalism by socialism.

DAVID FRANCIS.

NEW TACTICS IN FIGHTING TOTALITARIANISM

A Critique of the Radical and Liberal Positions

(The first half of this article appeared last month.)

II.

The radical, following these arguments thus far, might agree that they have proved the inconsistency of the liberal's position—inconsistent even if we grant for purposes of argument the justice of the capitalist framework. Fortified with the Marxian theory of the state, he on the contrary feels singularly free from these illogicalities. Actually, however, he shares with the liberal all the weaknesses we have dealt with. Added to these should be the dereliction of those who refer to themselves as "radicals" or "socialists," even though they merely gave "military" support to the war, but who kept absolutely silent about the people who the liberals were accusing of sedition and treason. The method of counteraction on the part of Kahn-Sayers, Cousins and others (as we tried to point out) may have been futile, but they at least stated their position, something the "radical" supporters of the war had not even attempted. The entire radical press, too, incidentally had virtually neglected the sedition trial of the twenty-nine Minneapolis defendants, as well as its important implications. In addition to the shared weaknesses, the radical has a few unique to himself, preventing him from fighting totalitarianism audaciously. Subscribing to the class theory of the state has not saved him from drawing conclusions which make his political activities almost as ineffective as those of the liberal.

Since the state, he argues, is the coercive instrumentality of the "enemy class," all problems concerning the working class must be solved by that class alone. Furthermore, it must never engage in activity which will "play into the hands of the enemy," such as "red-baiting" (an honorific term, never clearly defined), contributing articles to the "reactionary press," giving publicity to gangsterism in unions and suing any member of a "sister" political party for libel. Should the fascists here try to disrupt radical activities, the workers must organize their own "guards." If the state ever attempts to stop fascist meetings (a "hypocritical" gesture at best, since it is supposed to be covertly supporting these groups), the radical either takes no position on this "family" quarrel, or he opposes the state in this "dangerous precedent" of suppression.

Effect of Theory Upon Unions

In practice this absolutistic theory has led to the following: (1) a tendency toward capitulation of the rank and file in working-class organizations before corrupt and bureaucratic leadership which exploits the workers' fear of "playing into the hands of the enemy." Instead of seeking court protection against terror, venality, etc., radicals always counsel "internal criticism" instead, lest the "enemy" discover the unsavory union secrets. As a result, the Peglers and the Sokolskys have been permitted to take the offensive not only against the leadership, but the entire labor movement, because the rank and file, influenced by the radical's anti-statism, have not separated themselves aggressively from their leaders and taken the initiative in exposing and prosecuting their perfidy. In many cases, whenever these columnists have scooped a union scandal, the leaders themselves have actually profited by exploiting the attack as an "anti-union" drive, and by labelling their

inner-union oppositionists as "tools of the enemy."¹⁵ Furthermore, the radical alienates all those whom he wants to politicize because to them he seems to have more in common with corruption than with elementary democratic procedures. No one will deny that struggles inherent in all organizational life should be conducted within the organization itself, but "dialecticians" ostensibly trained to recognize changes of "quantity into quality" seem to have great difficulty in differentiating between trade union struggles and criminal acts. Under the scare-head slogan of "Don't call the cops," the radical subscribes to a hush-hush policy which he himself has traditionally castigated in other organizations.

(2) Other forms of self-imposed impotence: He must never utilize the "reactionary press" to discuss totalitarian practices within the labor movement, including those inside Russia, according to many radicals. The same radical (including Trotsky himself), who sees no political distinction between democratic capitalism and fascism and who has accused the Stalinists of almost every crime in the calendar, will draw the line at attacking the latter in the "reactionary press." How this press differs fundamentally from any other capitalist organ, since even fascism is politically equated with capitalism, is never explained. Also not made clear is how such position is to be reconciled with Trotsky's own statement that when a plague is raging it is necessary to post warnings upon brothels as well as churches, or with Lenin's alleged remark that he would have given the capitalists a page in *Pravda* if he could have written a column in their press. Stalinist perfidy, for instance, which affects the fate of millions all over the world, is to be discussed only in the "family" press—among those, in other words, who are for the most part already aware of the danger. As for the prohibition against prosecuting non-bourgeois political opponents for libel or slander, this too is a senseless policy. Many victims who have refused to sue the Stalinists and others surely cannot contend that a capitalist court is unable to deal justly with libel or slander. A lie is a lie, and no one should be permitted to poison another's reputation. What cause are these people serving by refusing to take legal action?

Workers and Intra-Capitalist Struggles

(3) Evasive or purely defensive maneuvers: Assuming the thesis of intra-capitalist struggle (in which the state suppression of another group of capitalists is interpreted merely as a

15. For some artful dodging on union malpractices, see the articles by Zaritsky and Waldman (*The New Leader*, September 2, 1944). Coolidge argues that government intervention in union, racial discrimination should be opposed because the unions are class organs confronting a "hostile class" ("Negroes in Organized Labor," *The New Internationalist*, April, 1945). How then can he logically support some sort of permanent FEPC which would ostensibly apply to every other person or group but not to unions? Punitive legislation against discrimination and segregation must be enforced everywhere; otherwise you are defending a double standard of elementary ethics. As for the idea of a "hostile class," suppose organizations of other classes (small farmers, small business, etc.) practice bigotry, would Coolidge want the law to apply to them? Does he support the Supreme Court's ruling against the reprehensible discrimination of the railway labor unions? Union leaders and radicals always maintain that there should be inner-union education rather than laws to deal with prejudice. The government took a similar position with regard to Army segregation, but in this case the radicals called for immediate democratization. They might as well draw ALL the implications involved: wherever non-segregation was enforced, the successful results exceeded all libertarian hopes.

"family" quarrel), should the workers take no position on such factional fights? The French proletariat, then, should have been unconcerned whether it was Blum or the Cagouards who won power. And the Spanish radicals should not have demanded the arrest of Franco's plotters. The workers, in other words, must always wait until fascism first conducts mass meetings or initiates offensive acts, so that they might later enjoy the luxury of pickets and "armed guards." Assuming further the state's covert support of the fascists, what better method than to expose the democratic pretensions of the state which, by refusing to suppress them in the early stages of their activity, reveals its own dictatorial sympathies and provides compelling opportunity for further mass action under independent working-class leadership. The radical, however, actually engages in activities which flatly contradict his absolutistic anti-state theory. He is often forced to call upon the state for protection. When a Tresca or a Trotsky is murdered, the radical does not advise the working class to organize its own posse in order to capture the murderer. He demands that the state's police investigate and make public the facts involved in the deaths of these men—the very state which, he tells us, is not to be called upon or pressured into action for the suppression of the fascists! Furthermore, there are conditions during which the radicals give "critical" and even military support to their own bourgeoisie, conditions of "dual power," "marching separately and striking together," "revolutionary defensism," etc.

Finally, the radical does not draw all the practicable conclusions from his theory of "rights" which differentiates among those pertaining to property, to purely working class interests (striking, picketing, etc.), and to those general civil and political privileges ostensibly enjoyed by all citizens. Since the latter "rights" are to be exploited for revolutionary purposes, logic would seem to dictate that they be fully utilized by militant and aggressive methods. Why, then, in the struggle against bigotry, neglect the possibilities of those juridical instrumentalities (an inherent part of those "rights") discussed above in connection with liberalism, i.e., the use of anti-totalitarian legislation? Whenever the radical is confronted with this argument, he displays attitudes which are the result not only of certain traditionalized misapprehensions of his own, but of capitalist propaganda as well. Every ruling class attempts—and succeeds, otherwise it could not remain a ruling class—to inculcate attitudes of dependency, helplessness and fear in the minds of the ruled. And, ironically enough, these attitudes have in some cases even permeated the thinking of radicals themselves who in other respects have taken a correct political position with regard to the state. A case in point are their characteristic responses to this proposed legislation directed against totalitarians: "Will not the state use such laws against us? Must we not assume that if it is willing to pass such legislation, it is actually getting ready (as the phrase has it) to 'smash the working class'? Is it not our main duty to explain that only socialism, not anti-totalitarian legislation, can rid society of bigotry? Does not the fiasco of the sedition trial prove that the government is not interested in prosecuting totalitarians?"

On "Double-Edged" Legislation

In the first place, it might be suggested that whenever the state is preparing an offensive more militant than those which ordinarily characterize its rule, it does not have to resort to ambiguously-framed or "omnibus" laws as a weapon, especially during the crisis period of declining capitalism. It comes out unequivocally, for example, with a no-strike proposal. Let us

assume, however, that it can still afford the luxury of double-edged legislation such as the radical fears. Under such conditions, of course, it becomes the routine duty of all radicals to expose the customary duplicity of the state. But suppose a liberal congressman proposes a bill specifically limited to the prosecution of totalitarian propaganda, as well as deeds, should the radical support it or not? Or, still better, what political logic can possibly prevent the radical from taking the offensive, initiating such bill himself and organizing in its support countless trade unionists and militant liberals interested in laws "with teeth"?¹⁶ Such activity would have tremendous significance for the legal-minded American whose present non-revolutionary consciousness the radical is always lamenting. Should the state under these circumstances attempt to block such legislation, or being forced under mass pressure to adopt it, later try to use it against radical activity, the ruling class would not only be flagrantly exposed for its chicanery in subverting the law, but it would be forced to provide palpable evidence before millions, of the class nature of its state. One could argue further, of course, that by the time it becomes a necessary norm for the state to take such a position, the radicals will have prepared the working class and its allies for actions transcending the framework of legality.¹⁷

In the second place, the questions which the radical raises by way of rejoinder to our argument reveal still another aspect of his defensive psychology. In expressing his apprehensiveness in connection with the law's being used possibly against himself instead of the totalitarian bigot, he is falling

16. The radicals have not even initiated any action in behalf of legislation against discrimination and segregation. The Workers Party did propose an FEPC type of law at the Michigan Commonwealth Federation conference, but note that (a) such legal measures have been considered by some militant liberals before (even Roosevelt, regardless of his motives, beat the radicals to a libertarian position on bigotry when he asked for a permanent FEPC); (b) the radicals are eager to attack industry and the government but are not so clear-voiced when confronted with trade-union bigotry; and (c) such proposed legislation appears to be an "occasional" piece (labor party conferences, etc.) instead of an integral and continual slogan of immediate demands. In other words, not only is there "tail-endism" but it is sporadic besides. Also to be mentioned is the tendency to give such legislation only "critical" support which turns out to be the ultimate alternative of "socialism" or, at least, a "labor party." The result is a general "yes, but" condescending attitude of anti-"fabianism" on the part of the radicals which disheartens minorities just when they are being ostensibly organized for a very important immediate demand, social and racial equality. "Critical" support of a legal measure should refer specifically to its supposed inadequacies as a BILL and not be construed to mean any millennial objective (see "Outlawing Discrimination Through Permanent FEPC," *The New Leader*, February 12, 1944, for a correct approach to "critical" support.) It goes without saying, preaching socialism should be a routine job of the radical.

17. *Labor Action* argues that the "first step" against fascist groups is "labor defense squads" (August 3, 1945). Other radicals speak of physically "smashing" or "busting up" fascist meetings. This is precisely the tactic to alienate the very people whom you want to win over in your struggle against fascism; it also helps foster the prevalent opinion that any fight which might ensue is only a private row between two minority "gangs." At this stage of political development the most effective tactics are mass action for anti-totalitarian legislation (as long as the law permits peaceful assemblage, you place yourself in an indefensible position in initiating violence), lectures and general propaganda in areas where fascists schedule their meetings, pressure upon hall-owners, picketing, attendance at fascist meetings, etc. When conditions arise where the law persists in permitting fascist gatherings but interferes with the above democratic counter-tactics, then the time has come for not only "defense" but "offense" squads. A point of information in regard to the Los Angeles reaction to G. K. Smith: *Labor Action* refers to the Stalinists as the "Copperheads of the labor movement" while Draper taunts them for refusing a united front. Suppose they had accepted. Is it correct to unite with "Copperheads" of labor in order to save that very labor? Furthermore, when the Stalinists finally did participate, they and many others in this popular frontism held a separate (!) meeting; i.e., they talked to themselves, since obviously only "anti-fascists" attended. Was there any mass picketing at the Smith meeting which was being held at the same time? How did the radicals differentiate themselves from the popular front while present at the "democratic" rally? Finally, how does it follow that the latter was, to quote *Labor Action*, "necessary and effective"? (August 13, 1945).

into the very trap which the state's propaganda has traditionally prepared for him. The harmonistic political theory of the bourgeoisie never stops repeating its necessary myth that all minority parties are *merely* minorities, "essential" to the "healthy" functioning of the democratic processes, that all points of view (euphemistically referred to as the "left" and "right") must be represented in the "market place," etc. What the radical seems to have forgotten is that his is not just a minority party; to think in these terms is to play the rôle of a poor relation, to plead for "tolerance" of his position, and to be "permitted" to exist. Even to suggest, therefore, both to himself and to others that under the same law *his* organization and not the totalitarian's may be attacked is to betray a psychological weakness, as well as a confusion with regard to revolutionary tactics, which transmits itself easily to those whom he is trying to politicalize. His is a minority party only in numbers. Its democratic program and goals, unlike any other of mankind; and the radical keeps repeating this truth continually and aggressively so that no one can fail to differentiate between him and the totalitarian. One would ordinarily feel apologetic about mentioning this elementary fact in a revolutionary journal were it not that so many radicals are insulting both their own intelligence and rendering a harmful disservice to the socialist cause by equating themselves with other minority groups and parties. Almost every radical with whom I have discussed the views presented here counters with: "But if the state suppresses Gerald Smith, it will also suppress us." Whenever I hear this, I am always tempted to propose such person as an additional member to Trotsky's suggested "League of Abandoned Hopes," for any radical is surely ready for retirement if he gives up a fight in advance because he considers it an insurmountable task to make clear to others the difference between political pathology and Marxism.

On Relation of Capitalism to Racism

In the third place, when the radical counters with "capitalism is the cause of bigotry, racism, etc., and therefore only socialism can eradicate these," he is—as far as a fighting program is concerned—defending economic determinism, not historical materialism.¹⁸ His statement is correct as a general framework of reference, but it neither explains specific conditions nor confronts immediate problems. Merely advocating "socialism" does not bridge the gap between the present and the future. You actually alienate those most needful of your help and who can also become allies in struggles whose implicit logic drives straight toward the socialist goal. Furthermore, the very phrasing of the above counterposes the problem inaccurately. What we can say is that racism or bigotry implies exploitive, stratified or class societies. But having said this, we must admit the force of historical or cultural traditions (folkways and mores, fear of violated taboos, hostility toward such sociological types as the "stranger," the "marginal trader," the "unclean," etc.). We must admit also sufficient, as well as necessary conditions, i.e., racism may imply capitalism, but the reverse need not be true. A complete posing of the problem, then, should include psychological factors, e.g., envy, jealousy, inferiority and guilt neuroses, projection, etc., and especially illogicality. The radical, therefore, must also learn to cope with these areas of non-rationality.

