## WHAT'S HAPPENING TO OUR SHIPBUILDERS UNION? LABOR ACTION **An Open Letter To Pres. Green Dear Brother Green:**

**SEPTEMBER 20, 1943** 

A PAPER IN THE INTERESTS OF LABOR

ONE CENT

#### writing my letter to YOU since you are the head of my union. I War Enters Its Fifth Year – – figure it does little good to write to Mr. Roosevelt since he, like all capitalist politicians, was not put in office to represent the interests of labor. But you, Brother Green, were put in office by our union men to represent their interests, and we pay union dues to SOCIALISM IS THE WAY OUT! get this done. That is why I think the heads of our union, and not the politicians in Washington, are the men to bring our "beefs" to. You called your letter to Mr. Roosevelt "What Is Happening to the New Deal?" Well, Brother Green, I am calling this letter I think there are plenty of politicians down in Washington to worry about the New Deal. If you are on the job doing what you should for the men in the yards you would find very little time to

## Stalinists Play Boss Politics at U. E. Meet; **Reject Progressive Union Program for Labor**

#### By STANLEY HOLLAND

NEW YORK-The ninth annual convention of the United Electrical, Radio & Machine Workers of America, CIO, meeting here this week, stands as a horrible example of the harmful effect of Stalinist control on the trade union movement.

This convention, with its more men is so thick that even an old-timer like I am don't know where to begin in than six hundred delegates, representing over a half million workers The men say that the union can't get them anything. They say that the under contract with the UE, has to union doesn't care about wages, only about inventing new kinds of piecedate completely failed to consider work. They say the union doesn't lift a finger to fight the company, it only the important problems confronting acts when it has to fight "trouble makers," that is, union men who stand up

its workers. Assured that they had mechanical control, the Stalinist clique rode roughshod through the convention. It steam-rollered through their stereotyped resolutions on the second front and for Roosevelt's fourth term, and while it avoids conducting a militant struggle on wages, contracts and working conditions, on the ground that it would interfere with their so-called "win-the-war" poli-

#### **Avoiling Real Problems**

cies.

The leadership of the union, instead of directing the convention toward a struggle against the WLB and the Little Steel formula, chose instead to subordinate itself to the anti-labor policies of the WLB.

The infamous "incentive pay" piecework system was offered to the delegates in the form of a resolution as the union's method of obtaining higher wages in the face of the WLB restrictions. Despite the fact that two delegates from Local 425 pointed out how harmful-incentive pay plans were to the trade union movement in spurring on the speed-up system and in the greater profits for big business at the expense of the thousands of unionists, the Stalinist

With the Smith-Connolly bill and the organized opposition of big business constantly beating down upon them, the union again failed to meet the challenge and renewed the nostrike pledge. As if this was not bad enough, the union joined with the advocates of the Smith-Connally bill, the reactionary bloc of Southern congressmen and with big business in condemning John L. Lewis for his militant stand against the Little Steel formula.

#### **A** Political Convention Constantly voicing the need for

organized labor to make itself felt in the halls of Congress, the convention then stopped short and twisted itself back into supporting the two old parties.

First came a resolution endorsing President Roosevelt for a fourth term with one New York militant's vote against it. Then came their failure to endorse an Independent Labor Party. The Stalinists have divided all

war" candidates and their opponents. anti-labor legislation is given no consideration.

The entire convention saw little James B. Carey, former president of take the lead in such a fight. But and only a few lone voices were

past year. But when one of the delegates asked how come there are 575,-000 workers covered by union contracts and less than 400,000 duespaying members of the union. President Fitzgerald was only able to answer by waving the flag about the great union achievements.

This all-important question of how the union must organize these workers, who, even though under union contract, have no interest in the union, was not even discussed. And while the union passed a formal motion to organize the unorganized in the industry, they did not bother to consider how this was to be done.

The Stalinist delegates at the convention were more interested in political questions reflecting the policies of Stalinist Russia than they were in the problems of the workers in the industry. Thus, in many respects the convention appeared like a political convention of the Communist Party.

#### What Is to Be Done?

Price Rollback The real problem of a fighting union program remains unsolved. The Stalinists have placed themselves at the helm of the union for another year. This can only mean one thing: the union will remain paralyzed. The union needs a militant program. Such a program must revolve around the following demands:

1. For militant unionism - repeal the no-strike pledge!

2. Against incentive pay or any other piecework system; for wage increases

3. Against the WLB's Little Steel formula!

4. Against the labor draft! 5. For an Independent-Labor Party!

6. Organize the unorganized!

7. For a progressive and militant

The surrender of Italy marked the end of the first four years of the Second Imperialist World War! The collapse of the miserable fascist regime of Benito Mussolini merely emphasized the rotten and hollow nature of the capitalist world, which showed its first cracks in the weakest links of its chain.

How different is the war today from when it began. In 1939, when Hitler invaded Poland, strengthened by his pact with Stalin, the democratic capitalist world seemed lost. German arms swept over all of Europe to enslave its peoples. Thus, a wide path was cut for a German imperialist victory over the whole world. -

A stalemate on the Western Front turned Hitler to the East against his erstwhile partner, Stalin. The war was no nearer to an end; it was encompassing more countries and new territories.

The Japanese attack on Pearl Harbor marked another stage in the spread of the war. Now the United States became a belligerent. With this event, the roll call was complete. Today, there is hardly a country in the world which is not involved in the bloodbath.

But all of these events merely intensified the conflict. The involvement of the United States and its tremendous industries on the side of the Allies doomed the Axis.

Since December, 1941, the prospects of a German victory first dimmed and then disappeared. Now it is certain that the Axis cannot win. The winning cards are in the hands of the Allies.

> is over. Between the present preponderant power of the Allies and a military victory lies a long, steep and difficult road.

> One thing is certain however: military means alone will not end the war. This fact was indelibly impressed by the Italian collapse which came, not so much as a result of Allied arms, or the pitifully reactionary politics of the Anglo-American coalition, as from the awakening of the Italian working class.

The Italian masses, opposed to the war from the very beginning, made clear their determination to end ft at once. They did not greet the King's appointment of a new dictator in Marshal Badoglio. They opposed the continuation of the war. They demanded, in effect, peace, land and bread; they demanded democratic rights, the right to free speech, free assembly, free organization and free elections. In these demands of the Italian working class is revealed the true feelings of the people of all of Enrope. The path which the Italian workers have taken will broaden into the wide road of the socialist revolution. This is the course which will be taken by the masses of all Europe, for it is the way toward real democracy, real security, real peace. It is the socialist way out of the misery, poverty, hunger and degradation of the bankrupt and decadent capitalist system of wars and destruction. It is apparent now that the fiveday armistice between Italy and the Allies did not accomplish what the Allies intended. While it permitted new landings of American and British troops, the German divisions were not immobilized. On the contrary, Hitler used the period of Badoglio's wavering to reinforce his army and to seize the strategic centers of the nation. The allies suffered a blow in prestige when the Germans seized Mussolini from the hands of Badoglio and thus prevented his capture by the Allies. Latest reports indicate he has set up a new "fascist republic!' Mind you, a fascist republic!

## politicians into two groups: "win-the-

The relation of these politicians to

discussion. Although there was opposition among many of the delegates to the Stalinist leadership over their union, the opposition was not organized. Many militants expected the UE, who was railroaded out of office by the Stalinists and is now secretary - treasurer of the CIO, to Carey's opposition was a silent one heard in criticism of the Stalinist leadership.

The union leaders were quite able steamroller passed the motion at praising their own work for the union leadership This does not mean that the war

as his profits are safeguarded, all is well. Just listen to the heartbreaking story of one company. Edward E. Butler, vice-president of the Vinco Corporation of Detroit, and spokesman for the Automotive Tool & Die Manufacturing Association, nearly had us in tears when he testified that his company was being asked to operate on a "profit margin too low for safety."

I have just finished reading your open letter to President Roosevelt and decided to write an open letter myself. But I am

to you "What Is Happening to Our CIO Shipbuilders Union?"

mourn the New Deal. Instead of writing to the President and whining about the Nèw Deal leaving labor holding the bag, you should

write an open letter to the shipyard workers of America and tell

them what must be done to save our union standards from being

Maybe you are so busy running around the country stopping strikes

that you haven't time to find out what is happening to the union?

It's been a long time since we have seen you around a shipyard talking to

just ordinary rank and file union men as you did back in 1936 and 1937 when

in Camden the old home base of our union the anti-union feeling among the

at meetings and demand that something be done. They say that union democ-

racy has gone by the board and that a man who bucks the administration is

soon broken and run out of the yard. And their feeling is shown in the de-

linquency lists on union dues, which in some departments are as long as your

Despite the fact that the profits of manufacturing companies alone,

after taxes, have increased nearly 100 per cent since 1939 (from \$2,579,-

000,000 to \$4,940,000,000 this year), the National Association of Manu-

At the present time there is a law which is supposed to curb excess

profits by limiting the percentage which the government must pay over

and above the costs-incurred by the companies. Even under this "re-

pressive" law, profits are now the highest in the history of the country

profits are too low, so that NAM is seeking the repeal of the contract

renegotiations law retroactively to December 31, 1942. That means: no

limit, not even the feeble one now in existence, on profits. The sky's

"justified." After all, he's in business to make money-whether it's

made through underpaying his workers, cut-throat competition, selling

defective goods, or just plain cheating, makes no difference. As long

And from the point of view of the big business man, this is entirely

But, according to big business, investments are not safe because

(Continued on page 2)

Two Sides to Cost-Plus,

Or, a Story on Profits

facturers has started a drive to push profits even higher.

Let me tell you to begin with, Brother Green, that here at New York Ship

Or don't you know what is happening to our union conditions?

cracked by the big corporations and the government boards.

we were building the union. Maybe you don't know what's going on.

arguing for the union.

the limit.

arm, and growing by the month

We felt a little better, however, when we learned that the profits of Butler's company had risen from \$7,000 in 1937 to \$1,700,000 last year! This represents a profit of a mere 140 per cent on the invested capital. We were further relieved to know that Mr. Butler will at least eat, since salaries for company officials have risen from \$35,000 in 1940 to \$90,000 or more.

Big business looks after its own interests. It has paid spokesmen, stooges in Congress and in the Senate. It refuses to be bound even by a law which permits the highest profits in history.

Isn't it about time labor looked after itself? Why not demand payment of wages which will cover the cost of running a worker's family, plus a sufficient amount to pay for some comforts?

WHY NOT A COST-PLUS WAGE?

## **Anti-Labor Congress Opens New Session**

Another congressional session has begun. Many workers are wondering what will come out of its gatherings this time. It is still the seventy-eighth Congress; it is still the reactionary, anti-labor body which passed the Smith-Connally bill, repealed the \$25,000 salary limit, voted a tax measure which saved big business millions of dollars and passed the twenty per cent wage tax on to the workers.

