

# Mexico's "Labor Governments"

By BERTRAM D. WOLFE

**PLUTARCO** Elias Calles "ran" for president in 1924 on the Laborista ticket. He called the labor leaders "comrade", spoke freely of his "socialism", and appointed Morones, trade union head, to the post of Minister of Industry, Commerce and Labor. Besides the cabinet post, the little group of leaders of the Crom by 1927 had 11 senators, 40 deputies, two governors, innumerable state legislators, myriads of political appointments, management of the munitions factory and government printing plant, and governorship of the Federal District, rich in political plums since it includes the capital. Such was the set-up for Mexico's "Labor Government."

As Secretary of Industry, Commerce and Labor, Morones fulminated against the "wastefulness of strikes," urged the "collaboration of labor and capital to foment national economy," broke a number of strikes, principally those of non-Crom unions or those directed against American interests, declared the railway shopmen's strike of 1927 illegal after a Mexican court had pronounced it legal, renewed the promises to the oil companies of the "non-retroactivity of Article Twenty-Seven," and publicly proclaimed to Mexican labor: "It is time to declare a truce in this class war." On the First of May, 1927, the Minister's International Labor Day speech to his demonstrating cohorts culminated with a description of President and "Comrade" Calles as "the greatest continuer which the world has known of the work of the men who died in Haymarket, Chicago, forty-one years ago."

While all this was going on, incapable and self-blinded observers of both Catholic and liberal and socialist tendencies were working themselves and their readers into fevers over the "Socialism" of Mexico. The Catholic commentators found it an unmixed evil; the liberals and socialists an unadulterated good. Actually the working-class was gaining very little, and "socialism" was but a phrase to be played with. A certain positive residue or sediment of all the turgid demagoguery is of course inevitable, but even today in 1937 the Federal District with its large bureaucratic and middle class population consumes more meat than all the rest of the country put together, a staggering index to the poverty and malnutrition of the great mass of the Mexican people. The minimum wage laws required by the constitution, are still being "regulated and investigated" and the writer has personally entered rural areas where not one laborer receives even the legal minimum. In much of the country the traditional wage of less than fifty centavos a day (fourteen cents in our money) still prevails. Even in the capital, the workers receive the legal minimum, which there ranges from one and one half to two pesos (forty-two to fifty-six cents), only

in those industries where their organized force is sufficient to enforce it. Among the greatest positive gains, however, should be noted the fact that in those industrial areas and occupations in which labor is strong, they do pretty generally get three months' notice or three months' wages as required by law, if fired unjustifiably. What this does in the way of inspiring confidence and self-respect in workers, the American laborer can only begin to imagine.

In the gains of the working class were small and slow, those of the self-appointed labor leaders were rapid and considerable. Brother Morones by this time had become the owner of several commercial enterprises, including a hotel and a textile factory, a number of realty developments, and a mansion or a group of mansions in the suburb of Chapam, fitted out with the luxury of a millionaire's country club, with tennis court, fronton court, bowling alleys, swimming pool, and a retinue of servants, all to entertain Morones' actress and labor-leader friends. Minister Morones' public ostentation of his diamonds became at last a public scandal (political opponents with access to the press saw to that), such a scandal that a publication of the Crom was forced to "explain" them in an article called, *Los Brillantes de Morones*, where they were justified as a "reserve fund" for the labor movement! Since then the Crom has passed through some dark hours, and Morones is in exile today, but it is not on record that he has disposed of any of his properties, and if he makes a somewhat less ostentatious display of his diamonds today it is because such display is less safe in the United States than in Mexico.

## Morrow In Mexico

In 1927 Dwight W. Morrow resigned his Morgan partnership and went to Mexico as ambassador, to conclude what Lamont, as "private citizen," had so ably begun. Mexican securities on the New York Exchange experienced a rapid boom upon the announcement of his appointment. The United States had travelled far from its populist and trust-busting days, when a Morgan partner could go as ambassador to Mexico, a Guggenheim in the same capacity to Cuba, and Andrew W. Mellon assume direct charge of the American treasury. And Mexico had travelled even farther, for it could receive a Morgan partner as "viceroy" without a hostile popular demonstration. To make sure of popular feeling, however, Mr. Morrow hit upon the clever stunt of the "good-will flight" of his future son-in-law, Charles A. Lindbergh.