18. This is the usual approach of *The Weekly People*, *The Western Socialist* and *The Fighting Worker*. However, even *The Call*, *Labor Action* and *The Militant* do not completely escape such all-or-nothing philosophy. References can be presented to those interested.

To conclude, a word as to the sedition trial, whose bedlam proceedings are supposed to prove, according to the radical's logic (Macdonald's and others'), the inability of the government to prosecute totalitarians. This type of reasoning is a further example of the radical's capitulation to bourgeois propaganda. To begin with, the burlesque *form* of the trial should not have diverted our attention from its essential *class content*.¹⁹ Should the government even decide to free all the accused, such action would differ in no way qualitatively, for example, from the Supreme Court's freeing of Harzel and Baumgarten, even though the Court's decision was accompanied by dignity, instead of slapstick. Can anyone seriously deny that if the government felt itself actually or possibly endangered militarily it would waste no time with protracted juridical technicalities, but would punish the offenders with the greatest promptness. The situation, however, happens to be such that it can afford to permit the accused all the legal luxuries inherent in a defense trial. And what better way to convince the world that a court in a "democracy" does differ from one under Hitler! Some of the accused, in turn, are taking full advantage of their opportunity to create the impression that actually they *are* only harmless crackpots and should therefore be dismissed by the court. Furthermore, the government's action in this trial cannot be used as a precedent indicating what it would do in cases prosecuting bigotry. In such cases occurring within the context of projected conditions discussed throughout this article, there would be involved, of necessity, the democratic interests of millions of people. One has only to contrast the keen attitude of most Americans toward the racial issues in New York, Boston, Philadelphia, Detroit, Los Angeles, etc., with their indifference to the sedition trial. The latter has a remoteness about it, since it involves a problem which to them seems to concern only the military. Were these Americans ever to feel their safety immediately threatened, they would without question be deeply interested and would press the government for speedy prosecution. What the radicals, however, cannot afford to do is neglect this trial as they have done thus far. Not only must they explain to the public the implications involved, especially since the accused also happen to be part of a growing totalitarian movement engaged in the vilest racial bigotry, but they must expose once again another example of legal formalisms in a bourgeois court of "justice."

The radicals, as well as the liberals, then, disoriented by errors of judgment, theory and practice, have been unable to cope audaciously with the more insidious forces of totalitarianism. It is imperative that they reexamine their libertarian principles.

JAMES BARRETT.

19. D. Bell (*The New Leader*, June 3, 1944) gives a picture of the trial proceedings diametrically opposite to that of the other journalists. He found no bedlam, just the more-than-usual boredom associated with protracted court minutiae. Typical of him and the whole *New Leader* group in connection with totalitarians is their inability to draw any political conclusion for mass action. They are content merely to "expose," to "smoke out," as though disclosure per se automatically hinders or stops bigots. This is an illusion continually fostered by men like Fraenkel, J. H. Holmes and Ernst. The latter wants to ferret out fascists and Stalinists so that "we can better defend them under our Bill of Rights!" (Emphasis mine. *Saturday Review of Literature*, September 1, 1945.)

CIVIL LIBERTIES IN THE FIGHT AGAINST FASCISM

A Reply to James Barrett

(This reply to Barrett's article was written at the invitation of the Editorial Board.)

James Barrett's discussion on Civil Liberties performs an important service for every thinking Socialist. He has attempted to think his way through a pretty complex question. And if it is added that, as I see it, Barrett is ninety-nine per cent wrong, his proposed policy is a terrible mistake, and his very learned discussion is a very confused piece of thinking—I trust that no reader will feel there is a contradiction.

Barrett makes clear at the very beginning that the danger he is concerned with in his article is that of totalitarian movements arising "from below" (like Gerald Smith) rather than the danger of totalitarian encroachments on liberty by the capitalist state itself "from above." Such a particular emphasis is of course perfectly possible. But apparently feeling the need to justify his choice of theme, he begins by answering "that most liberals have by now been sufficiently schooled through recent events to detect encroachments by the state."

This is enough to set anyone back on his heels. To use Barrett's own words: Did most liberals "react 'instinctively' against such frontal attacks as no-strike pledges," etc.? In short, did "most liberals" react against the myriad of controls which the government imposed on labor during the war in the name of all-out production and victory?

No, "most liberals" supported these war-time controls in the name of the very same gods. Some even began to talk about fighting fire with fire, fighting the bad Nazi totalitarianism with "our own" good totalitarianism (Freda Kirchwey). A more usual line was the one about "giving up some liberties so that we may preserve Liberty." The tendency among many liberals is precisely the reverse of what Barrett indicates. It is rather a totalitarianization of the liberal mind, marked by enthusiasm for increased state controls as being progressive *per se*.

Now throughout his article, Barrett refers to "the" attitude of the liberals, "the" attitude of the radicals, and to "the" totalitarians. It is self-defeatingly superficial. His very first paragraph bravely sets out to define these classifications (which he is going to use in every paragraph without further reference) and gets nowhere. "Liberalism" will be explained in the context of the views herein presented," he says. That is all.

"Radical" is to be construed as synonymous with "Socialist" and is chosen for its inclusiveness lest any specific group . . . feel that my criticisms have validity as every other organization is concerned, but not its own.

It is only fair to expect, therefore, that whenever he uses the term what he says shall really apply to *all* Socialist groups in inclusive fashion. *There is hardly a handful of times when it does.* In short, when Barrett thrashes about with the terms¹ "liberal" and "radical," his false and obscurantist "inclusive-

ness" merely makes it difficult to know whom or what he is talking about.

Totalitarianism and Racial Bigotry

But his use of the term "totalitarianism" sheds more light on the sources of Barrett's confusion. His reader will have noticed: although Barrett talks in terms of how to fight *totalitarianism*, what he is mainly concerned with is *racial bigotry*. He constantly treats the two as interchangeable. This is unfortunate for two reasons:

1. The most important and characteristic aspect of totalitarianism is *not* race-baiting, but union-smashing and labor-baiting. Naturally Barrett knows as much, but his article concerns itself with that not at all. We shall see why this unaccountable "omission" is necessary to his argumentation.

2. Just as a totalitarian is not necessarily a race bigot, so also a race bigot is not necessarily a totalitarian. This obvious fact—especially when considered not merely in terms of organized groups—likewise shows that Barrett's specific proposals are aimed not at fighting totalitarianism as such, but at racial bigotry as such. Now there is certainly nothing wrong with writing an article on how to oppose racism—if that is what Barrett wants to do—but it is inaccurate and foggy to dress this up as the saving solution to the fight against native fascism (see his last paragraph).

This might be deemed only an incidental criticism of Barrett were it not for the fact that *it is the very nature of Barrett's proposal which imposes these distortions on his thinking.*

For what Barrett proposes as his "new" policy is a far-reaching reliance on action *by the existing capitalist state* against these totalitarian movements.

That is why it is so convenient for him to soft-pedal the fact that the "greater danger" of totalitarianism comes not from movements like Smith's, but from that capitalist state itself—not the absurd rationalization that "most liberals have by now been sufficiently schooled." *That is why it is convenient for him to talk only of using the capitalist state to fight race bigotry, rather than of using the state to fight totalitarianism, namely, in the first place union-smashing and labor-baiting.* For with respect to the latter, it is the capitalist state which is showing the lead to the Gerald Smiths.

At the *present* stage of capitalist decay in America, the state does not *yet* need to call on the Gerald Smiths for an integrated totalitarian state policy of labor-smashing. It is still relying

ocrats do not share it, to take only two radical groups, in Barrett's lingo.—Or take the very specific question of the picket lines against Gerald Smith in Los Angeles: We of the Workers Party ("radicals") helped organize the picketing. The SP ("radicals") denounced interfering with Smith's meeting as itself totalitarianism. The SLP ("radicals") denounced the mass picketing as violating Smith's constitutional rights. This was also the point of view of many liberals, but not of many others. Even the liberals of the local ACLU took different views on the picketing (Director Taft vs. Counsel Wirin). Generalizing on The Liberal Policy or The Radical Policy on this knotty question does not get us anywhere. It certainly does not get Barrett anywhere.—This could go on for more space than it is worth. Why on earth then does Barrett go out of his way to insist that every "radical" reading his article must be sure to apply *all* his strictures made inclusively against "radicals" to his own group, and yet so very blatantly ignore the obligation of scrupulousness that this imposes on him, the writer? That isn't nice. He does himself more justice when he refers his remarks to a real policy and organization, like the Workers Party. This has the estimable advantage of permitting the reader to (a) make sense of what he is trying to say, and (b) discuss it intelligently.

¹ Take merely the couple of paragraphs immediately following Barrett's "definition" of radical. (a) What radicals "persist in their supercilious attitude of looking upon the fascists as 'crackpots' and the Stalinists as 'harmless fanatics'?" (b) Which kind of radical "feels that he has dispensed with his revolutionary duty simply by ascribing the growing bigotry to the 'capitalist system'?" The Socialist Labor Party only obviously. (c) When Barrett refers to "radical's theory of the state," the context shows he means the Marxist theory of the state. But the Socialist Party and the New Leader Social Demo-

mainly on its *own* bureaucratic apparatus (labor boards, courts, the army when necessary, etc.) with the help of trade-union bureaucrats to soften up the resistance of the workers. Racism is still only, 1, a *sporadic* and *localized* weapon of the state, as in the South; and 2, a *reserve* weapon—e.g., Detroit—to be winked at but not officially recognized.

The Democratic Illusion

Now because of this, it is a common enough illusion that there is therefore a wide chasm between our present "democratic" state and the undemocratic phenomenon of race persecution, any connection between the two being a removable blemish on the fair face of capitalist democracy. This view by its very nature opens the doors wide to the illusion that it is possible to make *unlimited* use of the capitalist "democracy" to smash race bigotry and other tokens of totalitarianism. The Marxist, on the other hand, views the struggle against race-hatred as *one front—a very important but not the major one*—in the struggle against capitalist totalitarianism (fascism).

What is the major front? *The struggle for maintaining and developing the independent action of the working class.* Independent of what? *Independent of the capitalist state machine, of course.* Does this exclude making demands on the state? *Of course not!* All it does is determine *what demands* we do and do not make, with *what aim* we make them, *what role and specific weight* we assign in our action and propaganda to making such demands, and *how* we carry it out. This, of course, is what we will have to discuss with Barrett before we are through.

Naturally, Barrett gives his subjective allegiance to the Marxist view—that is why this discussion is being carried on in the pages of the NEW INTERNATIONAL rather than elsewhere. *But his program of action takes its color from the pervasive democratic illusion.* That, once again, is why he does not consider it at all necessary to tie up his discussion with the Marxist analysis of the *relationships* between race-bigotry, union-smashing, fascism and the capitalist state; but rather considers the first in practical isolation.

Far from being contradicted, this interpretation is underlined by Barrett's passage headed "On Relation between Capitalism and Fascism." As the only possible way of avoiding a head-on collision with the Marxist fundamentals he is busily ignoring, he sets up a straw dummy, knocks it down and turns his attention to other matters just as if he had something to the point.

He actually writes that "the radical" contents himself with the formula "capitalism is the cause of bigotry, racism, etc., and therefore only socialism can eradicate them" but suggests no program for action now to "those most needful of your help."²

Now, now, friend Barrett! Also: tut, tut! *Who* is it that tells such nonsense to the persecuted Negro or Jew? What that describes is the fantastic policy of the SLP, no one else. (See how convenient this very-inclusive use of "radical" is?) Suppose

² Besides setting up and knocking down this dummy policy in the section referred to, Barrett for some reason then wanders off to lecture about the "areas of non-rationality" in race bigotry—about taboos, guilt neuroses, projections, jealousy, illogicality, and the rest. He merely winds up with: "The radical, therefore, must also learn to cope with these areas of non-rationality." I should have wished that he had somehow connected this psychoanalytic excursion with something he had said either before or after. Especially since the method of "coping with" that Barrett is boosting in his article is simply the heavy hand of the cop. How this will cope with guilt neuroses, I do not know. As it appears in the article, it has a tantalizing resemblance to an argument, but the Lord knows for what—certainly not for Barrett's thesis.

we drop it and talk about the revolutionary Marxist policy, specifically the policy of the Workers Party.

Mass Action and Government Action

Certainly we tell the persecuted minorities that only under socialism can race bigotry be eradicated. Barrett agrees, for that matter, but implies that "radicals" say only that. If nothing else, two recent WP pamphlets should make it unnecessary for him to write such fairy-tales in a magazine read by friends of the WP who are not living on the moon. Reference is to David Coolidge's *The New York Elections and the Fight Against Jim Crow* and to my *The Truth About Gerald Smith*. Both are chockful of proposals for action now, including proposals for government action! The WP election platform says for example:

End discrimination against Negro and other racial and national minorities! Make anti-Negro and anti-Semitic practices by employers and landlords a criminal offense. End high rents and prices in Harlem by enforcing the right of Negroes to live in any section of the city at equal rents. Withdraw building rights from landlords and real estate companies that bar Negroes and Jews. No Jim Crow projects like the proposed Stuyvesant Town.

The pamphlet on Smith is equally emphatic about proposals for immediate action against this race bigot. Surely every reader, and also friend Barrett, knows that the Party has not limited itself to "proposals." May we boast (just slightly) that the Party has just gone through several months of initiating, organizing and supporting a consistent campaign of action against Smith, far beyond what is indicated by the relative size of our organization? Then there is the story of our fight against race discrimination in the trade unions, within the limits of our forces . . . *but all this is quite useless.*

For Barrett would not thereby be jolted a whit. It is the usual thing: when he talks about the "radicals" not having a fighting program, he does not *really* mean what his pen seems to be writing. What he means is that we do not have *his* program, *his* "new" idea. We might as well discuss that right now. But first we must sweep away still another bit of fog.

Having come out for a certain kind of government action against totalitarians, Barrett yields once more to his *very* bad habit of painting the "radicals" as being at the very opposite extreme—as being opposed on principle to *any* government action whatsoever! Everything is either black or white to Barrett, no two ways about it. All educated and semi-educated Marxists in the house will please exercise patience while Barrett is quoted on the very anonymous "radicals":

Since the state, he [the radical] argues, is the coercive instrumentality of the "enemy class," all problems concerning the working class must be solved by that class alone. . . .

The radical, however, actually engages in activities which flatly contradict his absolutistic anti-state theory.³ He is often forced to call upon the state for protection. When a Tresca or a Trotsky is murdered . . . he demands that the state's police investigate and make public the facts involved in the deaths of these men—the very state which, he tells us, is not to be called upon or pressured into action for the suppression of the fascists!

You see how easy it is to write a critical article: you cite cases where the Marxists make demands on the capitalist government (a thousand more are possible), and then you flatly

³ For a man who wrote a series of articles against "The Anti-Marxist Offensive," in the name of defending Marxism, Barrett permits himself a shockingly loose phrase. I suppose what Barrett intends by "absolutistic anti-state theory" is his fairy-tale that Socialists do not believe in making demands of the state in the fight against fascism. But the phrase he uses to describe it (something he heard, no doubt) is the standard one for describing something quite different: the anti-state theory of the anarchist who is opposed to the existence of *any* state on principle, or even to "recognizing" its existence. Barrett should . . . be more careful.

assert that they do not really *believe* in doing so. *Voilà*, you have "proven" a contradiction. . . . Evidence for the flat assertion? None, none at all. If Barrett says he met a person who told him so, we can lend a sympathetic ear, but one does not therefore rush into several thousand words of print about "the radicals."