During their recess, the congressmen announced that they were going back to their constituencies to find out what the "peepul" thought! In plain language that means they went back to find out what big business and their masters thought.

There will be no change in this congressional session. How could there be, when the composition of the Senate and House remain the same? The Southern bourbons dominate the Democratic Party in Washington. They have formed an anti-labor bloc with the Republicans. Together they are certain to strengthen the anti-labor, pro-big business actions of the legislatures.

There will be no help from Roosesevelt, as some labor misleaders believe and attempt to make the workers believe. The United States News, edited by the notorious reactionary, David Lawrence, is quite right when it says that Roosevelt will continue on his "conservative" course. A new assault against labor can be expected from this session of the sev-

enty-eighth Congress. Plans are already afoot to change the Wagner Act and the Wage and Hour Law, to put steeper taxes on labor, and to revise the Connally bill in the direction of eliminating the right to a strike vote and barring any possibility of such an action on the part of the workers.

It is clearer than ever that the burning need is the establishment of an Independent Party of Labor. But here again the labor officialdom has muffed the ball. The CIO Political Action Committee, under the direction of Sidney Hillman, fights the formation of a Labor Party, while it seeks to tie the CIO to the Roosevelt machine in the Democratic Party. In other words, it is preparing again to sell the workers down the river.

The AFL, on the other hand, continues its traditionally conservative policy of allying itself with neither party, but voting for the ward-heelers and machine politicians of both parties.

A break with boss politics is the urgent need of American labor. But even that is not enough. It must be followed by the establishment of an Independent Labor Party!-----

#### 'High Reason . . . and Proper Payment in Cash'

## **GOP** "Diplomats" At Work

#### By HENRY LORING

For three generations, the families of manufacturers, meat packers, brokers, bankers and corporation lawyers from Chicago, St. Louis, Cleveland and Detroit have disported themselves each summer on the well kept beaches, the smooth lawns and the wide verandas of Mackinac Island, in northern Lake Michigan.

Last week, an especially distinguished gathering of manufacturers, meat packers, brokers, bankers, corporation lawyers and their legislative representatives met on Mackinac for a more serious purpose than golf, bridge and boating. The leaders of the Republican Party, meeting under the imposing title of the Republican Post-War Advisory Council, came together to draft a statement on international policy.

For many days preceding the meeting, newspaper correspondents and columnists had a magnificent time with the rumors, protests, statements and counter-statements fed to the press by the various spokesmen of the old guard of the Republican National Committee, the "radicals" of Wendell Willkie's Republican Post-War Policy Association, the anti-isolationist Republican governors of the Eastern states, etc.

#### Kelland Has Imperialist Program

Clarence Budington Kelland, Republican national committeeman from Arizona, former executive director of the Republican National Committee, and a well known writer of fiction for boys and business men, came out with a long-winded statement revealing to a breathlessly waiting public the Old Guard's idea of how the world of the Four Freedoms is to be organized to safeguard Standard Oil and other democratic

institutions. Boiled down, it came to a neat minimum program for American imperialism, involving, as the New York Times put it: "making the Pacific an American lake by holding

all necessary islands; taking 'by treaty or by occupation' of bases in Iceland, Greenland, Dakar and Casablanca; cession by non-American nations of possessions in South America and the Caribbean; an air force so strong as to stand alone, and maintenance of a standing army ready for war at all times."

What a Golden Age of Peace and Plenty this program suggests - especially the part about a "five-ocean navy" and about America standing "panoplied, equipped to the last button, and ready for war."

The above are merely Mr. Kelland's "fourth" and "fifth" "zones of safety." His first three "zones," to use his complicated terminology, involve alliances among the conquering nations and their "trusteeship" of the territories of the conquered nations.

Mr. Kelland is perfectly explicit as to what he means by trusteeship: Proper Payment ... In Cash "This trusteeship shall be indefinite in point of time. Its duties shall be to administer the assets of its wards during the period when anarchy, chaos, revolution may result from the collapse of governments." We are hearing a good deal these days about the possibilities of "anarchy, chaos, revolution." Even Mackinac Island is not able to ignore the rumblings.

Though Kelland's plan was supposed to have considerable support within the Post-War Advisory Council, it was not to be expected that either this program nor the more "radical" anti-isolationist program of Willkie and his group could be officially adopted at Mackinac.

#### A Republican Compromise

Chairman Harrison Spangler of the Republican National Committee, who had called the Mackinac meeting to counteract the influence of Willkie and the Republican Post-War Policy Association, wanted just one thing from the gathering: a broad and "flexible" statement of international policy that would more or less satisfy all elements in his party, and en- ment... in cash."

able the GOP to take a first and timid step along the new road that is so plainly opening for American imperialism-the road to world imperialist domination.

After one or two scares about a "minority report," etc., the conference finally produced a statement of unexcelled ambiguity, remarkably similar to the foreign policy plank in the Republican platform of 1920 (as one columnist pointed out), calling for "responsible participation" by the United States in "post-war cooperative organization among sovereign nations" for the objective of permanent peace "with organized justice in a free world." Who can disagree with that? The "Mackinac Charter," as a few brave Republicans have tried to call it, ranks with the more famous Atlantic Charter as a superb means of committing no one to anything.

All good Republicans rejoiced-the unity of the GOP had been preserved. Willkie's Post-War Policy Association "highly commended" the Post-War Advisory Council for its declaration of foreign policy. The delegates went away happy, taking with them, no doubt, many of those "Indian curios" for which the stores of Northern Michigan resorts are famous: flimsy contraptions of leather and beads and wood, marked "Souvenir of Mackinac Island," which have a way of falling to pieces the day after you buy them, and are quickly forgotten.

Among such souvenirs of a pleas-

ant visit to the Island is the equally

unsubstantial and meaningless

"Mackinac Charter." The invigorat-

ing air of Northern Michigan did not

spur the delegates to anything more

original than an imitation of their

1920 platform; but at least they la-

bored (as Mr. Kelland says with re-

spect to something else) "in friend-

ship and with high reason to work

out a plan, involving proper pay-

does not yet mean that prices actually will be reduced by the amount planned. It merely means that the OPA, provided it can enforce this price reduction, will try to do so. Even if it succeeds, prices will still be above September 15, 1942, for those items and they will be far above that level on hundreds of other articles.

industries.

By the OPA Is

**A** Grand Farce

The announcement by the OPA

that it will seek to reduce prices on

some foods by 3.3 per cent, in an ef-

fort to reach the price levels of Sep-

tember 15, 1942, is an admission-up

to now denied in many quarters-

that prices have been way out of

line and have worked a tremendous

hardship on the great mass of the

American people, especially the mil-

lions of workers in the heavy war

This announcement of the OPA

#### Not Far aBck Enough

The most important thing to be remembered, however, is that price reductions, even to the level of September 15, 1942, overlook the fact that prices have been way out of line since 1941. During this same period millions of workers have received no wage increases to their sub-standard pay. Whatever reduction takes place, prices for these millions will still be too high!

The real failing in the situation is the absence of the one organized force which could control prices and prevent profiteering in consumer goods: the organized labor movement, the trade unions, fraternal organizations, ladies' auxiliaries. Instead, the OPA is in the hands of big business representatives. It is they who set the policies for the country.

#### A Subsidy to Business. \*

Moreover, this present attempt at a reduction of prices will be based on what is actually a subsidy to food processors. In other words, the government is going to pay a profit to these gentlemen for any price reduction that might take place. No matter which way you turn, the mass of people will pay for the price reduction-either in direct taxes, hidden taxes, or a new sales tax plannedin Washington. MARKER STOL WHEN AND AND AND

One of the important reasons for the current setback, however, was the determination of the Badoglio regime, bolstered by Allied strategy, to prevent the independent intervention of the masses.

The Italian masses could have been armed. They could have put up a stout defense against the Germans. But this, only under the conditions that they were given complete lib-

(Continued on page 3)

#### Rollback Will Save \$3.17 a Year

The OPA planned rollback on such items as apples, onions, potatoes, oranges, lard, shortening and peanut butter will save each person only \$3.17 a year! This is the opinion of the PM check-up. Thus a saving of less than one per cent is contemplated.

Boris Shishkin, chief economist of the AFL, concurring in this opinion, said: "Unless there is some magic, these figures are exaggerated (OPA promise to roll back prices 2.3 per cent). The 2.3 per cent reduction promised by Mr. Bowles doesn't stand up under careful examination."

The OPA is rolling back figures, but not the cost of living!

## NEWS AND VIEWS FROM THE LABOR FRONT Incentive Pay Revealed As Scheme to Rob Labor

#### By WALTER WEISS

Page 2

In our issue of September 13 we discussed and exposed at some length an article by Earl Browder in the Sunday Worker of September 5 and a long three-column letter by Albert Ramond in the New York Times of the same date, both of which pieces of literature were enthusiastic endorsements of the piecework speedup system now known as incentive pay.

Since Mr. Ramond is president of the infamous firm of Bedaux Company, industrial engineers, and therefore probably the leading capitalist authority on the incentive system in the United States, we want to point out to workers a few more very interesting things which, they can learn from his letter.

As we stated before, Mr. Ramond is willing to be very frank in admitting that the incentive system was once used to speed up workers and then to cut their wage rates, so that in the end they worked harder and earned no more. But he becomes impatient with other capitalist boosters of the system who carry frankness a little too far.

Nailing a Lie

For example, William Hard, a "friend of labor," who has been carrying on a long campaign in Reader's Digest for laws to regulate unions, in the August issue of that magazine admits what is a fact, that incentive wage rates have been cut "repeatedly ever since the war began."

Mr. Ramond indignantly denies this, saying that there have been very few such cases in recent years. But then he proceeds, in his own way, to admit that Hard's statement is true after all!

It is fairly common in union contracts under the incentive system to include a clause stating that rates on any given job may not be changed unless important changes in machinery, design, methods, etc., are made. Now, says Mr. Ramond, there HAVE been plenty of disputes about incentive rates in recent years but not because the old rates were cut. Oh, no! What happens is that "most industrial operations change so fast" nowadays that new rates are constantly "made necessary by improvements in design and methods which reduce the amount of work involved."

These "adjustments" (meaning cuts -W.W.) make many workers IM-AGINE that they are being gypped.

## **Sperry Workers Still Fight** For a Democratic Union

NEW YORK-If nothing else was accomplished at the last general cratic manner in which the meeting stewards' meeting at Sperry's, the rank and file who attended had an officials as the only answer for good opportunity to watch and wonder at arguments, a few people speaking steam-rolling tactics used by the for the members in the shop man-

After all, says Ramond, if they turn out the goods with only half as much work under a new set-up, we can only pay them half as much per piece, no matter what they may imagine. .

