

THE FIGHTING WORKER

Vol. 7, No. 14, Whole No. 101

Saturday, September 19, 1942

Labor Donated

Price: 1 Cent

Wage - freezing Can Not Avert Inflation

September 3, 1942.— The greatest sell-out in all American labor history is about to be perpetrated. Ironically enough the sell-out — according to authorized CIO sources — will come on "Labor" Day, when President Franklin Roosevelt will "freeze" wages for the "duration".

As envisaged, the plan calls for a new giant bureaucracy to pass on all wage increases and to see to it that nobody gets a raise greater than the rise in the cost of living. What this does to labor Unions and to the working class in general must be obvious. The best anyone can hope for is to maintain his present poor wage

standard; REAL wages can not possibly go up, they can only go down. And with the new planned taxes (spending or sales tax), the "voluntary" purchases of war bonds and other taxes, the workingman stands to lose all the gains that have been made in the last 7 years — and much more. Organization in Unions will be at a standstill.

The AFL and CIO leaders are yielding to Mr. Roosevelt's plan, with only a minor show of opposition behind the scenes. The swivel-chaired labor fakers have sold their constituents down the river for the very shady promise of jobs in the War Production Board.

Seven years ago the FIGHTING WORKER first pointed out the role of the new CIO. We stated that this new movement was led by reformists, with the same essential program as the AFL, whose long term purpose and aim was the establishment of "national unity" and "civil peace" in the war effort.

This latest treachery is merely another confirmation of the correctness of this thesis. Shackled by the AFL and CIO top traitors, the American working class has been handed over to the death, destruction and starvation of the Wall Street war effort.

The worst, unfortunately, is not yet here.

Latest facts and figures give a clear picture of the "anti-inflation" efforts of the Roosevelt government. According to OPA head, Leon Henderson, corporate profits in 1942 are nearly 400% above profits in 1939. In the same period farm income has risen by 75% and "wages and salaries" have risen by 70%.

This last figure is exceedingly deceptive. First of all it does not include the great addition in the number of hours worked by the individual worker. Secondly, an additional 3 or 4 million workers are now employed. This means, therefore, a much smaller increase for each worker, even including his additional hours of toil. Thirdly, "salaries" of big company heads are lumped together with the wages of the employees. As everyone knows, salaries of executives have risen as much as 218% per year. This tends to give the impression that

NEGROES SEEK « 4 FREEDOMS » -- AT HOME

The Negro today is apathetic, resentful and completely lacking in the necessary war enthusiasm. That sums up the numerous articles that have appeared in leading national magazines after Pearl Harbor. Though they tried to give an objective analysis of the present attitude of America's 15 million Negroes, the articles offered no solution to this burning question. Many of the essays were written in the form of a warning to Capitalist America by liberals of the Pearl Buck type, pointing to what happened in Singapore and Burma, and asking America to mend its ways before it is too late.

But these shock articles have had little effect upon the capitalist government or the class it represents.

NEW DEAL PERMITS LYNCHINGS

Texarkana, Sikeston, and other lynchings, the Waller murder, Fort Bragg outrages against Negro soldiers have gone unchecked. Administration speakers still talk of a "people's revolution" and "democracy", while the pile of charred bodies of Negro lynch victims continues to grow. The refusal of the liberal Roosevelt capitalist regime to do anything but talk is indicative of the inability of capitalist democracy, along with Fascism, to play even a minor progressive role.

The Southern liberal, Etheridge, stated in Birmingham recently that the threat of "all the mechanized forces of the axis powers will not end discrimination and

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Negro Masses

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segregation of the Negro in the south." The implication of this is that nothing less than a social revolution can solve the Negro problem. This point was missed by all the Negro and white liberal intellectuals, including A. Philip Randolph, the ex-Socialist. But the Negro masses didn't miss the point; they lack the necessary war enthusiasm to win this war for capitalism.

During the last war, the Negro petty bourgeois leadership gave their unreserved support to the war effort of American Imperialism. "This is no time for us to think about our grievances", they said. Today, however, they speak a different tone, a more militant and oppositional tone. This tone is keyed by the temper of the Negro masses, who are much more hostile today to the lies about "democracy" than the Negroes of 1917.