Suppress Opinions—or Discriminatory Practices?

No, Barrett is caricaturing Marxism, very crudely too I must say. Let us take one of the demands from the WP election platform as an example:

Make anti-Negro and anti-Semitic practices by employers and landlords a criminal offense!

One immediately notes that this says nothing about the private *opinions* of such employers and landlords. It does not call for the imprisonment of anti-Semitic employers. It calls for such action only against employers who refuse jobs, or landlords who refuse rentals, to Jews or Negroes on racial grounds. It is aimed at *definite social acts*, such as these, or such as firing a worker for union activity.

Take the latter as another example of the difference. We are in favor of enforcement of closed-shop contracts by the government (hear, hear! friend Barrett)—and if the government agencies swindle on it, we "expose" them sure enough, as Barrett says, and appeal for workers' mass action. But how about any employer who says that he doesn't like unions, but still observes the union contract? We do not demand that the government jail him for his anti-union opinions!

This is where Barrett takes up the cudgels. What he advocates explicitly is legal punishment for expressing an opinion.

Of course he applies that idea specifically only to racist opinions. There is no reason—and he gives no reason—for making the distinction, unless he thinks it is so much more terrible to think Jews are no good than to think unions are no good. But let us contemplate his ideas on his own narrower basis first.

The following is what Barrett sets forth as "a more realistic and fundamental approach" (no less!):

. . . first, in demanding that all opinions libelling any race, color or nationality be severely prosecuted; second, in requiring that every writer or speaker state whether his views are fact or opinion.

This modest proposal would not be hard to enforce—it would merely require that at least 95 per cent of the population be put in jail. The reader with lively imagination will call to mind the unfortunate prevalence of unflattering *opinions* about (not only Negroes and Jews but also) Mexicans, Russians, Japanese, Germans, Britishers, Italians, Okies and Arkies, Mississippi Congressmen, blondes, brunette and redheads, Indians and Eskimos. . . . And as I have pointed out, since there is not reason to limit Barrett's demand for "group libel" laws to his categories, it raises the question of what shall be done with "group libel" against Socialists, Communists, Republicans, Holy Rollers, Seventh-Day Adventists, cultists, astrologists, cat-lovers and mothers-in-law. If this picture of a witch-hunt against "dangerous thoughts" be considered overdrawn, I shall be glad to limit it to imprisonment for *opinions* about trade-unions and trade-union leaders, capitalists and coupon-clippers, government politicians and generals.

Barrett perceives one of the difficulties of course: how shall the rampaging state draw the line between *opinion* and *fact*? It bothers him not at all since he cuts the Gordian knot with a "realistic" sweep of the pen:

Third, even facts should not be entirely free from social control

if they are utilized in order to bring malicious persecution upon someone.

And he cites Pegler's use of "Hillman, born in Lithuania," etc. Does that mean, he asks, that one cannot refer to the past record of, say, a candidate: for example, Chief Justice Black's early association with the Ku Klux Klan? No, *that's* all right with Barrett (no reason given for the distinction). Would Black think so? Obviously not, but Barrett does and that's enough. How about referring to a past prison sentence? This is jailable if done "constantly and maliciously." Is it then "malicious" for a union to expose the prison records of paid goons? *What a field day for the lawyers!*

Barrett's "Benevolent Totalitarianism"

The "theory" that Barrett advances is simply this: An anti-Semitic opinion "logically" leads to anti-Semitic acts, the latter "logically" lead to totalitarianism—therefore suppress the whole chain at its root, suppress initial opinion, and you have a "fundamental" solution. Simple. Let us see where this leads.

Mortimer Adler accused [Prof. Sidney] Hook and his associates of being "atheistic saboteurs . . . more dangerous to democracy than Hitler." Hook and other "rationalists" countered later by charging their opponents with nothing less than "authoritarianism," "reaction," "corporate thinking," "irresponsibility."

A fine tempest in a philosophic teapot, you might say. But no—according to Barrett's fundamental solution, both sides are in duty bound to call on the district attorney: you're not going to "wait" (crushingly asks Barrett) till Adler marches on Washington or Hook makes a blood-pact with the Anti-Christ? Well, who shall suppress whom? Naturally, whoever is in the right. Democratically, a jury of good men and true will decide on the Relationship of Philosophy and Religion to the Good Life.

There is, furthermore, quite a school of thought which considers that Marxists are inherently totalitarian (Victor Serge, to take a piquant example). I trust that they are never convinced of Barrett's "realistic and fundamental" solution.

Again: naturally if mere capitalist democracy has to be defended by Barrettism, a *workers' state* has twice as much call on it. What shall a workers' state do about "malicious" folk with old-fashioned capitalist *opinions*? It goes without saying that they are ten times more dangerous than anti-Semites—jail them. It goes without saying that the same applies to anarchist or even misguided socialist opponents of the ruling regime . . . or their sympathizers . . . or their relatives and close friends . . . Are you going to "wait" (crushingly asks Barrett) till they become a "clear and present danger"?

It is truly wonderful to behold, but Barrett's "new" and oh-so-realistic policy to cope with totalitarianism turns out to be . . . the very heart and soul of the totalitarian rationale! Of course, of course, *Barrett's* would be a benevolent totalitarian, the good kind (like Freda Kirchwey's), rock-ribbed with the best of intentions. . . .

That is why Barrett's proposal is, as he realizes, double-edged—because it *accepts* the premises of totalitarianism and merely cavils at the type of victims it may select. This could not be more clearly certified that by Barrett himself, when he attempts to grapple with this objection.

How to Be an Optimist

Suppose, friend Barrett, this capitalist state of ours—having been authorized and encouraged to suppress *opinions* which are anti-democratic in *its* opinion—concentrates its attention not on the Gerald Smith minority but on the revolutionary socialist minority?

BARRETT: Why, then you expose the "duplicity" of the state.

. . . What "duplicity"? They are acting according to their rights—since they "honestly" believe that revolutionary opinions are a danger to *their* democracy, the only democracy they can conceive.

BARRETT: Yes, but I didn't intend it to be distorted that way.

. . . That's too bad. Then we must first elect you President so that you can insure the proper direction of the suppression . . . or better still get rid of capitalism first.

BARRETT: The trouble with you is that you are admitting defeat in advance. Don't you realize that *you* are "not just a minority," but rather "unlike any other political current, express the basic interests of the majority of mankind"?

. . . Yes, we realize that, but the capitalist state is stupid enough to differ with us. In fact, Henry Ford and Morgan and Rickenbacker claim that *they* express the basic interests of mankind—so do Henry Wallace, Father Divine, Sidney Hook, General Patton and also Dwight Macdonald.

BARRETT: I nominate you for the "League of Abandoned Hopes" since you obviously consider it "an unsurmountable task to make clear to others the difference between political pathology and Marxism."

. . . When that task is surmounted for the majority of people, we will be on the eve of socialist revolution. That is coming. Meanwhile it has not come. Therefore you, who have not "abandoned hopes," put your hope in . . . *the existing capitalist state!*

Come, come, friend Barrett, where have we seen *that* called "optimism" before—not to speak of realism?

BARRETT: First you call me a totalitarian, now you accuse me of reformism. Make up your mind.

. . . . No need to. The two are closely enough connected. Their common basis is *no reliance on the independent action of the masses*. Is not this the thread that runs from the early Stalin of "socialism in one country" to the present Stalin of totalitarian terror? Besides, I am not calling *you* a totalitarian: I am merely pointing out that *you give the totalitarians*—of the capitalist state, the ones you ignored, you remember—everything they may need and then optimistically gird your loins to object to their use of it.

Capitalist Courts and Hearst Press

Barrett ties all this up with the Marxist's objection to asking the capitalist courts and the Hearst press to take a hand in exposing and stopping anti-democratic practices in the trade unions. Although he *mentions* that there are reasons for this, he does not deem it necessary to discuss these reasons at all. Instead he considers his case proved when he asserts that the "radical's" alternative to this practice is a "hush hush policy," that the result is that they "have not separated themselves aggressively from their [anti-democratic union] leaders and taken the initiative in exposing and prosecuting their perfidy," and that they therefore give the impression they "have more in common with corruption than with elementary democratic procedures."

This is Barrett all over. He is in favor of "calling the cops," to use a phrase he mentions. If you're not, then you are objectively in league with corruption.

One example will be enough—the fight put up in the CIO Shipyard Workers Local 9 in San Pedro against a dictator's bossdom over the union. *Labor Action* was filled with articles

for two years. (Hush, hush, says Barrett.) A progressive group was formed and the dictatorship was fought inside the local and international. Did not take the initiative in exposing, says Barrett.) There was not an interested union man for thirty miles around, let alone inside the local, who did not know that the "Trotskyites" were giving the dictator hell. Now Barrett *may* think of claiming that this was "ineffective" (he should know better, but that is a different story), but effective or no, it has nothing to do with the absurd remarks which he actually made in his article.

Workers Party adherents do not take these fights to the courts or to Hearst or Pegler because they know two things: 1. *These* gentlemen would publicize their troubles *not* to democratize the union but to smear the whole labor movement, and 2. it would be only an excuse for putting across government and court control of the trade union. The reactionaries have always demanded government control of union treasuries—naturally to prevent "corruption"! Socialists have always fought for the *independence* of the unions from the government. . . . But elaboration on these points belongs in an elementary class on trade-unionism. It is unnecessary to go further here because Barrett says nothing beyond what has been mentioned.⁴

What it does illustrate, from a fresh angle, is Barrett's scorn of action independent of the government as "ineffective," and his perfect willingness to entrust *the existing capitalist state* with these "double-edged weapons" just as if it were an impartial agency. Optimistic is the word.

Role Played by Demands on Government

Let us put Barrett's argument more bluntly than he does himself: *If we are in favor of independent mass action (picket lines, defense guards, etc.) to break up fascist formations, why not ask the government to take steps against them too?*

1. As I pointed out, we do make such demands on the government. But I have also pointed out *limitations* on such demands—the question of "double-edged weapon"—and it is this that Barrett is completely blind to. The function of *our* demands is twofold. One is to *expose* the unwillingness and inability of the government to fight fascist tendencies vigorously and consistently and in the last analysis to fight them at all. (The other is considered below.)

In the first place, this function requires that one's demands be *selected* with it in mind, and the outlawry of opinion à la Barrett exposes no one but ourselves. In the second place,

⁴ Another word about Barrett's passage on writing for Hearst. He refers to "Lenin's alleged remark that he would have given the capitalists a page in *Pravda* if he could have written a column in their press." **On what?** The Russian capitalist press was against German imperialism; so was Lenin; would Lenin therefore write a column for this press limited to denouncing German imperialism? The capitalist press would have been only too glad to print it. Would Lenin have written a column denouncing *both* sides in the war? Yes, but then Hearst—pardon, the Russian capitalist press would *not* have printed it. Get the point? The rest of this passage by Barrett is based entirely on a very awkward blunder. He writes (my emphasis): "The same radical (including Trotsky himself), who sees no **political** distinction between democratic capitalism and fascism and who has accused the Stalinists of almost every crime in the calendar, will draw the line at attacking the latter in the 'reactionary press.' How this press differs **fundamentally** from any other capitalist organ, since even fascism is **politically** equated with capitalism, is never explained." Everyone who has been exposed to an ABC of Marxism class knows that the distinction between democratic capitalism and fascism is precisely in the **political** form. It is in respect to the socio-economic system and class-ruler ship that they are **fundamentally** the same. If the **political** differences between democratic capitalism and fascism mean nothing to Barrett, why make a special point of fighting fascism at all? Barrett looked so hard for an argument that he finds himself on the opposite side of the fence without knowing it, sees the Trotskyists still on the other side, and puts his complete disorientation down on paper like a chart.

Barrett is not primarily interested in this function: he is presenting his program of juridical action *not because it will expose* the government but because he claims it will *really* "cope audaciously" with totalitarian threats. This is the very opposite. While his last paragraph makes this perfectly clear, I also refer to his section headed "Liberal View on Slander," where he defends the *practical effectiveness* of his scheme as the answer to totalitarianism.

2. The other function of our demands is more short-range. It is to take whatever advantage is possible in the earlier stages of totalitarian development of (a) differences of perspective within the capitalist ranks at the given moment, and (b) the capitalist government's initial reluctance to adopt totalitarianism as its political method.

Our understanding of fascism teaches us that as the issues become sharper, the capitalist class and its state *will* tend to adopt this method more unitedly and more enthusiastically. If fascism is not inevitable, it is only because the alternative is socialist revolution—not because of any faith in the capitalist "democrats." I will forbear from citing the experiences of Germany and Italy, or even the quite convincing correspondence in American developments.

What then will "cope audaciously" with fascist tendencies? Not the degree to which we manage to "pressure" the government into taking partial, temporary and in the last analysis ineffective, steps against the totalitarians. But in the long run, *the degree to which we teach and train labor to rely on its own strength and forces and to distrust this capitalist government.*

This in itself excludes a big campaign for legal action of the scope and with the perspective that Barrett proposes. For you cannot fix attention in two directions at once; this is quite literally cock-eyed. If, as Barrett admits in one place, a juridical campaign is really to be "a supplementary weapon within a larger framework of struggle," it is thereby *limited*; it cannot be permitted to contradict the larger framework of struggle. One must be *subordinate* to the other. What this means is that in the case of double-edged legal weapons, the cutting edge that faces *us* is not of the same quality as the cutting edge that is supposed to be menacing the totalitarians. The hand that grasps the weapon is that of the existing capitalist state—which-is-becoming-totalitarian. Barrett sees no limits at all.

Independent Mass Action vs. Legal Suppression

3. Is it "inconsistent" to fight against something and yet not ask for its legal suppression? I propose three interesting examples, not merely because they *are* examples but because they have a wider connotation for Barrettism.

(a) In a militant strike, the union attempts by its own independent action (pickets, special squads, direct action, etc.) to keep scabs out of the plant. Naturally this is supplementary to propaganda and education. No campaign is raised, however, that the cops keep the scabs out or that a law be passed to that effect. The union does make *certain* demands on the government (*while telling the workers that they will win only by depending on their own action*) but not that one. The boss press yells that it is undemocratic for the strikers to refuse the scabs the "right to work." *For the strikers it is obvious this is an issue that can be settled only by class power.* To put it in a nutshell, this is precisely what marks the Marxist attitude on the fight against the fascist scabs and scab-herders.

(b) The attitude of a workers state toward religion. In revolutionary Russia, the church was not only a source of ideological infection with the "opium of the people," but an organized center of counter-revolutionary intrigue. Yet Lenin specifically excluded government illegalization of either religious *opinions* or institutions. His attitude was: an educational campaign against religion by the party, but no government suppression unless the church asked for it by counter-revolutionary acts.

Barrett might reply: Yes, but that was a workers' state; we can trust *it* not to yield to these ideological undertows.