#### An English Expert Joins in

The capitalists play this same game all over the world. Personnel Journal, an American magazine for the personnel managers of big business, asked an English expert, R. E. Jefferson, to write for them an account of British wage policy during the war.

His answer, printed in the February, 1943, issue, included the following statement: "... Many war industries are on a bonus system, and this usually has the effect of increasing wages over the basic rate by twentyfive per cent. When the earnings are too high, the employer breaks down the job and a new rate is made, or he subcontracts the job to another company, which establishes a lower rate." What could be clearer or more natural?

Let's return to Mr. Ramond. He warns business men to establish their incentive rates scientifically by time and motion studies (which is the stock in trade of his Bedaux Company). You can't judge by what a worker has done in the past. He may have been stalling. If you offer him a' bonus for all he turns out over his past production, he may boost his

wages "by fifty per cent or more." But the fellow who has worked hard in the past will find it hard to earn a bonus of even ten or fifteen rer cent. Obviously that wouldn't be fair, and we all know how fair our big industrialists are, especially

when it comes to NOT giving raises of fifty per cent or more.

#### Ramond's Robber Plan

Since industry is in a rush to increase production because of the war, truly careful studies can't be made. Ramond therefore suggests that the employees in a plant be divided into groups, each group including those who work together in producing some one part, for example. A few important operations of the group could be studied and averaged up to

give a fairly good idea of what the standard of production ought to be. Then the whole group would get bonuses as a group for production above that standard.

Despite the completely undemo-

was run, with name-calling by the

ers have repeatedly rejected incentive pay plans.

ty-five per cent more pay for twenty- he goes on to reassure them. One Ramond proceeds to give an example which he presumably thinks fairfive per cent more production, etc. But, according to Ramond's own exly typical. It is certainly tempting ample, to get ten per cent more pay. -for employers. Suppose, says he, the group would have to average ten the studies show that a group is per cent above 200, or 220 units. turning out only eighty-five per cent They have been doing 170 units and of what the engineers decide they ought to do at normal (according to would therefore have to boost production by fifty units over the prethe engineers) rates of work. That means that if the group is averaging vious 170. Figure it out for yourself. To get ten per cent more pay, they 170 units a week per man, they would have to boost production by should be doing 200 units. Here more than twenty-nine per cent. comes the grand climax: "... The extra incentive wage would be paid Incentive Pay-The Great Gyp

LABOR ACTION

We repeat: the example is Ramond's, not ours at all. He does state that a group might already be producing above standard. In that case, they would receive a bonus without boosting production at all, believe it or not! So that business men will not be frightened by this possibility,

or two groups may be above standard (that, by the way, would help to make the set-up look good to the workers-W. W.), but it "would only be a RARE EXCEPTION ... when an ENTIRE PLANT operating on straight hourly pay would average more than 100 per cent productivity" (our emphasis).

In other words, the boss can be sure that his workers will have to give him SOME additional production free in order to reach the time engineers' standard before they can even begin to earn the incentive bonus.

Is it any wonder that workers are, to use Mr. Hard's word, "wary" of incentive pay? Is it any wonder that they sometimes imagine (?) that they are being gypped?

## **UE Paper Attacks Auto Union**

The combined offensive of Earl Browder and the National Assn. of Manfacturers to destroy the standard of living of the workers has gained momentum during the past week. Camouflaged under the label of "incentive pay," they are seeking to place the union label on the antiunion piecework, speed-up system.

only when the production per man

exceeded this" (that is, 200-W.W.).

Ramond and the other capitalist

ponsors of incentive pay have been

boasting that they are now willing

to pay workers in full for extra pro-

duction, ten per cent more pay for

ten per cent more production, twen-

The latest development has been an all-out attack against the United Automobile Workers Union in the columns of the Daily Worker. Simultaneously, one of Browder's puppets also used his union to take a poke at the UAW.

The cause of all this excitement on the part of the Stalinists is that the UAW in its present negotiations with the General Motors Corporation, has turned thumbs down on all company attempts to reinstitute the speed-up incentive pay scheme which the auto workers, through their own experience, have realized is, in effect, a method of slashing at wages and living standards. At prenegotiation meetings the GM work-

You, of course, Brother Green, find

"Build more ships" and "Hurrah for

our Commander-in-Chief" and then

run out in a hurry. But if you would

spend eight hours a day with our

gang of shipfitters down here at New

Browder's boys, unable to get to first base in the UAW, have wormed their way into the leadership of the United Electrical, Radio & Machine Workers Union of America, which they maintain in 'their characteristically totalitarian way. Today they are using this union to carry out the Stalinist party line, of which this infamous incentive pay scheme is an integral part. Not content with further jeopardizing the living standards of the workers in the UE, they attack the militant UAW for not joining in their sell-out tactics.

Although the majority of workers in GM are under contract with the UAW, some thirty thousand are organized in the UE. Both unions submitted proposals for discussion in their current contract negotiations. In reply, GM sent a series of counter demands to the UE. The UE was very embarrassed when it discovered that it was asked to "withdraw its opposition to individual piecework and other incentive pay methods." It was embarrassed because it has

been the foremost proponent of just that. James J. Matles, Browder's

mouthpiece in the UE, immediately let the company know it was dealing, not with militant unionists but with a new friend of big business.

In Matles' reply to the executives of GMC, he stated that they evidently made a mistake in not reading the UE proposals. He said that not only had the proposal of the UE been for the incentive pay scheme, but it had even advocated its extension. Matles went on to chastise the management for not knowing the difference between the UAW and the UE "... and without attention being given to the actual conditions which prevail in our plants as compared with those under contract with the UAW."

The Communist Party has put the finger on the UAW and its militant unionism. In the previously mentioned article in the Daily Worker, they contrast the UAW to the UE. They attack the UAW for not following the lead of UE Stalinist leaders. Earl Browder, self-appointed "company man," would like to rule and ruin the UAW as his cohorts have done to unions they control.

## Italian Fascism in New Dress

World Events

By Europacus

you see, no political activity, no

strikes and no bona fide union activ-

ity could be permitted. It seems that

one of the outstanding achievements

so far of the AMG has been to

change the name of the existing fas-

cist organizations while continuing

The Fascist Housing Authority, for

example, has been abolished, to rise

immediately from its ashes as the

People's Housing Authority under

the administration of some Sicilian

aristocrat. A nice division of work,

indeed: the aristocratic landholders

get the administration, the people

get a brand new name. While Al-

lied repression might not be quite as

brutal as Nazi oppression, it will not

be less effective; at least at this ini-

It has been the tragedy of the

Italian revolutionary events that

they have remained isolated. As

things stand now, the second stage

of the revolution can only be effec-

tive if and when it is linked to rev-

olutionary events in other parts of

Europe. Even more than capitalist

Italy depends on Europe, the Italian

revolution is dependent on Euro-

The revolution has been tempo-

rarily halted by the military situa-

tion, by the forces of two immense

imperialist blocs. It has been halted

but it is not dead. The experiences

gained will not be forgotten. It may

seem to some that the efforts of the

revolutionary workers of Northern

Italy have been in vain, but little

do those who speak in this way un-

derstand the character of these

events. It is true, the first attempt

of the Italian workers has not been

successful; but first attempts rarely

are. It is in the hard schools of revo-

lutions and counter-revolutions that

the European working class will

slowly acquire its socialist education.

tial stage, than the Nazi methods.

Workers' Turn Will Come

pean uprisings.

them in fact.

At last the negotiations and deals Italian workers, but for the moment, which have been going on since the fall of Mussolini have come to a conclusion: Badoglio has capitulated to the Allies. The whereabouts of the gentleman are unknown at the time of this writing. This suggests that something may have gone wrong in spite of all the careful preparations.

The Badoglio government was too weak from the outset to play any kind of independent role. It had either to lean for support on the Nazis or to consider the tempting offer of the Allies to remain in office and, under appropriate control, safeguard "law and order" against the Italian masses.

Badoglio, after some bickering, chose the second course. It is very curious how the moral standards of those who are supposed to represent United States public opinion, change according to which camp the belligerents jump to. When Petain assumed power, backed by Nazi bayonets, and concluded the Franco-German armistics, this was considered treacherous and dishonorable. Now that Badoglio has chosen the exactly similar course, he is considered an able and realistic statesman. The only criticism made of him in the capitalist press is that he took so long to decide on which course to

#### The Military Situation Governs

great victory.

The immediate perspectives for the Italian working class are not bright. For two days, workers in the industrial cities of the North, in the streets of Genoa, Turin and Milan, have fought onrushing Nazi troops.

take. Expediency has won another

The South of Italy is to be occupied by the Allied armies, bringing in their wake the blessings of the AMG. A New York Times correspondent recently stated that, of course, the ultimate aim of the AMG was to give back all liberties to the

An Open Letter to President John Green -whom you stabbed in the back dur-

ing their strike last spring.) But that's all past history. Now you have joined the Bill Greens, the Wolls, the Tobins, the Dubinskys, the Hillmans, the Murrays. You have gone over to the other side. But the men who have to work for a living need a fighting industrial union now more than ever. And they will get it no matter what your administration does. Groups are forming in every local around the wide-awake

it easy to answer these beefs. You orders from Browder, who gets them send around another circular letter from Moscow, and they don't give a to be read at the local meeting sayhoot about what the union members ing that the GEB has set up a spewant done. cial committee to deal with "trouble However, the bad situation in our makers" who call stoppages. Or you appear at a local meeting to say

union is the same in this whole area. Everywhere it is the same story: the company has the union on the defensive, conditions getting worse, union men are grumbling, discontented union men try to change the situation by democratic procedure at

which they never do. They get their

men called three stoppages and forced the company to reinstate him. Then the Navy inspector framed him and reclassified him from a first-class welder to a tacker! He still stuck around.

Then the local official board suspended him from office for having been involved in the stoppages resulting from his being fired! The local meeting overruled this and voted him reinstated in office. Then finally the company framed him again and fired him.

Labor Board, the support of the Democratic politicians, the growing bureaucracy and dictatorship in our union to stifle the discontent of the men. But it's a tough fight to change things. The union officials are lined up against us. The company is against us. The Navy and Maritime people are against us. Meanwhile things are so lousy that the men are becoming disgusted with the union and losing interest

Here's a Fighting Program

union leadership.

The meeting was called only after two months of bitter fighting and campaigning on the part of a few stewards and the rank and file of the shop. Throughout this fight, the leadership was against holding such a meeting and did everything it could to prevent its occurrence. The rank and file pressure brought to bear on the leadership through department and floor meetings finally did the trick, and the meeting was called.