RANDOLPH "LEADS"

But the petty bourgeois Negro leaders (and their white counterparts) still represent today the same class interests that their brothers did three decades ago.

A. Philip Randolph, head of the sleeping car porters union, has appeared on the scene as the leader of this "New Militancy". Randolph caught the temper of the Negro masses, spoke militantly, demanded the end of segregation and discrimination in the political, social and economic life of America; threatened to march on Washington if this was not done;— and then compromised for a useless, impotent committee to investigate discrimination, the Fair Employment Practices committee.

To date, all that Randolph has offered to the Negro masses is passionate collaboration with capitalism, and a program for a new nationalistic Negro organization, similar to the Zionists.

Nationalism in this period of decayed capitalism can solve nothing. We have as examples on

the one hand of German Nationalism, and on the other of Jewish Zionism. Both forms (vastly different though they are) have only succeeded in dividing the working class and prolonging capitalism and its evils. The danger of the present Randolph nationalism is that it will attempt to alienate the Negro worker from his only ally the working class, and in the long run thus aid and abet the capitalist reaction in spite of militant words.

RACE FEELING GROWS

Nationalism among Negroes is taking on an even sharper form than the liberal nationalism of Randolph. All over the country, Negro Nationalist groups with inverted "Ku Klux Klan" programs of Black superiority are spreading like mushrooms. The first bits of violence of these groups have already manifested themselves in cities like Chicago, where both whites and especially "white men's Negroes" (those who favor united action with white workers) have been brutally attacked in Washington Park and elsewhere. These groups are sometimes pro-Japanese and always pro-capitalist. Like the Garvey movement of the '20's, they favor an alliance with the white capitalist against the white workers. Nothing could suit the wishes and needs of the American capitalists more than these group of Negro semi-Fascists, who are (along with their white counterparts) paving the way for the vicious race riots that will be organized by capitalism during and after this war.

FOR NEGRO-WHITE UNITY

The most astute of all the schemes of the Negro petty bourgeoisie, to enlist the aid of the Negroes in this war for capitalist repression, is the Double V program of the Pittsburgh Courier: Win Democracy at home and abroad. This is nothing but an underhanded support of the imperialist aims of the American capitalists. The Negro masses as an

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SUGAR - COATED WAGE - CUTS

WASHINGTON: The United Federal Workers of America, a CIO Union of Government employees, is dividing its energies lately between two projects — the effort to have the pay of all government workers in the lower brackets raised by at least 15 per cent by legislative action, and the drive to lift ten per cent from each worker's pocket for war bonds.

The scheme works thusly. If a worker makes (as the great majority do) \$1440 per year, he assigns ten per cent, or \$144 to the Government for war bonds. This goes into Uncle Sam's pocket No. 1. Without any assignment, he has 5 per cent, that is, \$72.00 removed for so-called "retirement benefits" from which nobody benefits much but the Government. If he can manage to reach retirement age without having starved to death or died of discouragement, he will get back about what he has paid in. If he leaves Government service before that time he will get back the principal, minus \$1.00 per month "carrying charge" which is supposed to go into the "general retirement fund." That is Uncle Sam's pocket No. 2. Then, if the legislative pay raise goes through, he will receive a "raise" of \$216.00, bringing his pay back to its original \$1440. The \$216 comes out of Uncle Sam's pocket No. 3.

Very neat. The worker now has his salary, and also the bonds, which will be worth something ten years from now, he hopes. The catch is — living costs in Washington have risen more than the 15 per cent involved, so he is actually just that much worse off. Unless, that is, he cashes in his bonds as rapidly as he receives them, in which case he has to run very hard to stay where he was, his only loss being sixty days interest on the money invested in each bond, not counting the time required to lay aside said money for said bond. Yes, it's a great scheme, with the workers, as usual, holding the bag.

Wage - Freezing

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the rise in wages is much greater than it really is.

The National City Bank figures for the second quarter of 1942 seem to dispute Mr. Henderson's figures, but when examined closely they prove the point. The Wall Street bank says that the 200 largest U. S. corporations earned 230 millions dollars in the second quarter of 1942. This was 39% below the figure in the last quarter of 1941.