But the capitalist state, which we cannot trust... is it all right to put the weapon of ideological suppression in *its* hands?

(c) In the trade union movement, the demand is often raised by reactionaries for constitutional provisions against Communist Party members holding office or membership. (It is often, of course, directed more loosely against "Communists," but to sharpen the case let us assume it is worded "CP members.") *Our* attitude is that we will vote against Stalinists for office *because they are Stalinists* (and therefore cannot be for democratic, militant unionism) but we are not for keeping Stalinists out by union law. This is not the way to fight either Stalinists or any other reactionary tendency in the unions.

Barrett disagrees. He is for expelling Stalinists from unions. He chides Counts only because the latter expelled the Stalinists from *his* union and did not follow up by seeking to expel them from "every other organization."

If this is proper because the Stalinists are a species of totalitarians, we must assume first that there is no practical distinction between the conscious leaders of the Stalinists and their misguided rank and file. We must also ignore any distinction between CP members and sympathizers ("opinion" is Barrett's test). We must also expel all who express anti-Semitic, anti-Negro, anti-Mexican, anti-British, anti-Russian, etc., opinions, instead of dealing with them as educational problems and taking action only when their *acts* affect the integrity of the union. We must also expel any member who is misled to defend Coughlin, Gerald Smith, the Dies Committee, Hearst... or Henry Ford, Rickenbacker, Lindbergh... where does the purge stop—with Republicans? *This is as fine a prescription for union-wrecking as any well-intentioned blunderer ever prescribed.*

Besides, why stop with expelling Stalinists from unions? Should not they all be jailed along with the rest of Barrett's candidates for the clink? Was it negligence that caused Barrett to forget to mention this?⁵

To summarize the difference between the point of view of Barrett and of this article:

Is it that Barrett "emphasizes" government action more than I? Is it that he thinks radicals should spend more time and thought on making demands on the government—perhaps draw up a model bill for something?

This would be very superficial and miss the point com-

⁵ In a footnote about the campaign against Smith in Los Angeles, Barrett inquires: "Labor Action refers to the Stalinists as the 'Copperheads of the labor movement' while Draper taunts them for refusing a united front. Suppose they had accepted. Is it correct to unite with 'Copperheads' of labor in order to save that very labor?" This sounds like a translation from the German Social Democrats rejecting any united front with the Communists against Hitler, and vice versa. Does Barrett think he is arguing with Draper, or has he not read Trotsky? But there is no space to go into the question of united fronts with political opponents—a question on which practically everything has already been said by the Marxist movement, and to which Barrett devotes nothing but a question-mark, with that off-hand superficiality which raises two new questions with every wrong answer.

pletely, just as the difference between a revolutionary Marxist and a reformist is not merely how much "emphasis" each gives to the fight for reforms.

In his introduction Barrett says he is taking up cudgels against the "libertarians," meaning thereby both the radicals and liberals who object to his proposal. Insofar as this term has a definite meaning, it refers to the view of "liberty" as existing in the abstract for the individual conscience, like the

Holy Ghost, quite above any social class context. *This has no relation to Marxism, which cannot think of liberty apart from the conflict of real class forces.*

Barrett does not do that any more than the libertarians he scorns. His is libertarianism turned inside out, with all the whites replaced with blacks. Both varieties are equally untrustworthy as guides to tactics in the fight against fascism.

HAROLD DRAPER.

PRE-WAR PERSPECTIVES AND POST-WAR REALITIES

An Analysis of the Politics of the Fourth International

The questions we posed in the September NEW INTERNATIONAL have not remained unanswered. Our questions dealt with the theory that Stalinist Russia is a "degenerated workers' state," the theory set forth by Trotsky, and now thoroughly sterilized by the spokesmen of the Socialist Workers Party.

We quoted from a few of the declarations Trotsky had made before the war. He said repeatedly: *If a successful socialist revolution does not follow on the heels of the war, it will make no difference whether the Stalinist régime gains a military victory or suffers a military defeat*—"imperialism will sweep away the régime which issued from the October Revolution"; and "the inner social contradictions of the Soviet Union not only might, but must, lead to a bourgeois Bonapartist counter-revolution"; and "no military victory can save the inheritance of the October Revolution"; and "without the interference of revolution, the social bases of the Soviet Union must be crushed, not only in the case of defeat, but also in the case of victory."

No ambiguity, is there? No possibility of misunderstanding? One would think so. We simply asked the SWP people to say: Have events confirmed or refuted the analysis and predictions which Trotsky made in *inseparable* connection with his theory? If confirmed, how? If refuted, why? In any case, please answer.

An Embarrassing Predicament

Past experience with attempts to get the Cannonites to discuss the position which outstandingly distinguishes them in the revolutionary movement have not been encouraging. Being incorrigible optimists, we made the new attempt. In this case, patience has been rewarded by more than itself. We received not one answer to our questions, but two. Better than that. The two are not only not identical—thus sparing us the monotony of reiteration—but different, and not merely different, but different to the point of being mutually exclusive. Let whoever wishes to do so speak henceforth about the SWP as a monolithic party. Here, in any case, is living evidence of the fact that it not only permits the public avowal and defense of two different positions, but of mutually antagonistic positions, both of which bear the official stamp! We for our part never asked for that much. The most rabid democrat could not ask for more.

The first official answer is given by the leader of the party himself, in a speech delivered on the occasion of the 28th anniversary of the Bolshevik revolution (*Militant*, Nov. 17, 1945). We note first of all that Cannon does not once question the significance of Trotsky's prediction or its inseparable

connection with Trotsky's theory. We note that he goes further—he reiterates the prediction. We note finally that he reiterates also the theory that Russia is still a degenerated workers' state which every worker should defend against imperialism.

Cannon Ventures Forth

At first blush, this would seem to be impossible. The prediction said so plainly, didn't it, that if the war ends without a successful socialist revolution, the Russian workers' state, *in any form*, is done for. If Russia is defeated, the Stalin régime and nationalized property (the basis, so called, of the working-class character of the Russian state) will be wiped out. If Russia is victorious, then in the absence of the revolution, the "inner social contradictions not only might *but must*, lead to a bourgeois Bonapartist counter-revolution." The revolution—it is hard but necessary to say—did not come; Russia was not defeated but victorious; the bourgeois counter-revolution did not come; private property has not been restored in Russia, nationalized property remains supreme. How does Cannon get over these not inconsiderable obstacles? By a leap which makes the nursery cow's jump over the moon look like a stroll through the meadow. Here is his *salto mortale* described in his own words:

Trotsky predicted that the fate of the Soviet Union would be decided in the war. That remains our firm conviction. Only we disagree with some people who carelessly think that the war is over. The war has only passed through one stage and is now in the process of regroupment and reorganization for the second. The war is not over, and the revolution which we said would issue from the war in Europe, is not taken off the agenda. It has only been delayed and postponed, primarily for lack of leadership, for lack of a sufficiently strong revolutionary party.

There it is, with all the sweeping simplicity that distinguishes true genius! The prediction? Nothing wrong with it—absolutely nothing. Whoever thinks otherwise is a careless thinker. The trouble with such people is, you see, that they believe the war is over. Well, it just isn't. It has, you should understand, "only passed through one stage." What stage? The stage of armed, military struggle, the stage which twice-harebrained, careless thinkers have up to now called the stage of "war," but which must henceforward be called, among the careful thinkers of the SWP, by the simpler name of "one stage." Into what stage has it passed? Into the stage of the suspension of armed, military struggle, the stage which the thrice-ridiculous careless thinkers have up to now called the stage of "peace" or "imperialist peace," but which shall henceforward be called by the careful thinkers by the name of "the process of regroupment and reorganization for the second" stage. And the second stage? That cannot, it is clear, be called the resumption of the war, or the outbreak of a new

war, since the war is not over in the first place. It cannot be called the Third World War, since the Second is not over (the Second, as a matter of fact, never existed—it was merely the continuation of the process of regroupment and reorganization which followed the First World War, which in turn is not over because it never came to an end).

All that is lacking is the names of the "some people who carelessly think that the war is over," so that the several hundred million other people who today have a somewhat similar notion may be better able to guard against them. That we are among them appears evident. But why should we be condemned to solitary confinement?

In the May, 1945, *Fourth International*, theoretical organ of the SWP, we read that "On the continent of Europe the agony of the imperialist war is thus concluded; the agony of the imperialist 'peace' has begun." Cannon, out of restraints imposed upon him by solidarity with his own party comrades, may content himself with calling the editor of the *FI* a careless thinker. We see no need of such restraint. We call him *an idiot* for saying that the war is over in Europe. He is doubly an idiot for not keeping quiet till November when he could have learned from a real authority that the war is *not* over.

In the October, 1945, *Fourth International*, E. R. Frank writes that "The imperialist war in the Far East has ended." He writes that "The United States emerges out of the second world war as the strongest military power on earth." How can it emerge from a war when it is still submerged in the war which is not over? Careless thinker? No, not strong enough. *Idiot!*

In the November, 1945, *Fourth International* (the very eve of Cannon's historic pronouncement!), William R. Warde writes that "The recently concluded war was a costly as well as risky enterprise for them." *What* recently concluded war? *Idiot!*

All That as Been Demonstrated...

The press of the SWP is obviously written and edited by idiots. Who is not an idiot? Who thinks carefully? Differ with him all you want, but the truth is the truth, and the answer is: Cannon. For this, he deserves special recognition. For example, couldn't a sculptor be assigned the task of making a bust of the careful thinker to be set in a prominent place of honor in the headquarters of the SWP? Not an ordinary bust, but a gilded one, of course. It may be objected that such an exhibition is not compatible with the dignity and morality of a revolutionary proletarian movement, that it is loathsome Byzantine icon-worship, that it is typical of Stalinism, that no revolutionist would assent to such a spectacle, especially if he were himself the subject of the bust. Are these objections really so cogent? Besides, hasn't the bust already been carved, gilded and placed? We ask the question with hypocritical innocence.

But enough! Let us try our luck with the second official answer, this time from the careless thinker who edits the *Fourth International*. His answer (November, 1945) is not only different from Cannon's, but, as we said above, exactly opposite in every respect but one: its studied disingenuousness. With E. R. Frank, the question is not as simple as it is with the careful thinker. He grants that the war is over; that the revolution did not triumph; that there has been no fundamental change in the Stalinist régime or in Russia; that Trotsky's prediction did not materialize. Consequently? Consequently—nothing more need be said on the matter. Everything is about the same as it was, except, perhaps, that Shacht-

man is more wrong than ever. But let us give a more detailed, more connected quotation from Frank, so that nothing is torn out of context, despite the certainty, based on rueful experience, that our critic will never reciprocate:

But let us forcibly press the problem into Shachtman's narrow framework. It is true that Trotsky thought that the Soviet Union would not survive the second world war if there was no proletarian revolution; that the Soviet Union would succumb to capitalism either through intervention from without or counter-revolution from within. It is also true that hostilities between the major powers, have for the moment ceased; that imperialism still rules on a world scale and that the Soviet Union still persists under the Stalinist regime. From this Shachtman draws the sweeping conclusion that "refuted . . . in our opinion, is the entire theory [of the degenerated workers' state] on which it [Trotsky's above quoted opinion] is based." How? Why? How does this follow? Argumentation must have some kind of internal logic. The fundamental alternative which Trotsky analyzed as facing the Soviet Union: forward toward socialism in alliance with the world proletariat or backward toward capitalism, remains the only possible historical alternative. If one attempts to refute it by interjecting between the proletariat and the capitalists a new bureaucratic class, one must declare that Marxism, the science of socialism based on the internal contradictions of capitalist society, has been proved in the light of experience, a utopia. That is where Shachtman's "fresh thoughts" are leading him, if he wishes to be consistent.

All Shachtman has demonstrated, it appears to us, is that Trotsky thought the tempo of development would be a little faster than it has proven to be. No more. Shall we therefore overthrow his basic conception which has been vindicated by the whole course of events? Marx thought the proletarian revolution would follow fast on the heels of the bourgeois democratic revolutions of 1848. But events moved more slowly. That did not invalidate the basic conceptions of the *Communist Manifesto*, did it? Marx thought the proletarian revolution would begin in France and the Germans would follow. Instead, as we know, it was the Russians who began. Professorial pedants and petty-bourgeois philistines have adduced these "mistakes" time and again as proof positive of the bankruptcy of Marxism. But Marxists have shrugged their shoulders at such "arguments" and have remained unmoved even when the further accusation was hurled at them that they had adopted a new "religion."

And more and more and more of the same, until you begin to wonder whether he takes his opponent or his readers for numbskulls, or if the obvious third possibility isn't the most likely one.

There are predictions and predictions. Trotsky's prediction about the proletarian revolution and the Second World War has about as much in common with Marx's prediction a hundred years ago as Frank's argumentation has in common with any kind of logic, internal, external, transverse or transcendental.

What Is a Prediction?

Marx, Engels, Lenin, Trotsky and many others predicted, time and again, revolutions which either did not take place or, if they did, were not successful. What has that to do with our present discussion? What has that to do with the validation or invalidation of the "basic conceptions of the *Communist Manifesto*"? Or with "proof positive of the bankruptcy of Marxism"? Or with the abandonment of the perspective and fight for socialism, which Frank slyly (and slanderously) suggests is the conclusion we have drawn? Nothing! And where is the analogy with Trotsky's specific prediction which, we like to assume, is under discussion? Nowhere! To prove this, it is fully necessary to *construct* an analogy.

Had Marx's prediction a hundred years ago about the imminence of a socialist revolution been supplemented with the declaration: if this revolution does not take place at a certain

time the military victory or defeat of a bourgeois state in a war with a feudal state would make no difference—we would have something analogous to Trotsky's prediction.

If Marx had declared: In the absence of a proletarian victory at the end of such a war, either the victorious feudalists or the victorious bourgeoisie will inevitably destroy bourgeois private property and restore feudal property—we would have an analogy with Trotsky's declaration.

If Marx had predicted: Should the war end without a proletarian victory, "the inner social contradictions of the bourgeois state not only might, *but must*, lead to a feudal counter-revolution"—we would have an analogy with Trotsky.

And if Marx had added: my prediction is *inextricably* connected with the theory from which I derive it, namely, the theory that the bourgeoisie is a passing phenomenon, a caste, not a class, that it is in imminent conflict with bourgeois private property, which it seeks to undermine in its historical capacity of agent of world feudalism, and this theory will be demonstrated *definitively* by the outcome of this war—then we would have an analogy with Trotsky.

And Now Comes E. R. Frank

Frank presents the matter as though we were engaged in some miserable carping over the date given in a prediction about proletarian revolution. We will not charge him with polemical dishonesty, but we have the right to protest against his hope that the reader is a fool. For who but a fool will believe that we, or anyone, could have more than a passing interest in an erroneous prediction of this kind, let alone base a theoretical conception upon it?

Something far more serious and profound is involved.