The membership had the further opportunity of seeing that the leadership was primarily interested in putting forth its own position on economic and political issues and taking as much time as it needed to do so. On the other hand, stewards were permitted to discuss "tremendous issues" like the support of Roosevelt for a fourth term and the no-strike pledge, each for a total of five minutes. The rank and file who attended were not permitted to speak at all!

#### A Pre-Convention Meeting, Too

Although it was a pre-convention stewards' meeting, the clamor raised by the more militant stewards regarding the five-cent increase and reclassification reached a point of almost open revolt and an insistent demand for full information on this score.

At this stage, the international representative, Joseph Dermody, broke in and in honeyed tones began to talk about everything else but the raises. Then, almost as an admission, he informed the meeting that everyone would not be able to get a nickel raise on the grounds which he had presented to the board, and that new evidence was being presented. In other words, the WLB has already refused the five-cent raise, and a new case is now being prepared.

The chairman and the reporters to the meeting resembled closely a Punch and Judy show, with Joseph Dermody pulling the strings. No one said anything that Dermody didn't enlarge upon or amplify-and woe to him who wanted to offer some criticism. The wrath of the chairman and Dermody in the form of keeping those speakers from having the floor and shutting them up once they started, was frequently visited on such people. The slogan for the meeting might well have been "No Criticism Tolerated."

aged to take the floor and hold it. Those who did, spoke very convincingly against the WLB, which, they pointed out, was clamping down on labor and allowing big business to carry on not only "as usual," but even better than that.

#### Lack of Democracy

A number of them, when a motion for Roosevelt for a fourth term was raised, demonstrated that the WLB was a Roosevelt agency and that the President had done nothing to stop its unfavorable decisions to labor. but, on the contrary, guided the board to such action with his wage freeze.

One speaker suggested that the UE support some union members for Congress and advocate a Labor Party, a party of working men and women, to get seats in Congress in order to better working people's conditions.

Every one of these suggested was hooted at by the leaders and their henchmen who have been, and still are, bent on lulling the people in the shop to sleep and forgetfulness with a patriotic lullaby. The sleep, they believe, will make the workers forget that after nearly a year they are nowhere nearer to a contract with a raise than before.

A few rank and file union members attended the meeting. Their number was not sufficient to stem the undemocratic manner in which the meeting or the union in general are

It must be the work of the men and women in the shop who realize that their conditions are bad and that the union is not fighting for them as it should, to organize themselves to fight against those union leaders who are misleading the union.

members to make themselves heard, to attend stewards' meetings and force the leaders to hold membership meetings where the members can speak up and take the proper action to secure a raise of wages and betterment of conditions in the shop. Without the membership making itself felt, the present leadership will continue to run the union into the ground. If the membership does raise its collective voice it can take the needed action and build a powerful and democratic union, capable of carrying on and winning better conditions.

York Ship it would make your ears burn to hear what they say about you.

If it were only the case of our yard and our Local No. 1, it could all be blamed on the Communist Party boys who now run the local executive committee. It is true that these 100 per cent (Russian) patriots make things even worse. All you hear from them is "second front," "more production," "incentive system," "support our Commander-in-Chief," "give your blood, give your money, give your sweat, and take any ... the company hands you, but don't strike." And then they drum your ears full about our "Russian ally" and how we should hook up with the Russian un-

ions. All I can say is that if the Rus-

sian unions are anything like what

Local 1 is becoming, I can now un-

derstand what's been happening over

What About Stalinism?

there.

But the Communist line boys don't say or do anything that's against what you say or do, Brother Green. They usually only say it louder and a little more raw. If they ever go out after your scalp, it will only be because they feel that you may give

It is up to the rank and file union

local meetings, the local administration connives and maneuvers and be-

comes more dictatorial in dealing with the men, then they frame up and run out of the yards the spokesmen of the rank and file. That's what has been happening, isn't it?

#### Union Needs Democracy

Up at Kearny, you couldn't control the rank and file any more so you put in a "receiver" to dictate to the local. Over in Chester, at Sun Ship, Local 2 still doesn't have its charter, even though the CIO has now organized the yard. And the national organizers went in to negotiate with the company without submitting the proposed contract to the local meeting for approval. Meanwhile there is no grievance machinery, and good union men are still being fired.

Over at Cramp's, in Local 42, your supporters pulled some real old AFL stuff to win the election of delegates to the convention, and the men in the vard have a feeling of disgust to

think this can go on in our union. Over in North Camden, in Local 56, the company, the Navy inspector and your man Friday, Frank Evans, ganged up on the spokesman of the rank and file to run him out of the way under rank and file pressure, yard. The company fired him. The

#### **ATTENTION!** Detroit Readers of Labor Action-

You are invited to attend a series of four discussions on problems vitally affecting the labor movement:

Sunday, September 26, 8:00 p.m. "Labor's 'Friend' in the White House"

Sunday, October 3, 8:00 p.m. "The Labor Movement and the Fight for Equal Rights for Negroes"

To be held at the

LABOR FORUM WESLEY BUILDING, ROOM 304 2847 GRAND RIVER (NEAR TEMPLE) ADMISSION FREE

The fact that only ninety-six men bothered to vote for the delegates to the convention in this local shows how quickly your support of a man like Evans can ruin a good local.

Out on the West Coast you have had your right-hand man, Pollard, set up as the local dictator for almost a year now. When are you going to give back the local to the men in the yard?

Old timers had their nose full of this kind of union administration in the old craft unions of the AFL. That is why they welcomed the CIO. Reread the preamble of our union constitution, Brother Green, and you will see how far your administration has gone from the spirit of 1935-37. As a matter of fact, the preamble sounds like something from the program of some of the rank and file groups you have been denouncing as trouble makers.

#### The Ranks Stand Alone

It's tough on us old timers these days. We know what is wrong with the union: the no-strike pledge, the running around after government boards, the ship stabilization agreement with a \$1.20 top pay for mechanics, the CIO backing of the War

### In the Name **Of Inequality**

During the Battle of Sicily, a lone aviator, separated from his squadron, saw a group of Nazi planes make for some U.S. bomber planes. He attacked them, shot down two, causing the others to turn and flee. and then returned to his base as if nothing had happened. He happened to be a member of the 99th Squadron of Negro aviators, who have a record for marksmanship that is famous. It seems that when these Negro aviators had to cross the United States before being shipped over, the officials were faced with the dilemma of quartering these men so that they would not be likely to come in contact with the other airmen of different skins. So the army officials got the bright idea of keeping the men of the 99th Squadron busy with target practice all the way across, so busy that they would not have time to bump into any other aviators.

We, the active union men, must defend the union against the widespread feeling in the yards that the union is washed up and at the same time we must fight the union officials, the company, and the government

boards. But we are ready for it. It is the only way out. You came from good union stock,

Brother Green. Clydeside men have always been respected for their unionism. You once considered yourself a socialist. You built a fighting, independent, industrial union outside the AFL even before the CIO was thought of, by banking on the support of the rank and file shipyard workers. (The only outside support you got was a \$100,000 check

from the United Mine Workers.

union men. They know what they want:

1. Repeal the no-strike pledge.

2. Withdraw from the Ship Stabilibation Agreement.

3. Take the \$1.20 ceiling off ship mechanics' pay.

4. Withdraw the CIO men from the War Labor Board.

5. Repeal the Smith-Connally bill. 6. Form an Independent Labor Party.

The men are sore. They feel betrayed. They're a little confused as to where to begin. But they will be in there fighting-and damn soon. And rebuilding the union-from the bottom up.

Old Timer from Camden.

## September N. I. Is Out Now!

Timeliness is the theme that runs through the September issue of The New International, which made its appearance this week.

The feature of the magazine this month is a searching review of the significance of the recent events in Italy by Max Shachtman, in which the national secretary of the Workers Party analyzes the 'ignominious dumping of Mussolini by the Italian boss class, the subsequent upheavals by the Italian masses and the prob-

tions that the European revolution has begun. Titled "Problems of the Italian Revolt," the article is a must for all workers who would read further than newspaper headlines.

UAW members (and leaders) will find considerable interest in Walter Weiss' pre-convention discussion, "The UAW-CIO Through the War.' Other articles that hit the spot this month are "Invasion of Europe and the 'Long War,'" by Ernest Lund; "The End of Isolationism," and Max Shachtman's reply to an open letter



Address	 	 

#### LABOR ACTION

## Censorship Hides Truth About Europe

#### -By Ria Stone

The Anglo-American coalition waited five days before announcing to the people of Italy, Germany, the rest of Europe and the world that they had negotiated an armistice with the Badoglio government. There were obvious military reasons for this delay. But there were even more important political reasons, based on their fear of the independent action of the European masses.

For weeks there had been a strict censorship on news' from Italy. The Italian workers, who had been out in the streets of Milan and Turin, vigorously demonstrating for peace, suddenly dropped out of the news. The last we heard of them they were protesting Badoglio's protection of himself by declaring Rome an open city, while up North the Allied bombs devastated Italian cities and mercilessly killed Italian workers. We heard too that Badoglio trembled because the refugees flocking into Rome from the bombed areas included revolutionary political elements who threatened his rule.

#### THE SECRET ARMISTICE

The armistice between Badoglio and Eisenhower was kept secret for five days so that the American and British armies would have time to occupy Italian cities and hold in check these revolutionary elements whom Badoglio himself could not handle. Badoglio, feared their wrath as much as he feared that of the Germans and much more than he feared that of the Anglo-Americans. To save himself and the Italian ruling class, he was willing to permit the bombing of Italian cities and the killing of Italian "soldiers to continue for five days until Anglo-American armies could arrive on the spot, and he himself could escape safely to Sicily.

The cowardice and impotence of the European capitalists are here dramatically revealed against the courage and power of the working masses. Badoglio is safely wined and dined in Sicily in a manner befitting a member of the ruling class, while in Turin, Milan and other Italian cities the workers desperately man antiaircraft guns, wipe out German shock troops and carry on organized guerrilla warfare in the streets.

The secret deal between Badoglio and Eisenhower indicates the shape of things to come throughout occupied Europe and in Germany itself. Thus, the Italian armistice sets a pattern. Even the liberal press has asked whether it may not be employed elsewhere. This time it was only five days before the announcement of the armistice. Next time weeks may elapse after the conclusion of an armistice between the German ruling class and the Allies.

#### WILL IT BE REPEATED?

The German ruling class, fearing the explosive antifascist wrath of the German masses and soldiers, may agree with Churchill-Roosevelt to keep secret an armistice until such time as enough of the Allied forces can arrive in Paris, Munich, Vienna, Berlin and Hamburg to keep the French, Austrian and German masses in hand. The European ruling class fears its own workers and peasants more than it fears the Anglo-American ruling class. So a bloody war can be continued until the moment that their safety is guaranteed by a pre-arranged military occupation.