Morrow extended a warm and friendly hand to the "Socialist" President of Mexico, and used the time-honored and efficacious method, learned in his years in the House of Morgan, of putting his new-found friend on the preferred list for a number of fine investments. Calles was an apt pupil and issued forth from the brief period of association a millionaire; in fact, the richest man in Mexico! Morrow put his financial experience and wisdom at the disposal of the President and his intimate associates. He helped them to form a number of companies, in some of which Morrow is reported to have been a silent partner, which trustified most of the still unorganized industries of Mexico. The Calles group of companies has grown steadily since, so that today one cannot take a lump of sugar or a Mexican-made cracker, buy a new tire, have a road paved, build a cement or concrete house,

strike a paper match, use a corrugated box or a section of plate glass in Mexico, without paying tribute to the Calles group who form the substantial nucleus of a rapidly growing native capitalist class.

The group includes the banker Rodriguez, whom he subsequently made President of Mexico, Aaron Saenz and Alberto Pani who formed parts of both the Obregon and Calles cabinets, De la Chica, manager of the big and flourishing Monterrey steel enterprises, Pascual Ortiz Rubio, also a Calles-made President, and a number of others. Through interlocking directorates they control something like a score of enterprises. So far they have no conflict with foreign interests because they have made no serious attempt to invade the fields of oil and minerals, but monopolize the construction industries (steel, concrete, cement, rubber, glass, building construction and road-making) and have branched out into various consumption industries such as milk, crackers, garbanzos (chick-peas) and realty and resort and hotel developments. When in 1935 Cardenas, the fourth Calles-made President, broke with the *Jefe Maximo* (as Calles had come to be called), he deported both the *Jefe* and his chief political lieutenants such as Morones and Leon and removed many of his friends from military and political posts, but he either did not care or did not dare to disturb *callismo*, the native capitalist group and financial-industrial system built up under Morrow's brief tutelage by the apt pupil "Comrade" Calles and his intimate associates.

## "The Men of the Revolution"

These, the real Callistas, are known as "men of the Revolution"; from the Revolution they issued and through it acquired generalships, governorships, cabinet posts, presidencies, prestige, power and wealth. As generals in the field they confiscated "enemy" proper-

Two very much needed and anxiously awaited pamphlets will be off the press within one week. The first, by Will Herberg, is a simple, lucid explanation of the differences over the issue of craft vs. industrial unionism, which now divides the trade union movement. The pamphlet also takes up the attitude of the various political organizations to the CIO and closes with an appeal for support of the CIO. The pamphlet is entitled "The C.I.O.—Labor's New Challenge". It will sell for 5c a copy.

The second pamphlet, by Jay Lovestone, is entitled "The People's Front Illusion". It is an 80 page book, selling for 15c. The timeliness and importance of such a discussion at this time need not be emphasized. Nor is it necessary

to state that no more competent authority than Comrade Lovestone could possibly be found to discuss this topic. Jay Lovestone brings to this topic a wealth of knowledge in the theoretical system of Marxism which is denied and challenged by the People's Front, as well as rich experience in the field of communist strategy and tactics which is totally disregarded in the People's Front system.

Comrade Lovestone concludes that from the standpoint of strategy the People's Front is the road to new defeats for the proletariat and from the standpoint of Marxian fundamentals it is a break with the principles of revolutionary socialism or communism and an approach to reformist socialism.

ties, made forced levies on stocks or gold and currency, "purchased" supplies with the paper pesos they printed over their signatures, acquired estates by "agrarian expropriation" and seized and carried off and sold everything movable in the regions through which they passed in their campaigns. Obregon began life as a mechanic and petty rancher: he ended it as a big landowner and the chief garbanzo grower of Mexico. Calles began as an undiplomaed rural school teacher: today he owns the rich haciendas of Trinidad, Soledad de la Mota, Santa Barbara and El Tambor. These men represent a new capitalist-minded land-owning class; but under Morrow's tutelage they became more than that: bankers, builders, roadmakers, realty men and modern industrialists. This development seems likely to mark a new epoch in the history of Mexico. And in it lies the secret of the growing conservatism of the Calles group. Having

acquired land, they began to call for even the slow, makeshift, inadequate land distribution to come to an end. Having acquired industrial properties, they began to fear the Frankenstein labor movement they themselves had called into being. Strikes were all well and good as an aid to American interests in their competition with other foreign capitals, as a crusher of small enterprises in favor of growing native monopolies, as a weapon against "reactionaries", i.e. government opponents. But suppose the labor movement should become less discriminating? get out of our hands? Suppose the Callistas should cease to be in control of the government? The "Men of the Revolution" began to wish that the demagoguery they themselves had started would cease

Next Week:  
**"THE FALL OF THE BIG CHIEF"**  
the Story of Cardenas' Rise to Power

# Blind Men on the March

By MAX DUBROW

Inured to the sight of mass demonstrations, pickets marching and militants carrying into the streets their battle against oppression in every form, blase New Yorkers were jarred out of their usual smug complacency, still somewhat bleary of vision, stared in open astonishment at the strange spectacle of the blinded in revolt.