At the very beginning of the war, Trotsky showed how intimately he linked his Russian theory with the outcome of the war. "Might we not place ourselves in a ludicrous position," he wrote (*In Defense of Marxism*, p. 14), "if we affixed to the Bonapartist oligarchy the nomenclature of a new ruling class just a few years or even a few months prior to its inglorious downfall?" A few lines later, emphasizing that the outcome of the second world war will provide a test of "*decisive significance* for our appraisal of the modern epoch," he wrote:

If contrary to all probabilities the October Revolution fails during the course of the present war, or immediately thereafter, to find its continuation in any of the advanced countries; and if, on the contrary, the proletariat is thrown back and everywhere and on all fronts—then we should doubtless have to pose the question of revising our conception of the present epoch and its driving forces. In that case it would be a question not of slapping a copy-book label on the U.S.S.R. or the Stalinist gang but of re-evaluating the world historical perspective for the next decades if not centuries: Have we entered the epoch of social revolution and socialist society, or on the contrary the epoch of the declining society of totalitarian bureaucracy?

Does Frank know these passages? Certainly! For he quotes the passages that follow them immediately, but takes "scrupulous" care not to hint, much less to quote, Trotsky's full thought. Trotsky indicated pretty clearly the conditions under which "we should doubtless have to *pose the question* of revising our conception of the present epoch and its driving forces." In every way conceivable (and all their ways are a disgrace to the fine tradition of Marxian theoretical thought and debate), Frank and his friends are determined to prevent so much as a *posing* of the question, much less a discussion of it.

But whether there is "official" permission or not, the question is posed by events. Frank evidently believes it can be disposed of by brave U.S.S.R. heavily dosed with demagoguery.

"We don't believe that the defeats of the working class are definitive," he writes. "We don't believe..." Who does? Names, please! "No one, in our opinion, has adduced sufficiently weighty evidence, however, to demonstrate that the working class has been *historically* defeated," he writes. In whose opinion *has* sufficient evidence been adduced? Shachtman's? The Workers Party's? The German comrades'? It is possible, from the comparative immunity of one's own editorial pages, to misrepresent an opponent's position, to falsify and twist it, to distort it by ripping sentences out of context, as Frank does, for example, and not for the first time, with an ironical sentence taken from an article in *THE NEW INTERNATIONAL* by our German comrade, Arlins. But falsification and distortion are "sufficiently weighty evidence" of only one thing: the polemical and political morals of those who resort to them.

From a posing of the question that Trotsky raised, there do not necessarily follow the hypothetical conclusions that he indicated in 1939, namely, the disappearance of the perspective of proletarian victory and socialism. Nothing of the sort! But such a perspective cannot be maintained by people who, consciously or not, have lost or are losing a profound inner conviction about socialism that comes only from a well-grounded analysis of the actual development of society. It cannot be maintained by people who, losing this conviction, seem to be pressing back their own inner doubts by shouting "consolatory" promises, theories, slogans. "We have not lost all; we still have the Soviet Union, and we cling to it." (The word "cling," used so often by the Cannonites in this connection, has a revealing significance!) "Our position and analysis has been confirmed and vindicated." "The revolution is on the order of the day." "The Red Army is bringing socialism to Europe." "Germany is on the eve of the revolution—it has broken out in the concentration camps." And more of the same. It is typical precisely of the *petty bourgeois radical* that he needs self-deceptions and consoling theories to bolster his fading convictions about socialism and the socialist perspective. Is it not, for example, to faint-hearted petty bourgeois radicalism, at least in part, that we owe the popularity in Russia to what Trotsky rightly called the "consoling doctrine" of "building socialism in a single country"?

Prospects and Perspectives

The prospects and perspectives of working class struggle are inherent in modern class society, be it in semi-feudal, capitalist or bureaucratic-collectivist form. The ruling classes have shown nothing more than the capacity to repress or delay the struggle of the proletariat for a certain period of time. They have shown a great capacity to disorient and demoralize the working class and its struggle for a certain period of time. But they cannot wipe out the working class without wiping out the very foundations of their own power, and therefore society itself. The working class, on the other hand, *must* struggle, leadership or no leadership, socialist theory or no socialist theory. It *cannot* resign itself to accepting exploitive class rule even if it wanted to do so, because society has reached the stage where the irrepressible urge to live—not to prosper, but just to live—demands the resistance of the masses. As we have put it many times, the condition for the existence of the working class is the struggle against the conditions of its existence.

The prospects and perspectives of the victorious proletarian revolution are based above all upon the fact that no other class in modern society—not the bourgeoisie, not the petty

bourgeoisie, not the collectivist bureaucracy in power in Russia—no other class but the proletariat is capable of halting the inexorable trend to barbarism and of leading all the exploited and oppressed strata of the population out of the increasing economic and political chaos and agony they now endure. It has been proved again and again that under the rule of any other class there is no economic orderliness, no lasting peace, no social stability, no progress (quite the contrary!) toward abundance, democracy, freedom, equality. The proletarian revolution can disappear from the social agenda only if there is a complete atomization of society, that is, barbarism.

The prospects and perspectives of socialism are based above all upon the fact that the proletariat, once in power, cannot even establish order and rationalize economic life without taking those political and economic measures which, in their full unfoldment, lead to the classless society of socialism.

For the revolutionary Marxist, these considerations are basic and sufficient. To be sure, they are not really sufficient from the standpoint of assuring the final victory of socialism. That requires an effective revolutionary party, without which socialism is inconceivable. Effectiveness for the revolutionary party requires a careful, concrete understanding of the given period in which we function, the given situation, the actual relationship of forces, the actual trend of social and political development; and the working out of policies corresponding thereto. Without that, no *real* progress toward the socialist victory is possible. And that is precisely what is not only lacking in the SWP leadership, but what it resists with a rare combination of dogmatic and ignorant narrow-mindedness, intellectual barrenness and petty factional malice.

Attitude to the Germans

Take its attitude toward our German comrades. The latter have made a contribution to our arsenal of exceptional value, especially in a period of the movement's history which is characterized by such sad theoretical sterility. At least, that is the opinion of the present writer. One can differ, as the writer does, with a number of the points in the analysis and the conclusions of our German comrades. These differences remain within the field of Marxism. What is important, however, for anyone who reads the contributions of the German comrades, especially their work on "Capitalist Barbarism," and reads it loyally and objectively, is their attempt to show the real, not the fictitious, revolutionary perspectives that are opened up before us not only in the very midst of the terrible decay of monopoly capitalism and the defects of the proletariat, but precisely because of this terrible decay. They derive the perspective for struggle and victory, what they call the "good luck" for the revolution, not from the desirability of socialism, let alone from self-intoxicating shibboleths, but from a concrete analysis of the social development. One can debate their analysis and conclusions to his heart's content, provided he does it loyally and objectively. What do the Cannonites, Frank prominently among them, do with regard to the contribution of the German comrades, whose loyalty to the cause of the Fourth International is unquestionable, whose seriousness in theoretical and political questions is too well known to be disestablished by anyone? They attempt to suppress the views of the Germans; they confine their "discussion" of these views to malignant abuse of their authors as... revisionists and... "People's Fronters"! (The Cannonites' authority for such severe condemnation no doubt comes from their advice

to the Warsaw revolutionists to place themselves at the disposal of the GPU executioners.)

The same attitude has been displayed by the Cannonites toward the theoretical and political contributions of our Workers Party. We saw this in the case of our resolution on the national question a few years ago, in which, for the first time in this country during the war, a concrete analysis and perspective for revolutionary struggle was elaborated, and the tasks of the revolutionary Marxists set forth. We saw it and still see it in the case of our theory of the Russian bureaucratic-collectivist state.

"Wringing Their Hands"

The Cannonites commit two gross offenses against Marxism: they refuse to submit their own theory and policies on Russia to a reexamination in the light of actual developments; and they refuse to engage in an objective discussion of our theory and policies on the basis of our real, not alleged, not misrepresented, not falsified, but real, position and in the light of the developments. The result is a ghastly miseducation and disorientation of their followers.

We have pointed out, many time and in unanswerable detail, that the Cannonite theory and politics on the Russian question suffered complete shipwreck during the war.

They started by being the "best soldiers" in the "Red" Army (our curiosity about what makes the counter-revolutionary Stalinist army "Red"—from Stalin's standpoint, or Trotsky's standpoint, or Cannon's standpoint, or anybody's standpoint—remains entirely unsatisfied). They advised the workers and peasants of Poland, Finland, Rumania, Iran and every other country that Stalin planned to seize, conquer and enslave, to work for the Russian army, to support it, to welcome it. They hailed every victory of the Stalinist army of counter-revolution, even to the point of maligning the Old Man by calling it "Trotsky's Red Army." They acclaimed this army as the advancing guard of socialism in Europe. They spoke continuously of the "objective revolutionary consequences" of Stalin's expansion over Europe. (Yes, yes, dear friends, Gutenberg's invention was a great and troublesome one, and we have before us what you wrote.)

We polemized against all this with all our vigor, receiving only abuse for our troubles. So, to use the colorful expression of Frank, we shrugged our shoulders. We remembered the famous epigram of Sir Robert Walpole: "Today they are ringing the bells; tomorrow they will be wringing their hands."

Tomorrow came. Their whole policy of "unconditional defense" was a success, was it not? Their "Red" army won, with or without the aid of the "best soldiers" and those they urged to be best soldiers. Their "objective revolutionary consequences" had all the opportunity they needed to manifest themselves in Europe. So—they stopped ringing the bells and began wringing their hands. To conceal their disaster, they worked out the formula—so delicate, so tender, so refined, so euphemistic!—that the slogan of "defense" of Stalinist Russia has now "receded into the background." Why? In heaven's name, why? Surely not because the war is over, for we *know* now, do we not, that the war is not over? Surely not because of a shift in the military situation, for were not we of the (don't laugh!) "petty bourgeois opposition" learnedly instructed in 1939-40 that Marxists do not base their slogans on the shifts on the military map, but only on the map of the class struggle? Why, then, the "receding"?

And what has advanced to the foreground? Nothing less,

it now appears, than the defense of the European revolution. Defense from what and whom, do you think? From "Trotsky's Red Army"? From the "socialism" being brought to Europe at the point of the guns of the GPU (excuse!—of the "Red" Army)? Defense from the "objective revolutionary consequences" of Stalin's progress? You may think so, but you are wrong. The European revolution must now be defended from the Stalinist counter-revolution, from the counter-revolutionary "Red" Army, that is, from the very forces whose victory "we" urged, in whose ranks "we" were to be the best soldiers, whose triumph over and subjugation of those peoples and countries who might now be contributing to the European Revolution "we" urged them to make possible. The European Revolution, that is, must now be defended from a threat which "our" policy helped (in its tiny way) to become big and serious.

One might be persuaded to write off the whole past, provided the present represented a step forward. But is the present position of the Cannonites a real advance? In the official resolution, reluctantly adopted under the pressure of the minority group, yes. But in the practice, no. One needs no more striking evidence of this than Cannon's anniversary speech, which means more than a dozen reluctantly adopted resolutions. In the speech, there is not a word about the "defense" slogan having "receded into the background," not even a hint at it. On the contrary, what with the emphasis on the war still being on, the defense of Russia is presented as urgently as ever. As for the defense of the European Revolution from Stalinist Russia, it is not in the foreground or in the background. Not a single thought, not one solitary word, is devoted to it in the entire speech. As for such demands as the independence of Poland, of the Baltic countries, or even the old traditional slogan of the independence of the Ukraine, not so much as a hint in the speech. There is good reason to believe

that in the narrow factional interests of "deepening the split" with the Workers Party, and with the SWP minority group (Cannon's speech was directed at them primarily!), of justifying the indefensible opposition to unity in the United States, this line will be presented even more belligerently in the future—and more disastrously.

As for our political line on Stalinist Russia in the war (our opposition to defensism), let our critics speak up clearly and in detail. Let them show, if they can, where our line disoriented workers on Stalinism, where it resulted in embellishing Stalinism and its counter-revolutionary army. Let them show, if they can, where our line helped the *reactionary* enemies of Stalinism, or where it contributed to aligning the working class with these enemies. Let them show, if they can, how our opposition to defense of Stalinist Russia, adopted, we were told, under the pressure of the . . . bourgeoisie, led to the weakening, by so much as a hair's breadth, of our class opposition to our own bourgeoisie and its imperialist war, to the weakening of our struggle against the labor lieutenants of the bourgeoisie. In other words, let our critics judge *the political consequences of our line* no less severely than their own. Naturally, if the correctness of the Cannonite line is to be proved, as Frank actually writes, black on white, by the fact that the SWP has recruited some new members—then the debate is over before it began. But neither we nor the Cannonites have yet won the debate on *that* ground. By this criterion, it is the Stalinists who have won (for the time being); it is their policy that has been "proved" correct.

MAX SHACHTMAN.

(The discussion of the balance sheet of differences between the WP and the SWP will be continued next month, when we review the controversy over the class nature of Russia.)

ECONOMIC BASIS OF THE BLACK MARKET

The Profit Motive and Price Ceilings

Since V-J Day there has been a marked increase in the supplies of food—including poultry and meat, commodities so cornered by the black market during the war that it accounted for ninety per cent of those sold in New York City. The easing of rationing has followed the increase of supplies. Though prices are still high and the black market continues to have a footing in lines of civilian supplies that continue to be scarce, we may say that the back of the black market has automatically been broken and the poignancy of the wartime crisis is behind us.

"Gone and forgotten" should not, however, be the net result of this phase of the war—nor of any other phase of it. While in this country people were not starving and freezing on the streets, as for instance in Greece, we had unheard-

of prices, protracted shortages, complete disappearance of commodities into the black market, resulting in actual malnutrition and, for the housewife, in enervating hardships.

All this can be laid on the doorstep of private profit and the capitalist government, as their ugly offspring. Only in the sale of defective war material for shipment to the troops, was the lust for profit more evident than in the food situation. There was an almost conspiratorial collaboration between the food industry and government. A review of the food crisis in this country during World War II can serve as fundamental educational material for the American working class, pointing unequivocally to the need for nationalization of industry and for a workers' government. It is with this object in view that this article is written.

The Thread of Gold

Anarchy and chaos characterized the food situation throughout the nation.

Shortages and lines of weary, waiting women existed side by side with bursting warehouses and rotting surpluses going to waste. Ration point values were increased, decreased and again increased. There were the silent, unannounced strikes of big business against cooperating to bring food and commodities to the people, and there were the bombastic strikes of the little storekeepers caught between the black market and OPA ceilings. The black market was "cracked down on"—at least we were told—many times, but like the cat, it not only had nine lives but each one was bigger and better than the one before.

Rackets in counterfeit ration coupons flourished. Speculators cornered the mar-

ket on essential commodities. The government steadily increased subsidy payments to big business, while Congress refused to allow the OPA a decent operating budget. The consumer was promised relief seven days a week, while the housewife paid 72 cents for a dozen eggs and the coal miners of Illinois went on strike to get more meat so they would have the energy to continue producing coal. Yet in Spokane beef supplies were so plentiful that butchers had difficulty moving their stocks, and 400 carloads of eggs were "misaid" by the War Food Administration.

However, a clear-cut thread ran through all this mess. Big business, big farm corporations, big cattle-raisers, meat packers, leather goods manufacturers, textile concerns, systematically, constantly and planfully dominated the situation. They controlled government agencies and lobbied Congress in the interest of bigger and better war profits. They reaped golden harvest out of the sweat, toil and blood of the rest of the population.