The American workers have a personal stake in the revolutionary events taking place in Europe and in the conspiracies being perpetrated and plotted. They have a right to know the heroic steps that the German, Italian and other European workers are taking against Hitler. They have a right to know what deals the Allies are ready to make with fascists and collaborationists who have been converted by the fear of Hitler's defeat.

They are not interested in protecting the lives and property of the Badoglios, Thyssens, Petains, etc., from the pent-up wrath of the oppressed European masses. They are not interested in preserving these elements for a peaceful public trial by the Anglo-American-Soviet rulers after the war. Let the European masses dispose of their own oppressors and betrayers—they will do it with the dispatch and thoroughness required.

## To the Wives of Union Men! What the Labor Movement Signifies

#### By SUSAN GREEN

Housewives listen to the radio more than any other group of people—that is, the working class housewife who sends her kids off to school, markets and lugs her bundles, makes lunch, does her own housework and some or all of the washing, cooks supper, cleans up once more, and finally puts the kids to bed with a sigh of relief. The women whose work is never done have the radio turned on pretty much of the time to keep them company.

#### THE PALMOLIVE FORMULA

There is another group of people very much aware of this habit of the housewife and very energetically trying to cash in on it. They are the National Association of Manufacturers.

This outfit, as you know, is what might be called the bosses' union of this country. In numbers, this boss organization is véry small—maybe 9,000 companies as against more than 50,000,000 workers in the country. But this handful own nearly all the plants in which the 50,000,000 have to work, and represent about \$60,000,000,000 of wealth—a pretty penny.

So while you are told how to get young and beautiful in twenty applications of Palmolive soap and what department store will make your wornout living room suite equally young and beautiful, the news is given to you with an anti-labor bias. And you listen to plenty of hooey about how workers are holding up the war effort—with nary a word about the pay-triotism of the bosses that can be measured only in terms of dollars. All this propaganda against more than 50,000,000 workers and against the labor unions is ladled out by clever radio commentators—with perfect diction and with the bosses' fat pay checks in their pockets.

This high-pressure, reactionary and fascistic propaganda of the bosses does not mean to workers' wives what it should mean. It should galvanize them into action. They should think: "That's dangerous stuff. That hits me. I've got to do something about this!" For actually the anti-labor campaign of the National Association of Manufacturers is a direct menace to every working man, woman and child.

#### WHAT WE OWE TO THE LABOR MOVEMENT

Yes, an attack on the unions is an attack on everything that working people sum up in the word PROGRESS.

The eight-hour day—instead of the twelvehour day—is a union accomplishment. Shop committees and stewards in the plants to take care of workers' grievances—instead of leaving workers to the tender mercies of the boss' stooges—are the result of union strength. Union contracts in which wages and working conditions of ALL the workers are set down, black on white—instead of EACH INDIVIDUAL worker being subjected to the unrestricted exploitation of the boss—have come about because of great union struggles.

Translated into the intimate conditions of life, what does this mean?

We owe it to the unions that a worker has a little leisure. We owe it to the unions that at least a section of the workers earn enough so that their children can go to school, and are not forced, as in earlier years, to work in mines and factories at a tender age to help earn a living for the family. In fact, the expansion of educational and other public facilities—insufficient as they are—is mainly the result of the pressure of organized labor and liberal elements to wrench from capitalism a few of the basic needs for decent living. Even the radio over which comes the anti-union propaganda, is a bit of not strictly "necessary" furniture that the

worker's family can afford only because of the wage struggles put up by the unions.

Of course, the war has made inroads into the accomplishments of the unions. Wars benefit the bosses in more ways than one. Not only do they enable the bosses to scoop up billions in war profits and to spread out into the world markets for higher peacetime profits. Under the headings of national unity and "equal" sacrifice, war is also an excuse to take away labor's hard-won gains.

But just imagine how far the bosses could go if there were not such powerful labor unions as the CIO, AFL, Railroad Brotherhoods, United Mine Workers to stop them!

#### WORKING WOMEN WHO KNOW THE TRUTH

There are many working class women in this country on whose minds and hearts has been written in indelible ink the truth that only in the labor movement is there any hope for a better life for working people—not in boss politicians, not in their fancy charters, which are only war propaganda; not in their shiny post-war promises.

You will find these class-conscious women in the mining districts. They are women who helped build the United Mine Workers Union and who shared in raising the status of miners from the actual serfs they used to be. They saw their husbands and sons shot at by boss thugs and by troopers sent by boss politicians, but instead of urging their men to quit the fight, they joined the picket lines.

You will find these brave women in the steel districts—women who placed themselves between their men and the firing end of cops' guns in strike after strike to get more wages, an eighthour day and union recognition.

They are in the textile towns—these women who understood that in union the workers have strength—who with their children joined their men on the picket lines in great conflicts with the bosses through which our powerful unions were built.

There are such women in the Detroit region women without whose invaluable help the United Auto Workers Union could not have come into its own. For in the great sit-down strikes, the wives, daughters, sisters and mothers of strikers attended to food and supplies for the men in the plants. These women bucked the police and even won their sympathy. They went through the towns soliciting the support of the people for the striking workers—and got it!

Yes, there are millions of working women who know what a worker's life was like before the unions became powerful enough to force a little improvement.

You couldn't tell these women that it was out of the goodness of their hearts that Roosevelt and the New Deal politicians favored the passage of the wages - and - hours law and other pro - labor measures. These women learned from first-hand experience that neither the bosses nor their politicians give up anything to the workers unless they are forced to.

It is a grim fact that every pro-labor law onthe statute books was placed there as a concession to labor's strength, and is enforced only because labor is strong enough to insist on it. It is indeed no coincidence that the so-called pro-labor policy of Roosevelt and the New Dealers came with the organization of the CIO; and it is likewise no coincidence that this so-called pro-labor policy of the Roosevelt Administration has gone with the wind as labor leaders have surrendered labor's rights and union militancy.

It cannot be made too emphatic that an attack

are quoting:

to production."

"Coercion of employers won't work

and it should not be tolerated ....

Although government contracts, at

the direction of Mr. Roosevelt, in-

clude clauses forbidding the holder

to discriminate, we may not revoke

these contracts without great harm

The reverend chairman says point-

blank that the committee will not

on the unions is an attack on everything that working people sum up in the word progress. And progress for you and for me, in truthful terms, is simply what organized labor has been able to force from the profit-clutching grip of the capitalists and their political lackeys.

It is quite natural, therefore, for reactionary and fascistic forces stemming from that boss organization, the National Association of Manufacturers, to strike at the very heart of progress— THE LABOR MOVEMENT.

What is not natural is that union men and their wives do not sense the grave danger and rally to strengthen the unions by their own wide-awake and energetic participation in all union meetings and activities.

How come that right now, when the fate of the common people actually depends on the alertness, strength and militancy of the labor movement, union meetings are so wretchedly attended? Isn't it a crying shame that out of a union membership of several thousand, often not even a hundred members attend a meeting? Isn't it something for the bosses to shout about when out of a membership of 15,000, maybe a couple of hundred unionists come to their meetings?

If a conscientious unionist gets into a conversation with one of the stay-at-homes and reprimands him for his indifference to union matters, the chances are the latter will hem and haw about his being a family man, about the children, about the wife wanting to go to the movies, etc.

But it is just-because a worker is a family man, has children, and a wife who likes to go to the movies that he and she must be staunch unionists. The unions are the bulwark of working class life. Without the labor movement to fight for an adequate standard of living and for more and more progressive demands, there can be no happy future for a worker's children—no, not even money for the movies!

You wives of unionists who haven't been through the mill of union struggle and have not learned the value of the labor movement from your own experience, have you given a thought to YOUR OWN post-war prospects?

#### POST-WAR PROSPECTS

We face the post-war prospects of anywhere from ten to thirty million unemployed. A strong labor movement can fight for a short enough work week with a decent wage so that your husband and every other worker can have a job. With the probability of such unemployment, all the capitalists and their politicians have to offer is a WPA job—or relief to accommodate some workers.

That means that the future of every working class family depends on the power of the labor movement. It is the first and foremost duty of the wife of a unionist—a duty to her own family—to see that her husband attends his union meetings and participates to the fullest in all union activities. He must be on hand to express his point of view and stand up for the interests of the rank and file worker—not only against the bosses, but also against labor leaders who are prone to forget who pays them for their services and what their duties are.

But this is not enough. Every union local should have a ladies' auxiliary, working in close touch with it—to help it when help is needed and to be helped by it in launching a program against high prices, the black market, unnecessary food shortages and other housewives' war worries.

The labor movement is the bulwark and hope of the working people. Wives of unionists, pitch in to give it more power!

Sen. Truman Hits Back At N. Y. Times

Page 3

Some weeks ago the Senate's Truman Committee made public the results of its investigation of the Curtiss-Wright subsidiary, the Wright Aeronautical Corporation of Lockland, Ohio. The committee found that this company had been selling the government "defective and substandard plane engines by falsifying tests, forgiving inspection reports, and by eight other practices designed to by-pass Army specifications."

The New York newspaper PM called the Truman Committee revelations "The Most Shameful Story of the War." This was a mild characterization, as the Truman Committee's presentation of its bill of particulars demonstrates. The company, in "producing and causing the government to accept defective and substandard material," employed the following "good business" tricks:

Falsified tests, destroyed records, improperly recorded results of tests, forged inspection reports, failure to segregate substandard and defective material, failure to destroy or mutilate such defective and substandard materials, changed tolerances, and skipped inspection operations.

In its original report, the committee stated that the situation was far worse than it had disclosed, but in high regard for the morale of the nation is purposely toned down its revelations.

#### PRESS AND PATTERSON DEFEND COMPANY

At that time, Under Secretary of War Patterson tried to come to the defense of the company. Together with the big business press, which either played down the report or criticized it altogether, the Under Secretary announced that the facts were not nearly as sensational as Senator Truman would make it appear to be. But Senator Truman came right back, saying that the report was "the most favorable and the least critical that the committee (could) render and at the same time fulfill its duty...."

As it turned out, the War Department had to go along with the Truman Committee. It acknowledged the facts in the case and proceeded to "rectify" the bad situation at the Wright plant. The big business press thought it the better part of valor to lay off the case.

Not so with the New York Times, that pretentious, lying sheet which carries its own halo in its hands and editorial columns. It was determined to get back at the Truman Committee for exposing a large advertiser and, therefore, a source of lucrative income. That is only part of the story. The Times, as a big business, ran to the defense of another big business. These outfits stick together to defend their common interests—profits! And it doesn't make much difference HOW profits are made.

It sent one Turner Catledge to Lockland to do a series on the Wright Aeronautical Corporation and to determine why there had been a slump in production. This Mr. Catledge soon discovered the reason. It was the "false" report of the Truman Committee! This report hurt the morale of the company, and it just could not do its best under the circumstances.