PROFITEERING CONCEALED

But this figure is AFTER deduction for taxes. For every one of these dollars of profits, the corporations have put aside THREE dollars for the future taxes. Total profits were 920 millions. In addition, this last six months they have written off hundreds of millions of dollars, for "depreciation", as a result of the turnover from peace to war production. This crooked bookkeeping merely hides the real profits.

The present war government is moving slowly because it sits on a political powderkeg. It must side track not only political opposition within the capitalist class from other capitalist groups (other than the dominant Rockefeller, Morgan, Dupont and other dynasties). But it must above all allay the growing tension in the ranks of labor. To move hastily would undoubtedly cause a political defeat in November.

The general direction of the Roosevelt government, however, is very clear. The war burden must be shifted onto the backs of the working class. The general clamor against "inflation" is just a figleaf. Any economist with an iota of sense knows that a rise in wages, all other things being equal, can not possibly result in inflation; it can only cut profits.

WAGES VS. PROFITS

Increase in the wages per hour is for less than the increase in the cost of living since 1941. Yet the

signposts of inflation are becoming increasingly evident. Hoarding of money is reaching an appalling level. There has actually been a 3% **decrease** in retail sales this year, despite a rise in consumers income of 21%. More currency is in circulation today than at any time in history. The figure of 13 billion dollars is almost twice that of "normal" times, 7 billions. Total savings have increased from 7% of total income in 1940 to 21% today.

The wage "stabilization" program of Mr. Roosevelt is a vicious farce. First of all it affects only the 12 million ORGANIZED workers, less than 1/4 of the total working class. Secondly, of these 12 million a major proportion have already received a 15% increase since January 1941. So that even if the War Labor Board is "liberal", only a few million workers at most will get wage increases and these will in no case amount to an increase in REAL wages; the best that labor can hope for under the "stabilization" program is that there will be no CUT in real wages, wages measured by purchasing power.

POVERTY TO INCREASE

But even this hope for this very small section of the working class will be brutally smashed, if Mr. Henderson's prediction that food prices will rise by 30% in the next year comes true. For the overwhelming majority of the working class, Mr. Gilbert's prediction of a standard of living below that of the depression will come true in the very near future.

The war dictatorship is becoming

ing more sharply delineated each day. Together with the lowering of the standard of living in the next period, we may expect an increase in police and state repressions — the two go together. Incipient resistance by the working class to present conditions will no doubt reach a boiling point as the conditions deteriorate. In this fact lies the only encouragement of the near future.

But the coming resistance will be meaningless unless leadership for the movement is forged now. That leadership will come only from the rank and file, from shop steward and factory committees (in opposition to the class-collaborationists Local and National "leaderships" of the trade unions) and from the Revolutionary Marxian vanguard.

NEGROES AND 4 FREEDOMS

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oppressed minority, cannot support imperialism any more than the masses of India or the workers of Germany. The Negro can not support America's capitalist movements abroad and hope to win any democracy at home.

Freedom for the Negro rests not in any deceitful abstractions of the Courier variety, but in concrete political and social actions, participation in the class struggle. It calls finally for a workers Revolution to destroy capitalism, breeder of race-hatred, and build a socialist society. This need for an end to all imperialism, "democratic" and Fascist, the Negro "leaders" refuse to face.

Negro liberation can be achieved only in conjunction with the struggle of the white working class against capitalism. The growing unity that the past decade or more has been bringing about between black and white workers must be extended and deepened. Nationalism of either the reformist Randolph variety (or its Trotsky centrist form), or of the semi-fascist variety is a momentous barrier in the way.

The Fighting Worker REVOLUTIONARY WORKERS LEAGUE, U. S.

(Affiliated to the Provisional
INTERNATIONAL CONTACT
COMMISSION

For a New Communist (4th
International)

Subscription \$1.00 per year

Published weekly by

DEMOS PRESS

708 N. Clark St.

Chicago, Ill.

EDITORIAL.