In spite of the demands of the war, there could have been plenty of food and other supplies for all—if only the element of private profit had been eliminated. The private profit motive is responsible for the exorbitant prices, for the made-to-order shortages, for the profiteering black market. Big business, and the capitalist government that caters to it and protects it and its profits, are to blame for children not having more than one egg a week, and not having meat in months during the war.

How Real Were the Shortages?

This question is not asked to ridicule the much-abused housewife who knew full well that there was a shortage of meat, chicken, butter eggs, canned fish, cheese, sugar, canned fruits and vegetables, and even fresh fruits in the summer—to say nothing of such items as leather shoes and textiles. No ridicule is meant. But the women waiting on long lines should have known whether their plight was due to the *actual* absence of food or to the manipulations of the war profiteers and the equally reprehensible conduct of government agencies.

When cattle slaughterers refused to buy carloads of choice steers that would provide hundreds of thousands of pounds of steaks and other cuts, because they wanted to force the OPA to raise ceiling prices, that created a meat shortage, but an *artificial one* for the sake of profits.

When there were 676,111,000 pounds

of frozen meat in storage in the New York district, as was the case in March 1944, but kept off the market to bolster high prices and the flourishing black market, there was no *real* meat shortage though the consumer could get none of the frozen meat.

In March 1945 the National Independent Meat Packers Association said that the beef situation was "*anomalous because we have on the range the largest cattle population in the history of the United States—80,000,000 heads.*" Then why the meat shortage and why the tremendous growth of the black market in meat? Because the cattlegrowers didn't like OPA prices and preferred supplying the black market to line their pockets with gold.

A Scrambled Egg Situation

In November 1944 War Food Administration officials were saying that there was an over-supply of 50,000,000 hens in the country and that there would be more eggs in the spring of 1945 than the authorities would know what to do with. Why then the shortage of poultry? The poultrymen were holding onto their laying hens because they wanted to get the high government prices for eggs. The government was buying eggs, without rhyme or reason, placing them in storage until they rotted or until speculators got hold of them. So there was also a shortage of eggs.

Illuminating this subject is a report of the Senate War Investigating Committee. Lieutenant Colonel Ohmstead was testifying that 5,000,000 cases of surplus eggs had been purchased by the government to support prices at 90 percent of parity and that the government would do the same thing this year.

Senator Ferguson: Do you mean to say that the American taxpayers have invested between \$100,000,000 and \$200,000,000 on eggs we have no use for?

Col. Ohmstead: That's right.

Ferguson: What are you going to do with all the eggs?

Ohmstead: I wish I knew.

WFA Favored Shortages to Up Profits

The food industry soon realized that it would be better off, from a long range point of view, if it kept stocks down as much as possible. The food trade was afraid of surpluses. It wanted low stock piles and high prices and profits. Long queues of tired women trying to get the necessities for an adequate diet were grist in the profit mill.

The WFA played right along with the food barons.

Donald Montgomery, formerly of the Department of Agriculture, and now a statistician for the CIO, claims that the WFA's policy "*has been dictated more by a desire to protect the monetary value of food stocks . . . and the profit of food industries . . . than to protect the food needs of the people.*"

The United Auto Workers Union accused the WFA of "*frankly acting to protect the profit interests of United States food trades . . . much of the present shortage was planned by the WFA's production plans of two years ago . . . The rest of it has resulted from its program, announced last May, to keep commercial and government food shelves down to minimum stocks—it was a deliberate application of the scarcity technique which any good food monopoly uses when it can.*"

From all the facts enumerated above, it is plain that "How real were the shortages?" is indeed a very pertinent question. With the largest cattle herd in history, with millions of cases of eggs going to waste, with warehouses bursting with supplies, there was no *real* shortage. What existed was a virtual conspiracy between business and government, resulting in *artificial* shortages, spectacular prices—and luscious war profits.

OPA Prices Based on Pre-war Profits

Why was the OPA such a farce?

Few people realize that the whole war price structure was based on the proposition that the capitalists must make at least pre-war profits. The Price Control Act actually required that ceiling prices be fixed to return profits of at least pre-war levels.

Therefore, right from the beginning the price structure was determined by the capitalists themselves. It was their own say-so as to what their pre-war profits were; their own bookkeeping was not questioned. Then the pressure for higher prices started, and the OPA gave in, gave in and gave in.

Industry found every possible loophole. At first the OPA set price ceilings, in general, on the basis of over-all earnings of corporations. The idea was that prices were not to be increased unless the total earnings of the corporations involved fell below pre-war levels—of course, at their own say-so. But soon the profit-grubbers found a new wrinkle to exploit.

They were no longer satisfied to let the over-all earnings of the industry determine the price of a particular item. Under their pressure, the OPA adopted

a "product standard." If an industry claimed it was not making pre-war profits on any one of its products, it was entitled to price increases on that product—regardless of how much profit the industry was earning on its total products.

Here is an example of how this "product standard" worked out. In 1944 the textile industry was granted price increases on different items, on the theory that the industry was not making pre-war profits on these particular things. However, in the year 1943 the cotton textile industry as a whole was taking in profits, hand over fist, amounting to 772 per cent above pre-war levels! That gives an idea of the way legalized war profiteering went on. No wonder the cost of living climbed, and climbed some more.

Beginning with OPA Director Chester Bowles, a topshelf advertising executive, OPA officials consisted of men with big business background. It showed in their attitude. Let one of them speak for himself. Here is James F. Brownlee, deputy administrator in OPA, stating before the Senate Committee on Banking and Currency: "OPA never reduces prices merely because it considers profits are large. Its orders from Congress are to control prices, not profits."

Congress and the OPA

Another thing to be recognized is that the OPA was adopted hesitantly, veritably a homeless orphan. Congress never allowed it sufficient funds to operate properly. Congress appropriated hundreds of billions to wage war, but to keep prices down for the consumer it just could not spare a few extra dollars. Why? First, Congressmen-businessmen, looking after the profits of their class, did not want an efficient OPA to keep prices low. Again, Congress was pressured by the powerful farm bloc and food trade lobbies, which opposed low prices. Finally, by the system of checks and balances which characterizes the American government, Congress functions as a check on any unpleasant inroads that other government agencies, like OPA, might try to make on the "rights of private enterprise." OPA was "checked" almost out of existence.

Black Market Result of Profit Motive

With the profit motive running like a black plague throughout both industry and government, the development of a virulent black market was inevitable.

The black market flourished most in meats, poultry, textiles and sugar. But it was by no means limited to these com-

modities. Clothing, furniture, second-hand refrigerators, home equipment, all these and more were handled by the black market.

It was estimated that the black market cost consumers of this country \$2,000,000,000 a year. Just how this estimate was arrived at is hard to say because actually nobody knows what black market prices were paid by every housewife and every consumer in every community. However, housewives needed no statistical confirmation that they were being mercilessly robbed as consumers.

Not only were pocketbooks involved. Health and lives were endangered by the unbelievably filthy conditions under which black markets operated, especially in meat. An investigation on black market meat sources in New York State disclosed revolting conditions. Old shacks, near pigsties and cesspools, were used as slaughter houses. Barns with no refrigeration nor protection against flies and insects were used for storage.

It is an erroneous conception that the black marketeers were new arrivals, war speculators pure and simple, having nothing to do with established business. The investigation of the black market area in New York State showed the illicit link between duly licensed slaughterers, slaughter houses and retailers. The magazine *Business Week* described black market operators as "solid citizens long established in the meat trade and with good reputations." Drew Pearson reported that the rye market was cornered by a well known "national food corporation."

The \$1-a-Year Brigands

From the deep sewers of the black market to the marble palaces in Washington, big business spread its controlling grip. Not content to leave matters in the hands of their politicians, the capitalists themselves entered government agencies in droves.

Concerning ourselves only with such government agencies as deal with food and civilian supplies, what do we find? We will just chose a few random illustrations.

J. Spencer Love, president of Burlington Mills Corporation, with forty-four plants producing textiles of all kinds, was head of the textile department of the War Production Board. This corporation is obviously interested in high prices for textiles—and so was Mr. Love, as a WPB \$1.00-a-year man. Mr. Love wanted high prices not only for the

stockholders of the corporation—among whom he is probably the largest—but the higher prices and the profits of the corporation, the higher the salary and commissions of Mr. Love.

Lawrence B. Sheppard, head of the leather and shoe department of WPB, is the president of the Hanover Shoe Company. How did he help the people through the leather shortage? He turned thumbs down on a simple process that would make shoe soles last longer by 25 to 50 per cent. The process is so simple that it would cost about three cents per pair of shoes. But Mr. Sheppard did not want shoes to last longer. He was looking ahead to the post-war period when leather would again be plentiful. It would, therefore, not be good business to make shoes last longer.

Peeping into the personnel list of the War Food Administration, we pick out Lee Marshall, director of distribution of WFA. Mr. Marshall is head of Continental Baking Company, which is not only a baking company but deals in general foods. Quite unabashed, Mr. Marshall, as a government official, stated: "We have a selfish interest in keeping stocks as low as possible." Whom did he include in that "we"? His company? The WFA? Or both? Undoubtedly both, because he was one of those making the policies of WFA to suit the purposes of business.

How good a job the \$1.00-a-year men have done for business can be measured by the amount of profits grabbed during the war. A few figures will suffice for the purpose of showing why business executives so generously give their services to the government for \$1.00 a year.

Since meat has been so much on our minds, let us see how the war treated the ever-complaining meat packers. In 1944 the profits of Armour, Cudahy, Hormel, Morrell, Roth, Swift and Wilson were \$153,193,000 before taxes as against merely \$22,392,000 averaged in 1936-39.

In the textile industry, average profits before taxes in 1944 were \$400,000,000 against \$28,000,000 in 1936-39.

Here is a list showing the percentages by which profits before taxes rose in the war year 1943 above the peace years 1936-39, in industries in which the consumer is especially interested:

Industry	% Profit Increase
Sugar	86
Dairy	250
Canned and frozen goods....	343
Meat packers	424

Wholesale grocers up to.....	500
Cotton textiles	772
Department stores	1,046
Leather tanning, finishing..	1,500

This is the extent to which the capitalist government and the capitalists in the government were taking care of their own interests.

Subsidies for the Profiteers

It is exactly these corporations which continue to receive tremendous sum of public money in government subsidies. President Truman, in July, 1945, signed a bill continuing subsidy payments for the next fiscal year. The meat packers, whose profits rose 424 per cent, will get an additional sum of \$595,000,000 and for nothing. The dairy companies, whose profits rose 250 per cent, will be paid \$100,000,000 as a butter subsidy. The flour merchants, probably including the wholesale grocers, whose profits rose up to 500 per cent, will receive \$190,000,000 for the flour subsidy.

Such legalized graft was going on during the war—and continues. Chester Bowles, OPA head, pointed out that of \$1,250,000,000 paid in food subsidies, the consumer benefitted by only \$378,000,000—a very small fraction indeed.

The Battle of the Cost of Living Bulge

Instead of keeping prices down, the government tampered with facts and figures. A poor substitute!

A brief review of the battle royal that raged between the unions and the government on the subject of the cost of living is here in order.

Because the government had frozen wages by the Little Steel formula, it wanted to make it appear that prices had not gone up very much. The unions, on the other hand, knowing that their members were losing in the fight to meet the skyrocketing cost of living, wanted to arrive at the truth about prices.

In January, 1944, the CIO and AFL issued a joint report. Their method of investigation was very thorough. The unions estimated, through expert economists whom they employed, that the cost of living went up 43.5 per cent from 1941 to the end of 1943! But still they could not truly evaluate the deterioration in quality, the disappearance of low-priced merchandise, the discontinuance of special sales, the irregularities of ceiling violations and the constantly soaring black market prices.

Then the government's Bureau of Labor Statistics came out with a counter report that the cost of living went up

only 23.4 per cent in that time. It was immediately plain to every working man that this fantastically low figure was a lie to make it appear that the worker had not been robbed too much by the Little Steel formula.

By the end of 1944, however, the government was admitting an increase of 30 per cent in prices—as against the unions' claims of 45 per cent.

The same Bureau of Labor Statistics admitted on another occasion:

The burdens of the war have been borne by nearly all factory workers, in the form either of a reduced scale of living or of harder work without material improvement in current living. Any gains made in spendable earnings have been small.

The Embittered Housewife

No review of the war food situation would be complete without considering the position of the working class housewife.

In the early days of the war the housewife tried to expose OPA violations and to resist the black market. Some committees were formed and complaints were made to the OPA. But soon disillusionment came. Their efforts availed them nothing because the whole policy of the government and business was against them.

When a housewife threatened to turn a meat dealer over to the OPA for charging 85 cents for a pound of chuck, and he said: "Go ahead!" she understood that the dealer had nothing to fear from the OPA.

Or when she protested against paying for three fourths of a pound of fat with every pound of meat, thus almost doubling the price, and the butcher snapped: "Do you want it or not? I'm busy!" she knew that she either had to allow herself to be mulcted or do without the meat.

But, then, why should the butcher have been more law-abiding than the lawmakers? For Senator Bushfield, of South Dakota, announced, quite openly and without blushing, his intention to get meat "Wherever I can."

New York City's Mayor LaGuardia made himself particularly obnoxious in his radio talks to housewives. The "Little Flower" used the situation as an occasion for self-expression. His main line was to exhort housewives to be good, not pay black market prices, observe meatless days—but this was mere mockery since nothing was done to make "white" market food and goods available.

In Conclusion

The total picture of the food situation in this country during World War II adds up to another classical example of the functioning of private enterprise and capitalist government for the sake of profits, with a callous disregard for human welfare.

Artificially created shortages, government agencies conspiring with big business, manipulations by \$1.00-a-year executives, government lying about the cost of living, OPA failure, government subsidies to war profiteers, insincere exhortations to housewives not to pay black market prices when the alternative is to go hungry, the ruthless black market—all adding up to the greatest profits in history made out of the wherewithal of life. Such is the composite picture—against the bloody background of the most terrible war in history.

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BEHIND THE PEARL HARBOR EXPOSE

What They Don't Dare Tell

This is a war for mastery of the world, and not for national independence. Japan's oppression of China has its counterpart in the three centuries of British oppression of India. In these two cases is symbolized the imperialist reality behind all the pretensions of the democratic spokesmen on the one side and the Axis on the other. This is a war of finance capital; this is a war for oil and steel and coal; this is a war for rubber and tin and tungsten; this is a war for stocks and bonds and profits; this is a war for rule over countless millions of colonial slaves. This is a war conceived and bred by world capitalism—not by this or that country alone, not by this or that statesman alone, but by the rotten, decaying, poisonous reaction of the capitalist system which these statesmen represent and defend.—*From a statement issued by the Workers Party immediately following America's entry into the war, and published as a lead article in Labor Action of December 15, 1941, one week after Pearl Harbor.*

The Congressional Committee investigating the Pearl Harbor "incident" is still in session as we write. It is, however, possible to draw conclusions on the findings of the committee before it completes its sessions and issues its report, conclusions both as to Pearl Harbor and as to the investigation itself. Briefly stated, these conclusions are:

1. That while Roosevelt was reassuring the American people—in Boston, on October 30, 1940, he promised: "your boys are not going to be sent into any foreign wars"—he was waiting for the Japanese to make the mistake that would galvanize a reluctant people into an enthusiasm for war.