The tenor of Mr. Catledge's report was followed up in an editorial of the Times, which, while it praised congressional committees, and even put in a good word for Senator Truman, made sure to add that his committee was more interested in headlines and sensations than in real facts. Proof? The report on Curtiss-Wright.

#### SENATOR TRUMAN REPLIES TO THE TIMES

<sup>6</sup> But Senator Truman retorted: "The facts are that they were turning out phony engines and I have no doubt a lot of kids in training planes have been killed as a result. The committee was conservative in its report, in order to prevent too much alarm over the situation. But if I had my way some of the people responsible would be stood up and shot.

"If the Times would rather see boys killed than to see the engines turned out properly, I'm certainly sur-

#### "OPEN COVENANTS, OPENLY ARRIVED AT"

The American labor movement must make it its business to find out what independent anti-Hitler steps are being taken by the European masses all over Europe, and especially in Germany, and let the European masses know! It must make it its business to find out what counter-revolutionary steps the Anglo-American bloc is taking all over Europe and for Germany itself, and let the European masses know!

It must insist that the censorship be lifted, that secret diplomacy be abolished, that the news of invasions and surrenders be immediately broadcast to France, to Norway, to Greece, to Germany, so that the misery of these people, starving and dying under Hitler's oppression, may continue not a minute longer, and so that they may have time to deal with their betrayers and oppressors themselves.

The pretensions of the Administration that it is following in the footsteps of Woodrow Wilson—open covenants, openly arrived at—is not borne out by the succession of events. A shroud of mystery and a veil of secrecy surround Allied action far in excess of that required by military needs.

## "Plenty For All" Goes Over Big

It is only a few weeks since the fine socialist pamphlet, "Plenty for All," by Ernest Lund, published by the Workers Party, was put on sale. Already 1,600 of the pamphlets have been ordered!

Local New York of the Workers Party, which ordered 700 copies as a start, has already sold over 500 of them! This is only the beginning. Their real drive hasn't begun yet, so we can expect something big from New York.

Almost a thousand pamphlets have been sent out to the rest of the country in response to first orders. They have not only gone to the big cities but to a lot of other places, whose names may sound strange.

Orders were received from Bokoshe, Okla.; Muscatine, Iowa; Willoughby, Ohio; Streator, Ill.; Camden, N. J.; Hartford, Conn., and Canoga Park, Calif., as well as from lots of others.

Now is the time to get your copy-not only a copy for yourself, but for your fellow workers, too.

Do you want to know what's wrong with capitalism? Do you want to know how it operates? Do you want to know what socialism is? "Plenty for All" has ALL the answers!

#### Next Week--

Labor Action will devote its columns to the AFL, UAW and Rubber Workers' conventions.

## **FEPC Program No Aid To Negro Labor**

#### By W. F. CARLTON

Beginning on Wednesday, September 15, and continuing until September 18, the Fair Employment Practice Committee held public hearings on discrimination against Negroes and Mexicans by twenty - three railroad companies and fourteen railroad workers' unions. The hearings have aroused nation-wide interest.

The Pittsburgh Courier, well known Negro weekly, reports that within recent days in the New York area, five thousand freight cars. loaded with munitions, could not be moved because the carriers were short 1,600 men a day. In another terminal, thirty-three trains were delaved during a twenty-four-hour period owing to the inexperience of new white employees, while skilled Negro railroad men with twenty to thirty years of experience were not permitted to touch the engines. It is claimed that in a long list of railroads Negroes cannot be promoted. Doubtless these and similar crimes against Negro labor will be exposed The question is, what will the committee do? We feel safe to say that it will do nothing substantial. Evidence? There is its past history. The new committee itself is not prepared to take any more serious steps than

#### **Collier's Article Revealing**

its predecessor.

Last week there appeared in Collier's magazine an article entitled "Race Riots Coming," by Walter Davenport, the political editor. The writer says that the article is based on "considerable research," and the content of the many thousands of words shows that this is true. We shall refer to this article again on another occasion. For the time being, it is sufficient to note what it has to say about the FEPC.

The old committee, says Collier's, was absorbed by the War Manpower Board, "quickly losing its identity." The old committee was "not only smothered by the regulations and red tape of the parent organization, the War Manpower Commission, but was almost trampled to death in the first wild stampede of the conversion of industry from peace to war production."

Some of a war-production agencies, says Collier's, were probably convinced that the old committee

"was a nuisance." Yes, just that, "a nuisance." Some of them, the article continues, have been quoted as "cursing" the committee as "a bunch of interfering pinkos trying to run the war like the New Deal." We remember that Mark Etheridge,

We remember that Mark Etheridge, the first chairman of the committee, was that distinguished Southern liberal and "friend" of the Negro who resigned from the committee and made a public declaration that the South would never stand for Negro equality. Even this harmless committee was "revolutionary" to the men who rule Washington. Between Roosevelt and McNutt, the committee was buried.

#### A 'Democratic' Colonel

An Army official, explaining a course to be given in a university, was asked if Negro Army students would be admitted. He replied: "No, we don't have enough trees around here to hang 'em from."

The Amsterdam News, in commenting on this incident, says very aptly: "It is a sad note on our so-called fight for the fabled Four Freedoms when a colonel in the U.S. Army goes out of his way to insult persons comprising one-tenth of the nation. It goes to show that we have entirely too much work to do at home to bring democracy to the people before we talk about taking it abroad. In fact, no sane people anywhere else in the world should want the U.S. brand of democracy. It is often as putrid and vicious as fascism.'



(Continued from page 1) erty to set up their own government, to decide their own fate.

Instead, British planes bombed the very centers of working class resistance to fascism, both the German and Italian varieties of Mussolini and Badoglio.

Under Churchill's admonition to prevent "disorder and anarchy," the Allies rely upon the rotten, decaying regimes of the ruling class of Italy. Their chief political aim is to defeat the will of the people.

t, the end assert itself. The military struggle goes on.

While the powers prepare to resolve their conflict by military means, the masses, tired and utterly without faith in the war, yearn for an end to the holocaust.

But this will of the people will in

This yearning will turn into a real struggle on the Continent, in Germany, in Italy, in France, in the Balkans, until this system goes down in the very ruins it has created, until a new liberating social order is built,

fight to accord Negroes their equality. Profits come first.

LABOR ACTION has insisted from the beginning that Roosevelt, the government, the old committee; the new committee are all deceiving the Negro people. We have said and say again that it was the militant action of the Negroes which compelled the government to do something to quiet them, to make them feel that they should wait a bit and see. That was and still is the aim of the FEPC.

Are we going to sit and watch this new committee carry on the same old tricks? The militant initiative of the Negroes in demanding their rights forced the formation of the committee. Roosevelt only took the step to quiet the deep dissatisfaction of one-tenth of the population. But the committee was buried as soon as possible and only the rising tension in the country caused Roosevelt to resuscitate it.

The Negroes and the Mexicans must not leave matters to the committee. Every Negro organization in the country must mobilize itself and by resolutions and action show that they will no longer tolerate Jim Crow discrimination and a committee which accomplishes nothing.

#### Labor Most Important Factor

But far more important than any action by Negroes is action by the labor unions. A labor union may hesitate about taking steps to stop discrimination against Negroes in the armed forces. The average worker may feel that it is a shame but that he doesn't know exactly what to do about it. Here he is wrong, but we can understand his hesitation. But every labor man must recognize how shameful and how dangerous it is for railroad companies and railroad unions to stand in the dock before the bar of public and world opinion, both of them charged with discrimination on account of race.

The strength of labor, the solidarity of labor, the future of labor, demand that all such stains and corruptions, which are the influence of the bosses, must be abolished by labor itself.

The labor organizations of the country should let the offending railroad unions know, in no uncertain manner, what their duty is in regard to Negro labor.

prised at its attitude. I don't belong to that class. The \*committee has no axe to grind except to get efficient production, and we don't sell advertising to the Curtiss-Wright Corporation."

As for an explanation of why production took such a sharp drop at the plant, Truman denied that it was fear on the part of the company that it might be pounced on by a congressional committee.

In this specific case, the Wright Corporation had six months in which to alter its murderous methods. "How much time do they want?" asked Senator Truman. "Curtiss-Wright had six months. If the Times wants faulty planes and faulty materials, I can't help that....The Times is just talking for its advertisers."

He charged the company with responsibility for the decline in production, stating that its purpose was to discredit the Truman Committee and thus cause its report to be looked upon with suspicion.

It should be added that the Truman Committee merely investigated the company. It has no powers of prosecution or indictment. That is in the hands of the Attorney General (Mr. Biddle). But to date there has been no sign or information that anything will be done to Curtiss-Wright. After all, this monopoly is not like the young Baltimore welder who, for one error or another, received an eighteen-month prison term. It was not suspended, either, as in the case of the Anaconda Company of Indiana.

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#### EDITORIAL PAGE

LABOR ACTION

#### Armistice Does Not Halt War in Italy

## The Fight For National Independence of Italy Still Has To Be Won

#### By R. Fahan

These lines are written immediately after the surrender of Italy and it is therefore impossible to guess what the military fate of that country will be in the next few weeks. In large measure, that depends on how much resistance the German army will be able to put up. Most likely, the country will be divided into two warring camps, with the front somewhere near the Po River line. In any case, Italy is doomed to be the battlefield for one of the bloodiest campaigns of the war, a war in which its people have no stake or interest either way.

The tragedy of Italy is manifold: hational disintegration, economic prostration, political confusion. It is a nation which has been so bled white by the ravages of twenty years of fascism and war that it is like a stunned, punch-drunk boxer. Its only sign of revival-but a magnificent sign, nonetheless! - was the spontaneous mass demonstration in the, big cities which arose immediately after the downfall of Mussolini, and most important, the wave of revolutionary militancy which swept the workers of Milan. This force has, if only temporarily, been negated as a result of the invasions from North and South.

cate themselves from this terrible people. position? In our opinion, the task of a genuine socialist movement in Italy today would be along the following

lines: The prime task of the Italian people today is to rid itself of all foreign domination. Only if the national arena is cleared of warring belligerents can the internal process of social development, which began so promisingly with the downfall of Mussolini and the rise of soviets in Milan, continue its natural course.