It's the early forenoon of January 25, 1937: A procession of nearly a hundred Blind wending its way cross town, from West to East Side, on New York's busiest thoroughfare Forty Second Street.

Starting out from Times Square marching arm in arm with slow, measured steps, holding aloft an array of placards inscribed with their slogans, they announced to the world.—"We Want Equality With The Blind In Other States." Amazed spectators asked, "Why! Haven't they got it?" "What do other States offer their Blind, that New York does not?"

Inquiry elicited the authentic information that of thirty-three States having any legislative provisions whatsoever for the Blind, New York and Massachusetts stand alone with no mandatory law, which in practice has meant and means now that the questions of adequate or inadequate, minimum or maximum here are equal to exactly no provision at all. Thus the "leading", richest, most populous State of the Union, New York, becomes the pace-setter for the following most backward states, which have neither mandatory nor optional (scraps of paper) laws:

Alabama, Arizona, Delaware, Georgia, Michigan, Mississippi, Montana, New Mexico, North

Carolina, North Dakota, South Carolina, South Dakota, Tennessee, Texas and Virginia.

All others—from Nevada the least populous, with its \$600 a year "Blind-pension", California and Pennsylvania, both vying with each other for first place, with the most progressive "Blind-laws" in the entire country, to the State of Ponce DeLeon, Florida, just barely getting in under the line with a maximum of \$180—have in varying degree established precedents for every one of the other demands formulated and incorporated into a draft-bill by the Joint Action Committee Of The Blind, the organization responsible for the demonstration and furnishing the leadership for this March On Albany, via Grand Central.

Let us, however, walk, across Forty Second Street, with them and let us read the signs (of the times) as they pass. First—"We Want Work At Prevailing Wages and Standards! No Sub-Standard for the Nimble Fingered Blind!" and secondly—"Open the Doors of Industry to Us and Free Us from the Curse of Charity!" Will, perhaps, the reader react to these demands as did some of the spectators, and with them exclaim? "What! The Blind in Industry?", "Fantastic!", "Preposterous!" "He will", said our informant, "particularly if he is one of that vast mass who, lacking genuine information, clings to rotten-ripe prejudices and outworn ideas concerning the Blind; deeply rooted in the view, by Vested Interests, so carefully fostered and inculcated, of the necessity for the segregation from the cradle to the grave, of the Bling from the Sighted."

Is this, then, the product of a fertile imagination, run riot and

feverish? Not at all! This delegation was elected at a special meeting held the previous day in the University Settlement House on Eldridge Street, attended by approximately 250 members of the six or seven organizations which go to make up the Joint Action Committee Of The Blind. It is composed of men and women employed in one capacity or another; their various separate organizations, embracing in round numbers 500 sightless members, distinguished from the Big Powerful Charity Organizations by pleading the cause and actually fighting in the interests of those blind (the majority) earning or capable of earning their own livelihood. Some of them have indeed taken their place at the conveyor-belt in the modern plants of private mass production industry, and there not only held their own with sighted workers but precisely because of their blindness have surpassed them in efficiency of production. Others in undreamed degree are exploited in the nation-wide system of "sheltered" shops, where reigns supreme Twentieth Century Industrial Serfdom in all its glory; and where "sheltered" means that the corporate owners and their overseers are sheltered from the obligation and responsibility placed upon other, "less fortunate" employers, thru regular Labor Laws and standards of living, which do not accept Five and Six Dollars a week as a living wage.

Next in line of vision appears—"Stop Using Us as Human Guinea-Pigs! We Refuse to Submit to Compulsory Experimentation on Our Eyes!" Our informant, here, unburdened himself of a story which on the one hand, for its social implications and counterpart must look to Hitler Germany's Sterilization-laws, as used against political recalcitrants; while on

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