Munichism And The '2nd Front'

Why is there no "second front?" "Everybody" agrees it is an opportune time. Along the whole 2,000 mile front, Hitler is making a tremendous endeavor to break through, especially in the Caucasus, vital as a major source of Soviet oil and a thru-point for most of the U.S.S.R.'s aid from abroad. If he breaks thru, agrees "everybody", it will be a major disaster, and may well prolong the Second World War for some time to come. A "second front" now, a serious military blow thru large scale invasion of Europe might smash Hitler's control of Europe, since most of his military forces and strength are occupied (and already largely spent) on the "Russian front."

FORCES AND CONDITIONS FAVORABLE

Are there not large military forces ready in England, who could cross the channel, and enter Europe thru France? Yes. Do not the "United Nations" have air superiority over the English Channel and the surrounding European coast? Yes. Hasn't Stalin and the U.S.S.R. been told that a Second Front would be opened as soon as possible? Yes.

Then what's holding it up?

It's a great mystery. No, a reason has been found. In the Stalinist organ "The Worker", of Aug. 30, their "foreign expert", James Allen has discovered it.

It is the remnants of the virus of Munichism.

What? Hasn't that been liquidated? Chamberlain is dead and his crowd pushed aside in England. The "isolationists" of the U. S. have been "forced" to come out for "aid to the Soviet Union". The Atlantic Charter, the 20-year British-Soviet pact, the US-Soviet lend-lease agreement, the June 11 statement of policy, have all shown how "everybody" is "united", for aid to the U.S.S.R., for a world without Hitlerism, etc., etc. Then how can the influence of

Munichism be so decisive? Isn't there some mistake?

U.S.S.R. TAKES BRUNT

No, not at all. As James Allen says, despite all these things, it is a fact that "only the Soviet Union is actively fighting Hitler, while England and the United States are in the main still passive allies of the Soviet Union." "The Anglo-American powers are not yet maintaining a single mile of front against Hitler in Europe." The "approach of certain sectors which influence the dominant policy-making circles" (of the Anglo-American powers) is one of a "dangerous view" of the present situation. "According to this view, it would seem that we must wage a 'phony war' in the West while the Soviet Union takes on the full might of Hitler's legions in the East."

Put in plain English, Allen is here admitting that the "democratic" imperialists are using the S.U. as a catspaw.

THE TRUTH COMES OUT

As Allen says: what "has the greatest effect in delaying the Second Front is the calculation that if the Soviet Union and Hitler Germany are permitted to fight it out alone as long as possible both will be weakened to the point where Britain and the United States can strike the decisive blow against Hitler and also shape the world peace."

Then the proper conclusion to draw, is that the real reason the "second front" is delayed, is **because the "democratic" imperialists are maneuvering so that they and not the workers and oppressed masses acting in a Social Revolution, will be victorious when Hitler falls!** Isn't that so? No, not for Allen. Having been brought into a contradiction, he twists and turns to make day look like night.

STALINIST FAKERY

Instead, he insists, the real reason is the "crisis of policy", which

"we" must solve "the old Munichite virus which still impedes our national policy."

For good measure, Allen threatens that if the "democratic" imperialists don't mend their ways, they'll be sorry. Why? Well, the "Hitler blow, glancing off the impenetrable wall of Soviet resistance, will strike elsewhere."

What abominable crawling and cringing before imperialism!

CLASS STRUGGLE DECISIVE

As against all this shameful nonsense, the revolutionary internationalists say: workers, colonial slaves and oppressed of all lands, recognize the truth! There is no "second front" for the same reason that Munichism was put thru — the imperialists fear the growing threat of your power, the maturing of the world wide social revolution. The "democratic" capitalists practically handed over Europe to Hitler, and retreated before Japan in the Far East, for fear of the workers and colonial slaves. Their seemingly insane maneuvers in recent years, in time of "peace" and in time of war, have one main purpose: **to stave off as long as possible, at whatever cost, your rise to power.**

It is no use. The rumble of the coming storm can be heard, in Europe, in India, in the heroic resistance of the Soviet masses (despite Stalinist treachery and misleadership) — and restlessness everywhere. Not the "second front" of imperialist slaughter is the banner of the future, but the **Extension of the October Revolution**, under the leadership of a **NEW, COMMUNIST (4TH) INTERNATIONAL!**

**Have the Will to Build a new Party
and the Oppressed of the
World will come to you —
Lenin.**