Those who believe that Mussolini fell as a result of a "palace revolution" are fooling themselves. As in all revolutions, the initial fissures in the old regime take the form of a move by the "least discredited" part of the bureaucracy of the old regime to set up a temporary stop-gap to placate the anger of the masses and to attempt to prevent their further revolutionary development. Such a regime was the Badoglio regime. Given the absence of foreign intervention, Badoglio would long ago

have lost power and perhaps by now Italy would be experiencing the "Kerensky" period or, better yet, it might have been able to skip that altogether. But one thing is certain: the Badoglio putsch would never

If, on the other hand, Italy falls prey to either of the belligerents, be it under the iron heel of the Gestapo or the more velvety domination of the AMG, its proletariat will be unable to finish the process of political fumigation which began with the downfall of Mussolini and for which there are many other candidates, not the least of whom are the House of Savoy and Badoglio and his clique of fascists and near-fascists. The only possible force capable of

generating new vigor and strength into Italian life is its working class; so long as either the Germans or the Allies dominate the country, they will make very certain that the Italion workers will be kept under heel. The major slogan for the Italian

people in the coming period is therefore: For National Independence of Italy! For an Italy freed of both warring powers!

It is obvious that a free Italy, playing second fiddle to NEITHER warring side, must be an Italy at peace. The people of the country demand it and they are absolutely right. They have no stake in the war on either side, and the first premise for the solution of their grave internal problems is that their country withdraw

How can the Italian people extri- and swelling unrest of the Italian from the war and not permit any alist liberals really want national libpart of the war to be inflicted on its soil.

It may be asked: will not all the capitalistic politicians, the fake liberals, also clamor for "national independence" and for "peace"? But it is precisely in the differing contents which the socialists and the national liberals give to the slogans of peace and national liberation that the superiority of the former can be seen. Do the nationalist liberals of the Salvemini and Scorza types really want peace for Italy? No, they merely want Italy to switch sides in the war. But that is a prospect, we are certain, which the Italian people view with little more enthusiasm than that of continuing the war on the side of Germany. Do the nation-

eration for Italy? Then how can they support a set-up which entails AMG domination over Italy?

In reality, we can now see that the struggle for the most elementary demands and needs of the Italian people can be successfully led only by a militant and maturing revolutionary proletariat. All bourgeois nationalist movements are by their very nature-the necessary and inevitable dependence upon Allied imperialism -incapable of achieving the aims they professedly desire. National liberation today for Italy is therefore a profoundly revolutionary task; it can come only as a product of a struggle against all foreign imperialist domination and the domestic agents and partners of that domination. For

tue of their independence from all foreign imperialisms, are the only consistent democrats in Italy today.

It would, therefore, be a tragic error if revolutionary socialists in Italy or those in other countries attempting to estimate a program for it, would allow themselves to be diverted into a sectarian impasse by mouthing valid but insufficient generalizations about socialism being the only hope for humanity and thereby neglect the burning immediate issue of national independence, which is intimately tied up with the problems of peace, political freedom and economic rehabilitation. If they prove themselves, in actual

the revolutionary socialists, by vir- sistent fighters for the national independence of their country and thereby demonstrate to the people of Italy the indissolubility of the national liberation and socialist class struggles, then the Italian socialists will succeed in forging a powerful chain linking them to the masses of Italy. That is the major transition they must effect in the political thinking of the Italian proletariat: the struggle for national independence can only be successfully achieved by a militant proletariat on the road to socialist power. And to do this, the revolutionary socialists themselves must understand the burning nature of the national liberation slogan and the urgent need for them to be its most consistent and bold champions.

practice, the most valiant and con-

# The method whereby he built for himself \$26,-

## What Class In Russia Owns The Nationalized Property?

have come were it not for the deep

#### By MAX SHACHTMAN

The Cannonites '(the Socialist Workers Party and The Militant, which expresses its views) are not in a happy position with regard to the famous "Russian question." We refer specifically to the careful silence they feel obliged to preserve about our criticism of Trotsky's theory, which they share, that Stalinist Russia is a "degenerated workers' state."

In the party dispute in 1939, they would discuss nothing apart from the question of the class character of the Russian state. We, who were members of the SWP before the Cannonites expelled us, were not at that time challenging Trotsky's views on that question. Since then we have not only challenged it but worked out a criticism and our own positive position in a dozen published docuents. But not a word of comment. much less critical discussion and refutation, has come out of the Cannonite camp.

#### Silence or Confusion

The fact is that, against our criticism, their position is untenable. That is demonstrated both by their silence

most crushing answer. He has hea-

vier ones. "The morale of the Red Army," continues Morrison, "does not, of course, prove that the Soviet Union is a workers' state. The suggestion that someone said something to this effect is one of Shachtman's debating tricks, to make the opponent look ridiculous."

Well, now, let us see just how ridiculous the opponent really looks. Here is a quotation from The Militant exactly one issue earlier, August 14, 1943: "The morale of the Soviet people, the recovery of the Red Armies from devastating defeats and now their tremendous victories testify to the unbounded vitality of the October Revolution."

By the "unbounded vitality of the October Revolution" the editor of The Militant, of course, means the "fact" that Russia is still a workers' Astate. Isn't the quoted sentence saying that the "morale of the Soviet people ... their tremendous victories" PROVE ("testify to") that Russia is

a workers' state? An accidental article, perhaps. But here is Joseph Andrews, in The Mili tan of January @, 1943:

other; and not only a wisecrack but long to those who work them. The a superficial one. This is not his, soil belongs to those who till it."

Editorial, in The Militant of July 31, 1943, on Russian morale: "Why? Because they [the Russian workers and peasants] have something to fight for: nationalized property, the land and factories which belong to them, their planned economy."

Again, straight from the fountainhead of the last SWP convention resolution, as printed in The Militant of October 17, 1942: "The Soviet masses have something to fight for. They fight for their factories, their land, their collective economy."

What are these statements? According to Morrison, and he is of course as right as two and two'make four, they are simply the repetition of a bureaucratic fiction, that is, a fiction of Stalinism. Who has been spreading these Stalinist fictions? Morrison's comrades, Morrison's party, the party resolution for which Morrison and all the other absolutely genuine and one hundred per cent Trotskyists voted. Debater's trick, or

embarrassing fact? But if it is a Stalinist fiction to say that the Russian workers own the

factories and the state, what is not a fiction? In other words, what is the truth? If they have NEITHER the means of production NOR the state, what DO they have? The "nationalized means of production"? But these are entirely in the hands of the state, which the masses do not have but which the counter-revolutionary bureaucracy does have-and has exclusively. The masses, then, have nothing. Excuse us. They do have something: a vast prison. The Militant once wrote literally (and correctly) that the Russian factories are a prison to which the workers are sentenced for life. Trick or fact? The statement that the Russian "factories, mines, mills, railroads, workshops belong to those who work them. The soil belongs to those who till it," is not the only bureaucratic fiction the Cannonites are guilty of spreading.

## **Glenn L. Martin Company Makes Good**

#### By EUGENE VAUGHAN

The story of the Glenn L. Martin aircrafts serves as an excellent example of how corporations, from meager beginnings, grew into vast industrial giants, earning money hand over fist as a result of the abnormal conditions of war. Company scribes, of course, try their utmost to convince the public that its profits are not very high. But, try as they may, the true figures and facts force themselves to the foreground, in glaring contradiction to the doctored company balance sheets. The return on the original Glenn L. Martin

A Study in Capitalist "Enterprise"

capitalization ran to the tune of 1,250 per cent in the year 1942!

For every share of \$1.00 par value stock, the Glenn L. Martin Company earned \$12.50. The significance of this figure can be seen in bold relief if one recalls to mind that at the beginning of the scramble for profits when the war broke out, a six per cent return on investment was openly recognized by government authorities to be a substantial return on investment. All profits beyond six per cent were then considered as "earnings" constituting war profiteering.

Glenn L. Martin had himself incorporated in Marvland on December 5, 1928. Mr. Martin worked very hard for his company and exerted all of his efforts and every one of his talents toward buildig up the corporation until it finally went bankrupt in the latter part of 1934. The bankruptcy proceedings were finally wound up in January of 1935, and then things began to happen.

#### BUILDING UP THE CORPORATIONS

Before 1934-35 the company stocks were carried on the books at a valuation of \$1,500,000. The Federal Court allowed Martin to substitute 1,500,000 shares at \$1.00 par value for the shares of the bankrupt corporation. Glenn L. Martin, however, was broke and so he was permitted to borrow \$1,500,000 from the Reconstruction Finance Corporation through the Federal Reserve Board of Richmond, Va. The second half of the thirties heard the first

rumblings of the drums of war and likewise saw the meteoric rise of the Glenn L. Martin gross sales.

Wars were going on in various parts of the

with a capitalization of \$1,500,000. The following year it had a capital surplus of \$6,685,827; its capital holdings rose well over \$5,000,000. If we keep in mind that its gross sales were \$61,200,000, we realize at what a fabulous profit Mr. Martin was producing airplanes even then. At a time when Glenn L. Martin was enjoying a capital surplusin 1936-he had an "earned deficit" of \$1,273,868.

#### ENRICHING GLENN L. MARTIN

"Earned deficits" is a funny name for profits. But that is what they really are. It is just that Mr. Martin has a sense of humor. When a company is making a lot of money, but is hell-bent on making more, it reinvests in the business all of its profits, so that instead of recording profits it records an "earned deficit."

In 1937, however, Glenn L. Martin was doing so well that not only was he enjoying a capital surplus, but an earned surplus, i.e., good old solid liquid assets to do whatever he pleased with. But, only two years prior, he had been dead broke!

The war year of 1942 was the crowning year. In that year Glenn L. Martin Company had an earned surplus of \$16,000,000 and a capital surplus of a million dollars after he had paid his stockholders a substantial dividend and set away money for debt retirement, contingency funds and what have you. When Glenn L. Martin sleeps, he must have a smile on his face. This is really a wonderful war and the United States is really the land of golden opportunity.

#### JUGGLING THE BOOKS

Let us examine the income account of the company for the year 1942. For every share of Glenn L. Martin stock at a par value of \$1.00, of which there were 1,197,022 outstanding in that year, Glenn L. Martin admits a profit of 601 per cent, or an earning of \$6.01 per share. Of the 601 per cent, 150 per cent (or \$1.50) was paid out in dividends per share and 401 per cent, or \$4.01, was retained in earned surplus. But this is only a half-truth, or a little less than half, to be exact.

If we add to the admitted figure a phony item of \$3,000,000, called on the company report a contingency fund. (Imagine that if you can. A company with an earned surplus of \$16,000,000, whose

000,000 worth of plant equipment is also interesting. Martin needed additional facilities to take care of his wartime production schedule. He could have used some of his excess surplus to build the plants, as he was by that time already enriched. But that would have been very silly for Mr. Martin, especially when Uncle Sam would be only too glad to do it for nothing.

#### UNCLE SAM COMES ACROSS

Mr. Martin went to the Guaranty Trust Company of New York and asked for a loan. The Guaranty Trust approached the Federal Reserve Board, which in turn went to the Reconstruction Finance Corporation, under Jesse Jones.