2. That Japanese and American officials alike knew war was the inevitable end of their imperialist rivalry, and prepared for it while they engaged in peace discussions.

3. That, through having broken the Japanese code, the U. S. State Department knew virtually every detail of the Japanese program.

4. That military intelligence had reported Japan's massing for an attack—according to one version, the night before the attack; according to another, too late to be forwarded to the military and naval commanders at Pearl Harbor.

5. That Administration leaders are trying to pin responsibility on Admiral Kimmel and General Short, though not too strenuously, earlier investigations having backfired.

6. That Republican Party leaders are seeking to pin the responsibility on Roosevelt in order to make the investigation their No. 1 issue in the next presidential campaign.

7. That all parties concerned are pro-

tecting the real criminal, capitalism, while they busily and vituperatively engage in shifting responsibility from one scapegoat to another.

8. That a genuine investigation by a people's court would be equally distasteful to the Administration and its critics.

Each side in the dispute is faced with a dilemma. Thus the Administration is trying to prove at one and the same time that (1) Japanese "aggression" came as a complete surprise, compelling it to respond by a declaration of war; and (2) that its efficiency was not wanting in any respect, that it was prepared for war except insofar as the isolationists stood as obstacles to national unity.

And the critics of the Administration, notably the GOP and the Patterson and Hearst press, face the dilemma of indicting the criminal without establishing a motive for his crime: Roosevelt forced Japan's hand, then deliberately kept silent on Japan's plan to attack Pearl Harbor in order to catapult the American people into war. But the motive? At this point their testimony resolves itself into a quibble over incidental fact and counter-fact because it spells a genuine indictment of imperialism.

Press Shields Imperialism

It is difficult to establish which of the charges, which of the defenses are true. The Administration is working especially hard to secure an acquittal, and in this it is generally aided by the purveyors of information, the press. Apart from the Hearst and Patterson papers, who are exploiting the situation for their own reactionary ends, the press as a whole has displayed a truly responsible attitude toward American imperialism. It was one thing when Kimmel and Short

were hauled before an investigating committee. The issue could still be kept within the confines of military efficiency—did the Army and Navy cooperate? Did commanding officers at Pearl Harbor display sufficient enterprise and initiative? It was still within the realm of permissible news exploitation, depending upon which side of the capitalist political fence they were, when it was merely a matter of investigating negligence in the State Department or making a little Republican capital against Roosevelt. It is something else again when the investigation comes dangerously close to revealing the real background of war, the motives. Thus, in the spirit of their responsibility to the basic interests of imperialism, the pro and anti-Roosevelt press is generally and generously helping the Administration to dominate the investigation. And so, too, in this same spirit, thirty-nine Republican members of Congress have disassociated themselves from leaders of their party who, in using the investigation as a political football, may find themselves unloosing something they will be unable to control.

What are the principal issues in the dispute? John T. Flynn, pre-war America Firster, who some time ago wrote a largely substantiated exposé of the Pearl Harbor "incident" for the Chicago Tribune, and who is now covering the investigation for the Hearst press, contends that at 10 p.m., December 6, Roosevelt received an intercepted Japanese message breaking off negotiations with the United States and indicating immediate Japanese action, and that Roosevelt deliberately delayed forwarding the information to military commanders in the Pacific. Against Flynn's charge, the Administration is presenting a bewildering number of witnesses to prove that the vital part of the message, the 14th part, was not decoded until 10:30 a.m. of December 7, that steps were immediately taken to notify all commanders concerned but that a series of tragic delays ensued: Army radio could not raise Hawaii that morning, commercial cable was used and the warning to General Short was not decoded until four hours after the attack had already begun. This is big issue No. 1.

It is pointless to try to discern the

particular truth in the pages upon pages of testimony and denial. And it serves no real purpose. Whether General Marshall was horseback riding when he should have been working is the Army's affair. The same for whether General Short was sleeping on the job or whether he should have maintained cordial relations with the Navy commander. The same for whether Army Intelligence reported the pending attack and disposition of Japanese forces. It is, however, of real concern to the people of this country that they know why and how they were dragged into the war.

Location of the Fleet

Big issue No. 2 was explored in two and a half days of testimony by Admiral Richardson, who was relieved of his Pacific command early in 1941. Richardson testified that he had informed Roosevelt Pearl Harbor was inadequate to prepare the fleet for war. He had proposed that the fleet be returned to the West Coast to be built up, then deployed for action. Roosevelt felt that it was necessary to maintain the fleet in Pacific waters to present a show of force to the Japanese. *"They (the Japanese) could not always avoid making mistakes and that as the war continued and the area of operations expanded, sooner or later they would make a mistake and we would enter the war."* So Richardson reported the gist of Roosevelt's position. Welles, testifying after Richardson, justified Roosevelt's action on grounds of diplomatic expediency.

Be that as it may, entry into the war was a foregone conclusion from the start. Long before Pearl Harbor, Churchill urged Roosevelt to lay his cards on the table in negotiations with the Japanese. Roosevelt, however, preferred something milder than a warning that the United States would resort to war, something like the traditional warning against aggression; he had still to line the American people up for war. Testifying before the committee, Sumner Welles, former Assistant Secretary of State, admitted that as of mid-September, 1941, it was clear to him that there wasn't "the remotest chance" of peace with Japan. For weeks before Pearl Harbor it was known to American diplomatic and military leaders that Japan was planning to attack at one of several places when the negotiations broke down. Incredible as it may seem with the extraordinary information at the disposal of U. S. Intelligence, the Administration contends it

suspected half a dozen points of attack, but none of these was Pearl Harbor.

Plot Against the Peoples

We have cited only the barest fraction of the evidence. Mountains of it have piled up in testimony, state papers, photostats, exhibits of one kind or another. There is in addition the mountain of evidence accumulated during the two previous Pearl Harbor investigations. We are in no position to examine the testimony for accuracy. And, in any case, we are far from convinced that the hour at which Roosevelt received the decoded Japanese message is the principal issue. We are concerned with the entire pattern, and the pattern unmistakably reveals that both United States and Japanese imperialism were engaged in a plot against their respective peoples.

And this much can be said as a certainty: whether or not Roosevelt, apprised of the situation, could have prepared the Hawaiian command against the Japanese attack, whether or not it came as a "surprise," he could hardly view it as a disaster. For, whatever ships or men may have been lost, the military cost was well worth the political gain to him.

There is no doubt from the evidence that the Japanese were preparing for war. There is equally no doubt that they would have preferred not to go to war with the United States, but had no choice short of restricting their imperialist ambitions. Japan became an imperialist nation of importance largely through the aid of the United States, which promoted its development as an obstacle to British and Russian influence in Asia. While Japan was developing its expansionist policies, imperialist rivalries for control of the world were sharpening. During the First World War, Japanese and U. S. interests still coincided sufficiently in the Pacific to make her an ally of the United States. By the time of the Second World War, the world had become so much "narrower" that imperialist mastery of the world could not be shared. Having embarked on its program to build a Japanese "co-prosperity" sphere several years earlier in China, Japan moved to establish total domination over the East when the European war engaged the energies of the Allied powers.

The United States entered the war against the Axis power late, but it was actually in the war from the start, and not merely in it, but in it as a principal

contestant. Just as its imperialist interests dictated a contest with Hitler Germany for world domination, so, specifically in the East, its interests could not tolerate Japanese domination. Capital investments in the East were involved; so were the resources of the enslaved colonies—rubber, oil, tungsten, tin.

Moral issues were not involved. Aviation parts that were used to replace Dutch slavery by Japanese slavery, and also used to bomb American ships at Pearl Harbor, were sold by Bethlehem Steel Corporation to Japan almost up to the declaration of war. A big patent cartel in the United States schooled the Japanese in how to make high octane gasoline as late as 1939. These and other disclosures were made to the Senate Kilgore Committee by the Economic Warfare Division of the Justice Department at the same time that Pearl Harbor hearings were in session, yet they hardly created a ripple in the press. The scandal of scrap iron sales is well known. Business remained business up to the last moment.

Roosevelt's Conspiracy

American business did not lose an opportunity to make profits until the larger issue of American or Japanese control came to the showdown of war. Not all the representatives of big business, however, saw the situation in the same light. Where the general interests of United States capitalism dictated Roosevelt's war policy, there were elements whose individual interests were best served by peace with Japan (or Germany). Hence isolationism; hence too, in part, the vigor of the Roosevelt "smear" campaign in the current investigation.

Those who are most active in the "smear Roosevelt" campaign know full well that he acted for the general welfare of capitalism—including the Hearst and Patterson and GOP interests. The war, however, is won. Japan as an imperialist rival is crushed. There are differences of opinion in American capitalism as to what foreign policies will best serve their imperialist interests in the East (or, for that matter, Europe). And the Pearl Harbor incident makes, in any case, excellent presidential campaign material.

For it is true that Roosevelt engaged in a conspiracy of deception against the American people. His fireside chats dripped with the syrup of non-involvement while he was not only preparing for war, but deciding the course that war entry would take.

Through the speeches and literature of the Workers Party, through *Labor Action*, through THE NEW INTERNATIONAL, we exposed Roosevelt's policy for what it was: a policy of preparation for imperialist war. Read THE NEW INTERNATIONAL or *Labor Action* for the year before Pearl Harbor and you will find that we predicted that Roosevelt, confronted with mass anti-war sentiment at home, awaited only the incident that would make the war palatable to the people. Did we say this to "smear" Roosevelt? No, not then, any more than now. We were not and are not interested in Roosevelt as an individual except as he represents a class and the policy of that class. We are, however, admittedly very interested in smearing imperialism—Japanese, German, Russian, British or American—and the evidence at the Pearl Harbor investigation does smear imperial-

ism, if so mild a word as smear may be used.

What becomes of the moral indignation against the "sneak attack"? Surprise or no surprise, Roosevelt expected exactly such an act—at Pearl Harbor or some other American possession. And what becomes of that most favored hypocrisy, "aggression"? In imperialist wars there are no aggressors. Each side is as an aggressor against its own people and against the peoples of the world. Who strikes the first blow is either a matter of maneuvering or of military or diplomatic strategy, as the case may be.

The United States did not go to war to avenge the massacred Chinese, the enslaved Javanese. It did not go to war against the Dutch because they enslaved the Javanese before the Japanese did, nor against the British because they oppressed the people of Singapore before

the Japanese did, any more than it is going to war against them now because the Dutch and British are massacring Javanese today. The United States went to war to pursue its imperialist aims, to crush a rival imperialism that would not confine itself to the rôle assigned to it.

We of the Workers Party are proud that, ALONE among the parties in the United States, we issued a manifesto at the outbreak of the war denouncing it as imperialist, describing Pearl Harbor as the fabricated excuse it was. Turn back to the beginning of this article. Read the quotation from our manifesto. We are confident that a people's inquiry into Pearl Harbor and the war would arrive at the same summary of conclusions.

EMANUEL GARRETT.

HOW PAC'S STRATEGY WORKED OUT

Its Record in Congress

The Congress is part of our government which we elected. Most Congressmen are fair-minded, patriotic people like other Americans. They need our help in combatting the few who are neither fair nor particularly devoted to winning the war. With our help, this 79th Congress can and will do a good job.—*CIO News*, January 8, 1945.

Three of the leading measures called for in President Truman's message of September 6th are threatened by lack of any organized effort by the Administration or its supporters inside or outside of Congress. These are the Full Employment Bill, the Unemployment Compensation Bill and the 65 cents Minimum Wage Bill. If these three measures are not passed in substantially the form asked for by the President, it will represent a body blow to postwar recovery and a repudiation of the President's leadership. I do not consider that the Administration and the leadership of the Democratic Party have shown sufficient exertion to date on these crucial measures.—*Philip Murray to a delegation of one thousand CIO members in the House Caucus Room in Washington, September 24, 1945.*

The Political Action Committee of the CIO was organized in 1943 for the avowed purpose of effecting decisive political control of the national government through mobilization of the millions in the CIO, AFL, the Railroad unions, and all other trade unionists, who would exert pressure upon the Republican and Democratic parties, but above all become the labor wing inside the Democratic Party, in order to establish a "secure and abundant life." Hostile to the creation of a labor party, independent of the two capitalist parties, CIO spokesmen declared labor could achieve the great goals of full employment, peace and security by pressure of an educated, aroused electorate upon the bourgeois parties.

The new element that PAC brought to the development of American labor politics was the awareness that labor must intervene decisively in the political life of the country with a broad social program encompassing the fundamental questions that were now posed before it in order to achieve a society of freedom and plenty. Philip Murray's statement to the 1943 Convention of the CIO reflected this understanding. "Today," he said, "labor is alive to the fact that, in addition to the immediate economic problems of the workers, the larger and all important issues of the proper conduct of the war to insure unconditional surrender within the shortest possible time, the writing of a lasting peace, and the formulation of a domestic program

for a more secure and abundant life will be determined by the character of our national government." This outlook contrasted sharply to the traditional AFL policy limited solely to the support of specific labor legislation. The CIO bid for support of labor's millions with a complete program embracing the basic questions of reconversion, civil liberties and full employment.

We will achieve these goals, said PAC, through the election of Roosevelt and the victory of the Democratic Party, which by and large represent the forces of progress in this election. Their close tie to the Democratic Party was highlighted by headlines in two successive issues of the *CIO News*. One week the banner read "CIO 100% for Wallace." The following week, after Wallace's rejection by the Democratic Party Convention, the paper proclaimed "CIO 100% for Truman."

PAC organized a truly gigantic campaign, operating as a full-time political machine, ringing doorbells, holding hundreds of political rallies, broadcasting over the radio, issuing eighty-five million pieces of literature and in many places functioning in place of the regular Democratic organization. While the AFL had been content to issue tepid press releases as its contribution to the cause of "good" government, PAC conducted a

fighting political campaign all along the line.

The National Political Action Committee gave its sanction only to Roosevelt and Truman. Each of the fourteen regional divisions throughout the country determined for itself which Congressional candidates it would support after National PAC had submitted reports based on an examination of the record of all candidates. National PAC made it very clear it was not making any endorsements, leaving such decisions to "the people" in each region; it was extremely wary of accepting responsibility for PAC-endorsed candidates. On the basis of the policy of support to capitalist candidates, regional Political Action Committees gave aid to men with dubious labor records. The national organization, therefore, could attempt to evade responsibility if a candidate PAC helped elect turned in a bad record. (Perhaps that is why their national office in New York City does not have a complete list of all PAC-endorsed Congressmen!)

PAC Votes Elect Roosevelt

The victory of Roosevelt and the Democratic Party in the 1944 elections was a tremendous triumph for the Political Action Committee. In city after city, state after state, the balance of votes which assured Roosevelt's re-election to the White House were delivered by PAC. Without PAC's demonstrated power to rally the working class, it is doubtful that Roosevelt would have been re-elected. The Democratic Party revealed its impotence to capture the labor vote without the assistance of a direct appeal to the masses by an organization, based on the trade unions, that could speak in the name of labor. The capitalist class understood the significance of the PAC victory and gravely warned the labor movement against organizing its own party, knowing that such a step would weaken its own power.