The RFC allowed the Federal Reserve Board to transfer \$26,000,000 of its credit to the Guaranty Trust Company, which in turn credited Mr. Martin with that sum. At the same time, the Emergency Plant Facilities Board, another hand of Uncle Sam, promised Mr. Martin more than \$430,000 a month for sixty months to pay off the loan from the Guaranty Trust Company. As long as the left hand does not know what the right hand does, everything is according to Hoyle.

What was the net result? Mr. Martin got \$26,-000,000 for nothing! He has to pay a nominal interest of one and a half per cent on the outstanding debt. But the debt is a declining one. And after a few years will be paid up. If Mr. Martin had let the government construct the plant outright, it would belong to the government. Even that wouldn't be too bad, since Martin would get title to the plant after the war is over for next to nothing, since the government does not plan to go into the manufacturing business. However, Martin used his "own" money, that is, money that he borrowed from a private bank.

Thus Martin came under the amortization plan, whereby the government reimburses corporations in five years for all the money they lay out to expand their wartime facilities. This may sound confusing, but it has worked out well for corporations!

on the fundamental questions we have raised, and by the hopeless confusion into which they fall when they try to deal indirectly with our views on Russia-indirectly being the only way they have tried so far.

Here is the latest example:

In the July, 1943, issue of The New International, the writer dealt with several aspects of the question under the title of "Notes on Russia in the War." The most important "note," particularly from the standpoint of Trotsky's final development of his theory, uncritically accepted by the Cannonites, dealt with his characterization of the Stalinist bureaucracy as one that carries out what can only be called the "counter-revolutionary socialist revolution." This position of Trotsky is treated in some detail in The New International and the interested reader is referred to it.

But, as usual, not a word from the Cannonites, who are not coy about calling themselves the only genuine Trotskyists.

In the August 21 issue of The Militant, however, M. Morrison comments on my article. On the important section of it, on the section dealing with the fundamental question, the question of the "class character of the Soviet state," which the Cannonites insisted was the beginning and the end of everything? Not for a moment. He ignores that as if it had never been mentioned. Instead, he spends two columns dealing with an altogether secondary question, namely, the question of the morale of the Red Army and the Russian people, about which his information and ours is not as extensive as it might be.

#### Question of Russian Morale

In my article, I argued that the apparently high morale of the Russians may be explained on many grounds, some (but not all) of which are mentioned. In any case, I wrote, it is preposterous to claim that their high morale is any kind of proof that Russia is a workers' state, for with such an argument you could likewise prove that Germany (or Japan or England) is also some kind of a workers' state.

This observation seems to have upset my somber critic violently. He writes that "it could be no other than Max Shachtman who would make a superficial wisecrack" like that. None other, you see, absolutely none

"This offensive testifies to the continued high morale and great vitality of the Red Army and the workers and peasants of the Soviet Union -a vitality such as no capitalist nation can summon, and a spirit such as no imperialist army can bring forth." (My emphasis, here and below-M.S.) In plain English, isn't this a claim

that the "high morale and great vitality" of the Russians are proof of the working class character of the Soviet state? "The suggestion that someone said something to this effect is one of Shachtman's debating tricks," wrote Morrison. Debating trick, or embarrassing fact?

But perhaps both quotations are isolated, and due only to "ridiculous" individuals. We fear not. Here is what the official political resolution "unanimously adopted by the convention of the SWP" has to say on the subject in question (The Militant, October 17, 1942):

"Those who deny that the Soviet Union is a workers' state cannot explain the unprecedented morale of Soviet workers and peasants."

Was Morrison present at the convention? Did he vote for this resolution? Did he at least read it? Or was he content then, as now, to let Cannon have his resolutions so long as he himself has his column in The Militant? Unfortunately, there is more-by

Morrison, and about him. In the same article, he points to the difference between the fighting

morale of the Russians in 1914 or 1917, and in 1942. "What is the factor that explains this difference? Not because the Russian masses know that they own the factories and the state. They know too well that this is a fiction of the bureaucracy."

Whether the Russian masses know that it is a fiction or not, the fact is that the Cannonites DO NOT know it.' Proof? Here it is-not "debater's tricks," but proof!

#### Some Bureaucratic Fictions

George Collins, in The Militant of September 12, 1942: "But the workers and Red soldiers of the Soviet Union fight with a bitterness unmatched in this war because they are defending the socialist achievements of a workers' revolution. Factories. revolutionary critics. mines, mills, railroads, workshops be-

More Fictions

The Militant has written that the Stalinist army pursues "working class aims." Fiction. It has even called this instrument of counterrevolutionary Bonapartism in Russia "Trotsky's Red Army." Fiction. It has said that this army "is fighting for a socialist Europe as well as a socialist Russia." Fiction. It went so far a few months ago (February 6, 1943) as to say that "the self-sacrificing Russian workers [are] producing under socialist methods." It was not the Daily Worker that wrote this, but The Militant.

Wisecrack? Trick? Distortion? No, we state the simple, sickening facts. But these are, after all, merely aspects of the biggest of the bureaucratic fictions: the theory that Russia is still some kind of workers' state. This theory can be tested only in practice. It would pass the test if it could be shown that in some meaningful way the Russian masses do own or control or have their interests represented by the state which has the means of production in its hands. That's just what cannot be shown.

Hence the confusion and embarrassment of the Cannonites. Hence their swinging from the dissemination of Stalinist fictions to Morrison's "repudiation" of the fictions. Hence the "ridiculous opponents." And hence their shyness at debating the question openly and directly with

world. Hitler was in the saddle in Germany, the powers were rearming in preparation for war, and Martin began doing business on a big scale. From gross sales valued at \$6.219.092 in 1936, the Martin sales rose to \$67,237,689 in 1941. In 1942, the first year of actual participation of the United States in the war, the gross sales made the unprecedented and undreamed-of leap from sixty-seven millions to the fabulous sum of \$337,556,000. One single company, capitalized at one and a half million dollars, did a business of one-third of a BILLION dollars!

The financial statement of the Glenn L. Martin Company begins to read like a dream book. Here are some figures: . . . . . . .

Earned Deficits	Capital Surplus		
1935-\$1,046,342	1935-\$1,500,922		
1936-1,273,868	1936- 6,685,827		
Earned Surplus			
1937- 103,142	1937- 6,993,389		
1941-11,031,070	1941-11,508,120		
1942-16,038,140	1942-11,612,011		

Genn L. Martin Company started out in 1935 for planes not yet produced!

capital stock is valued at only \$1,500,000, requires a contingency fund of another \$3,000,000 and also another \$3.500,000 at least for debt retirement.) Then we find the profits of Glenn L. Martin rising to an actual figure of about 1,250 per cent for year 1942.

For every share of \$1.00 par value stock, the company earned \$12.50. An illustration can serve to impress the significance of this figure. If any person, let us say a worker, deposited \$100 in a bank, in one years' time his \$100 would earn for him about \$2.00. But every \$100 which Glenn L. Martin did not have to start with (remember he borrowed his first million and a half) earned for him \$1,250 in 1942.

Mr. Martin knows his business and does not mind fleecing Uncle Sam in the least, especially when the generous uncle voluntarily becomes a partner to the fleecing. Mr. Martin's business methods are excellent. He is paid in advance for the planes he is going to build. And, on December 31, 1942, he received in advance \$159,177,421

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## War Politics and the Second Front

While claims are made that the conflicts between the Anglo-American coalition of the United Nations and their Russian partner are being resolved, the inescapable fact remains that no real solutions have as yet been reached. There is great hope on both sides that this will be true, but the issues which divide them still remain.

The absence of a meeting between Churchill, Roosevelt and Stalin cannot be charged to the extreme occupation of Stalin with military problems or to geographical difficulties. It is due solely to the failure of the three powers to agree on a program. Stalin has already made it clear that he would have attended the Quebec Conference had it been absolutely necessary, but attendance at any future conference, he added. would have to be predicated upon an understanding beforehand of the issues separating them.

The issues which divide the powers are publicly known. They center around post-war territorial settlements and the role of the respective powers in Europe.

#### Allied and Russian Plans

While the Allies are ready to accede to some Russian demands for new territories (in Eastern Europe) they are not prepared to grant Stalin

all that he wants in Europe and Asia. Nor is there agreement on what to do in Europe. There is no question but that Stalin wants to dominate the up a "buffer" state in Germany. Great military allies that they are, none trusts the others in a post-war period.

Russia is very critical of the Anglo-American demand for unconditional surrender. As against this policy, it has set up the "Free Germany Committee," advocating a strong German capitalist state with a strong military machine, but without Hitler and the Nazi bureaucracy. In other words, it wants a Germany without a social change but with a government which it can dominate. This is the policy it counters to the Anglo-American policy of destroying Germany as a military and industrial power.

While the second front is an important dispute, it is entirely subordinated to these political differences.

#### Browder's Warning Speech

In his New York speech, Earl Browder, the potentate of the Stalinists in this country, called attention to precisely these issues. And he warned that if the second front is not produced, consolidation of the Allies will be held back, with a con-

sequent deterioration in their relations.

Browder complains that the failure to open a second front over the Chan- story. Balkans, Eastern Europe and to set nel means the victory of "reactionaries" who want to bleed the Russian armies and make it easier for Anglo-American arms to dominate Europe. And this is not playing the game with Russia.

In the minds of the Russian leaders, the opening of a second front across the Channel is the means by which a military equality can be achieved by Russia with England and America. On both sides there is the cold calculation of casualties, the size of the armies and the power of weapons which will decide problems. in the post-war period.

#### The Mediterranean Plan

This is why James S. Allen, in the Daily Worker of September 9, accuses Walter Lippmann of a diabolical plot to make the Russians fight this war for Britain and America and to have the latter march into Europe fresh for the kill.

Allen denounces the strategy of the Mediterranean front. This is a flanking action; so is an attack on Norway.

full-scale operation in the Balkans cal-military issues involved in the and Central Europe constitute a sec- struggle.

ond front? But this, too, is rejected by Allen as a secondary operation. These objections are only half the

Lippmann stated that the Mediterranean strategy is "to trap the German army in Russia and cut off its retreat and destroy it before it can get back to Germany."

"Under these circumstances," says Lippman, "we shall not run the risk ... of being drawn into dealing at arm's length with Russia, and of having then to make evil and unnecessary choices between the necessary demands of Russian security and the national rights of our smaller allies."

While this may not be the official view of the Anglo-American coalition, it is certainly the view of a large section of the American ruling class.

Allen, of course, is aghast at this strategy and writes heatedly against it, undoubtedly expressing the official position of Russia.

Here, then, is something of the sharp issues disputed in the Allied camp. It reveals the relationship between the demand for the second But, asks Lippmann, would not a front and the more profound politi-