CIO-PAC hailed the election victory and the *CIO News* expressed confidence that "with our help, this 79th Congress can and will do a good job." As late as July 16 of this year, Sidney Hillman and Philip Murray, in a report to the CIO Executive Board, stated that "PAC recognizes the overwhelming victory won by the democratic forces in the 1944 national elections."

What has been the record of the 79th Congress, which "with our help," said PAC, "can and will do a good job?" It is one of utter and complete failure to leg-

islate in the interests of labor and the masses of the people. It is a Congress that fulfills the needs of the bourgeoisie on the one hand, by refusing to act on the minimum needs of the workers and on the other, by generously aiding the profit-swollen corporations. On issue after issue involving the basic, elementary needs of the people, this Congress has failed to act. More than six thousand bills have been introduced in both houses. Of the two hundred sixteen enacted into law, there has not been one important piece of legislation to aid the working class.

Pass Big Business Tax Bill

While one plank after another of PAC's legislative program is ignored, emasculated or discarded, Congress rushes to the aid of big business and enacts one of the worst pieces of legislation in its history. Violently opposed by the CIO as a device to provide "huge windfalls to the richest corporations and wealthiest individuals," the bill grants over \$3,000,000,000 in tax reductions to corporations, which means, according to Government estimates, that corporation profits next year after payment of taxes will rocket well beyond the ten billion dollar record established during the war. The corporations received more than they had hoped for and Senator Taft, reactionary spokesman for business, announced that corporations had obtained all the tax cuts they could expect for a long time.

In mid-October, coincidental with the rising wave of strikes, the House Military Affairs Committee endorsed the bill introduced by Howard Smith of Virginia to repeal the ineffective Smith-Connally Act and substitute measures aimed at the destruction of the labor unions and the elimination of the Political Action Committee. The bill would exempt employers from their obligations under collective bargaining contracts should unions strike during the life of agreements which carry a no-strike pledge. Practically all contracts contain such a provision. In the political arena, the bill would prohibit unions from issuing educational material during political campaigns or from making contributions to PAC. The House Rules Committee, strangely unable to find a number under which to discharge HR 2232 for a permanent FEPC since February of this year, moved with lightning speed to get this vicious anti-labor legislation onto the floor of Congress.

Record of PAC's Congressmen

Where do PAC and PAC-sponsored Congressmen fit into this overall picture? What have they done to counteract reaction and to drive ahead with a program for labor?

For this 79th Congress, CIO had a program—a "People's Program," they termed it. "To win the war and win the peace," the program called for "continued co-operation among the United Nations for the objectives of the Four Freedoms, the Atlantic Charter and the United Nations Declaration." (The roar of British and Dutch guns in Indonesia, the French gunfire in Indo-China, the whole flaming East cries out in bloody answer to the mockery of "peace.") The section on foreign policy continues with a demand for "the right of asylum for persecuted minorities and for the protection of racial, religious and political minorities." (The anguished cries of the Jews in the "internment" camps of the democratic Allies testify to the failure of the American labor movement to achieve this end.)

Under domestic policy, the "People's Program" called on Congress to "establish a permanent National Planning Board, composed of representatives of industry, labor and agriculture, which would establish an industry council, composed of representatives of labor, management (or agriculture where appropriate) and government to assist in the formulation and administration of plans for full production and full employment within such industry." Marxists are opposed to the entire concept of collaboration between labor and capital because, as was clearly seen during the war, the labor representatives become the captives of the ruling class, who use them as part of the bourgeois state apparatus. However, from the standpoint of fruition of CIO's program, it is important to note that not only has nothing been done on this proposal for a National Planning Board, but even the more modest Full Employment bill has been reduced to a shadow of its former self.

The rest of PAC's program calls for government guarantee of full employment; government endorsement of the principle of the guaranteed annual wage; wage increases reflecting rising living costs; heavier progressive taxes on high personal incomes and on corporate profits; nationally co-ordinated public works as part of the program for full employment; a housing program to guarantee every American a decent home at a cost

within his means; immediate enactment of the Wagner-Murray-Dingell Bill on social security; federal aid to education establishing minimum educational standards, based on the principle that every boy and girl is entitled to free education at least through high school and providing for the elimination of the inequalities between Negro and white education; immediate enactment of the anti-polltax bill and the bill for a permanent FEPC, and amendments to the GI Bill of Rights to give the veteran greater educational opportunities and more liberal allowances. Not one single plank in this program has been adopted by the Congress which CIO has so hopefully hailed.

How They Voted

In August of this year PAC tabulated the voting record of all Congressmen for the period from January to August on fifteen issues that PAC considered gave an all-round picture. A check of the records of PAC-endorsed Congressmen indicates that by and large they voted "right" according to CIO's lights. It is on the basis of such voting records that CIO will go before the working class in 1946 and ask for its support. Upon analysis, the issues selected by CIO turn out to be neither decisive nor very important to the working class. There were two votes on the Bretton Woods bill—one for ratification of the Bretton Woods agreement, the other an amendment that would have killed the bill. Only eighteen votes were cast in the House against ratification and twenty-nine for the amendment. No PAC Congressman opposed either. Two votes were on bills to renew reciprocal trade agreements. The PAC-endorsed Congressmen here again voted almost to a man for these bills. On all four proposals, PAC Congressmen joined a few hundred other Democrats and Republicans and voted for measures that the administration and leading sections of the bourgeoisie also favored. CIO went all out for these bills on the false theory that they would further world trade and thus create jobs in industry.

Two votes concerned Henry Wallace and the powers of the Department of Commerce. The CIO waged a terrific campaign for its erstwhile fair-haired boy; PAC representatives went down the line for him. Just exactly what Henry Wallace has been able to achieve for the masses of the people in the Commerce Department except to announce that corporations this year could grant a fifteen percent wage increase and a ten

percent increase next year, no one, not even the CIO, has been able to discover. The National Association of Manufacturers has declared its satisfaction with Mr. Wallace's administration of the Department.

There were three votes dealing with price control, two to give the Secretary of Agriculture veto power over all decisions relating to food, and one to subject all OPA orders and regulations to court review. A vote against these proposals was essentially a vote "to make the record." They did not strike at the heart of the problem of effective price control which involves drastic action against the black marketeers of big business, stringent taxes on corporation profits and substantial wage increases. Not only has the OPA failed to control prices adequately, but it has granted generous price rises on food, clothing, building materials, etc.

One vote was for an agricultural census of farm resources. Surely no one could be against finding out what's down on the farm!

The other five bills were: (1) to give Federal white collar workers the fifteen per cent pay increase already allowed under the Little Steel formula; (2) to make the former Dies Committee a permanent body; (3) to repeal the poll tax; (4) to prohibit the use of War Labor Board funds in cases involving agricultural workers, and (5) a bill to increase excess profits tax exemptions and speed up the "carryback" of tax allowances for corporations.

Although opposed by most of the PAC-endorsed Congressmen, *this last bill received fourteen PAC votes*, the only one for which that number voted contrary to CIO's position. Perhaps this vote was the forerunner of the disgraceful performance in which these fourteen, and their colleagues, participated when they voted on the main tax bill on October 29. PAC representatives could easily support the bill to repeal the poll tax, since practically all of them come from the North. In this connection it is interesting to note that J. M. Combs, the Texas Congressman for whom CIO campaigned so vigorously, voted against poll tax repeal. The northern Congressmen had nothing to fear from the powers that be and at the same time could stay on the liberal path insofar as their working class constituents were concerned. Neither the bill on poll tax repeal nor the one on the Dies Committee affected either the profits or any basic interests

of the ruling class. To that extent the labor movement can successfully exert "pressure." Perhaps the meaning of these votes is best summed up by pointing out that Clare Boothe Luce, CIO's arch-enemy, voted for poll-tax repeal, for wage increases to Federal workers, and against continuation of the Dies Committee.

These fifteen issues, chosen by CIO, involve minor questions essentially, and the records of PAC Congressmen on them does not give the full answer as to whether or not they sponsored and campaigned for a program for labor. There have been a number of test issues where the "people's" representatives not only failed to offer a fighting alternative program, but in the main supported the ruling class. These key questions involved the very existence of the labor movement and the strengthening of the totalitarian aspects of the economy.

"Slave Labor" Bill As Real Test

The May-Bailey bill, introduced at Roosevelt's insistence just a few months before Germany's collapse, was a bill to freeze men from the ages of eighteen to forty-five to their jobs, to order men in so-called non-essential jobs into essential jobs, regardless of any difference in wages, and to order men rejected by their draft boards as unfit to take any job Selective Service decided upon, refusal to mean induction into an army labor corps forced to work in private industry at army pay. Philip Murray and the entire labor movement characterized the measure as a "slave" bill designed to bind labor over to the interests of private profit. In spite of the campaign the CIO waged in the press and before Congressional committees, only thirty-five PAC Congressmen voted against the bill, which the House passed.*

Only three PAC votes were cast against the bill to draft nurses, which came along at about the same time. Neither measure was enacted into law. The ending of the war and the pressure exerted by the labor movement, which was effective despite lack of support from PAC representatives, helped kill the bills.

PAC and the Tax Bill

The most recent test of how much pressure CIO can successfully exert on its "friends" came in the vote on the tax bill. Enacted into law after Truman signed it November 8, the bill repealed

*When a CIO delegation asked a Philadelphia congressman why he voted for the May-Bailey bill, he retorted that PAC had supported him because he supported Roosevelt and that's what he was doing!

the excess profits tax on corporations as of January 1, 1946, reduced corporate surtaxes and taxes, and in fact was such a gift to the corporations that the *Magazine of Wall Street* conceded it to be "heavily weighted" on the side of the corporations. CIO assailed the bill and called an emergency conference in Washington of sixteen organizations to protest. CIO had a tax program, but its spokesmen got no farther with it than committees in both houses which had the legislation under consideration. The program called for continuation of the present corporation taxes as well as the excess profits tax, for relief to small business by granting an exemption of \$5,000 by lowering existing rates for businesses with net incomes below \$100,000. For individuals, the plan provided increased exemptions for single persons to \$1,000, married couples to \$2,000 and retained the credit of \$500 for dependents, thus giving a family with two children an exemption of \$3,000. Under the tax bill passed by Congress, a family of four with an income of \$3,000 will have to pay \$190. The CIO plan would also have applied to individuals the "carry-back" and "carry-forward" provisions applying to corporations. Under it a family of four entitled to \$3,000 of exempt income and earning \$4,000 in 1944 would pay on \$1,000. If, in 1945, the family's income fell to \$2,000, or \$1,000 less than the exemption, it would "carry back" this \$1,000 exemption to 1944 and get a refund on the tax paid for that year, just as corporations do.

The CIO's plan never got beyond the stage of press releases and talk. Not a single one of all the PAC representatives stood up and did battle for the program. Exactly four PAC men voted against the tax bill, while Philip Murray and other CIO leaders begged their "friends" for help.

The PAC men have failed to offer the leadership that CIO wanted. It is obviously dissatisfied with the performance turned in by its "friends" in Congress and in addition is beginning to show signs of discontent with Truman, whom they had hailed as the true successor to Roosevelt, and his entire Administration. On September 24, Murray stated: "I do not consider that the Administration and the leadership of the Democratic Party have shown sufficient exertion to date on these crucial measures." This was with reference to unemployment insurance, full employment and the sixty-five-cent minimum wage. Even

the crown of Henry Wallace is beginning to slip. In reporting on his statement before the Senate Banking and Currency Committee on the Full Employment Bill on September 3, the *CIO News* wrote: "Henry Wallace read a long statement in a dry monotone supporting the bill as the truly 'conservative' way of preserving the American system." (A far cry from the days when CIO proclaimed itself "100 Per Cent for Wallace!")

PAC's Blind Alley

The same old story is unfolding—support of bourgeois candidates leads into the blind alley of frustration and defeat for labor. CIO is finding it more difficult to support Truman—the "average man" from Missouri. His inept performances—attendance at weddings, the old-time song-fests and above all his clumsy political maneuvering—stick in the craw of the masses, who are beginning to understand that bold, radical measures are needed in this era of atomic energy. Whereas Roosevelt was able to corral labor's support on the strength of New Deal legislation passed years back, and could appear to be the god-like reconciler of the struggle between the classes, Truman is unable to play that rôle. The back-slapping, snowball-throwing Truman, who, as the *New Yorker* puts it, looks like your corner grocer, is a non-entity, unable to command the respect and following of even the most ardent class collaborators of the CIO.

While the press howls in varying keys and the reactionaries in Congress bring up their artillery in defense of the corporations with union-busting, anti-labor legislation, where are the friends of labor in Congress? Where are the friends whom PAC elected? They are silent. They have failed in every test. In the face of the economic and political offensive of the ruling class, in the face of the crying need for an aggressive, bold program—they are silent. Rank and file trade unionists will begin to ask these questions. They will begin to see the need, not for fair-weather "friends," but for *labor men* in Congress.

In the short space of two and a half years the policy of PAC lies exposed—futile and pernicious. The 79th Congress that PAC hailed so confidently and the Roosevelt-Truman Administration, to which it looked for solution of the pressing problems of reconversion and full employment, have accomplished absolutely nothing. Nor have the PAC congressmen taken the offensive to advance

the interests of labor. The record is plain for all to see.

The Perspective

What next for PAC? The CIO's Political Action Committee, representing millions of trade unionists, is still a potential threat to the two capitalist parties. Whether it continues the hopeless policy of supporting capitalist candidates depends on a number of factors. Elements in the Democratic Party understand PAC's significance. Robert Hannegan, Postmaster General, is working overtime to convince Southern Democrats that if the party is to stay in power it must bargain with the CIO.

In spite of their openly expressed dissatisfaction with Truman's Democratic administration the leadership of PAC will undoubtedly go along with it in 1946. They will again rally the workers against the Republican "forces of reaction." They will get a few crumbs, such as the recent appointment of Raymond McKeough, former regional Midwest Director for PAC, to the Maritime Commission. Their preparations have already started for the 1946 Congressional elections. In July of this year, Elmer Benson, chairman of the National Citizens PAC, undertook a cross-country tour. After expressing his "alarm at the failure of Congress to take action to insure orderly reconversion," this "good neighbor" of the working class went on "the lookout for good candidates, both Republican and Democratic, worthy of support in the primaries and elections next year."

The progressives in the labor movement cannot look toward the CIO leadership to build an independent Labor Party. They must organize their ranks now and point to the gross failure of PAC's policy as a means of educating the rank and file. The tasks before the union militants and the members of the Workers Party are, in a sense, lightened because of PAC's record. A powerful political organization of the trade unions turned the victory for the Democrats in '44. In '45 the workers are faced with mounting unemployment, insecurity and the threat of a new atomic war. The policy of support to bourgeois candidates has led labor once more into a blind alley. Only the slogan of an independent Labor Party can lead it out.

ELEANOR MASON.