

# **THE NEW INTERNATIONAL**

**A MONTHLY ORGAN OF REVOLUTIONARY MARXISM**

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**The Stalin-Hitler Pact**  
*By the Editors*

Twenty-five Million of Us  
**The Story of W.P.A.**  
*By Dwight Macdonald*

**To the Workers of India**  
*By Leon Trotsky*

**The Future of Roosevelt**  
*By James Burnham*

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**Twenty Cents**

**September 1939**

## At Home

DESPITE summer difficulties, THE NEW INTERNATIONAL has managed to come out on schedule, without impairment generally of its circulation. But having great confidence in the importance of our magazine and in the needs of the advanced labor and revolutionary movement for such a publication, we really expected to do better. But it was in a very good measure due to contributions and payments by several foreign groups that THE NEW INTERNATIONAL made the grade this summer. The American Party and Y.P.S.L. units, with several important exceptions previously noted, did not do as well as the aforesaid foreign groups in promoting and paying for the magazine. But the future, the expansion, the very maintenance of THE NEW INTERNATIONAL are in fact dependent upon the readers and comrades of the magazine in the United States. Without increased support by the U.S. comrades, a question mark must be placed on the magazine's future. The fall season is now here, and if the American comrades will do what they are capable of doing in promoting the circulation of the magazine, there will result a pronounced increase in circulation and a surer maintenance of our theoretical organ. What will be your answer?

4,300 copies of the August number were published, less than we thought were required, but in fact more by almost 200 than were needed. I say "not needed" advisedly. We did need them and more, but New York circulation alone—subscriptions and general sales—has slumped more than 200 in the summer period. Several branches (Down Town, Lower East Side and Brownsville), in our careful opinion, do not at all dispose of the copies they could, even if they handled only sufficient for the needs of their members. This is easily remediable. The Y.P.S.L. slumped a little also. But in New York at this moment we are mainly concerned that a consistent and persistent drive by all branches be made for RENEWALS of expired subscriptions to THE NEW INTERNATIONAL and the *Socialist Appeal*. That is, that several efforts be made if need be (since the subscribers are not always at home, etc., when first called on) to secure the RENEWALS. There are over 100 magazine and more than twice that number of *Appeal* subscriptions requiring renewal in Greater New York. There need not be. Efforts to obtain these subscriptions for THE NEW INTERNATIONAL and

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the *Socialist Appeal* can be made together.

It is the subscription problem which is the major immediate one for our publications. In Minneapolis there are about fifty (50) magazine renewals due; we understand a special campaign for renewals is being undertaken. Weak spots of larger cities in the subscription field are Los Angeles, San Francisco, Boston and Newark. The new Los Angeles agent, Jos. Kent, and also the City Organizer, Dave Stevens, promise a real campaign for subscriptions, and we await results since L.A. has been long on promises; but we more confidently expect a new and good turn. El Booth, San Francisco agent, is getting subscription machinery into motion, and a few subscriptions have already been sent in. Geo. Breitman of Newark is very confident of substantial increases in magazine circulation there, and judging by the manner in which Newark has started its drive for increased *Socialist Appeal* circulation, and knowing, too, comrade Breitman's energy and manner of functioning, we are very hopeful for good results for the magazine in Newark. But Boston gives us concern. Comrade John Taber works like a Trojan, but so far as we can observe, too much of the work is left to him. Boston subscriptions are woefully and needlessly low in number, and the bundle order, a mere fifty copies, does not at all compensate for the meager subscription figures. At one time, in a rather dim past, Boston was in the front ranks of NEW INTERNATIONAL circulation. Our inquiry and investigation indicate that the answer lies simply in having the Party and Y.P.S.L. members themselves taking and endeavor-

ing to secure subscriptions and sell the magazine. Fall is here: what about a fresh start, comrades? The comrades in Lynn, Worcester, Gardner and Fitchburg do comparatively a far better job of magazine circulation than Boston. Indeed, they do pretty well.

In the past month there have been some increases in bundle orders. New Pioneer Book Shop, London, England, from 30 to 36 and now to 48 copies. Glasgow, Scotland, John Moss, agent, 24 to 34; Cape Town, South Africa, Pick group, 12 to 18 copies. Whitewater, Kansas, Geo. Whiteside, agent, 3 to 5 copies. And for the conditions George has to operate in, that's swell work. Liverpool, England, book shop, two additional copies. Brentano's Book Shop, Washington, D.C., the work of a sympathizer, Nancy Macdonald. In Canada, five copies. Fresno, Calif., B. Lamps, agent, 5 to 8 copies.

There have been two decreases: Reading, Pa., where Vincent P. however, does yoman's work, to six copies. St. Paul, Minn., G.G.V., agent, from 30 to 20 copies, but here subscription efforts are being made to compensate.

New agents: Ed Davis, formerly of Akron, in Toledo, O.; Louise H., San Diego, who is making progress now with both the N.I. and the *Appeal*; Ed. H., Flint, Mich.; Leo Handel, New York City.

Mention must be made of three subscriptions sent in by Al. R. from Omaha, Nebr. All things considered, that's like a couple of dozen from a city like New York, Chicago, L.A., et al.

For the kind of spirit that is needed to boost circulation figures everywhere in the next period, we feel it necessary to refer

to the attitude and actions of our foreign groups, as for instance:

1. Johannesburg, South Africa, from R. Lennard of the Socialist Workers League group, a contribution of \$16.42 to maintain the magazine. "The N.I. must not go under!"

2. From Frank Maitland, secretary, Revolutionary Socialist Party, Edinburgh, Scotland: "I am sending you herewith 20 dollars, to account. I trust that the N.I. has been able to get over the recent difficult period. It would be a tragedy if it were to close down. We hope to help you more substantially in the future . . . but we are facing in Britain all the difficulties of working against the rising war enthusiasm and the pro-war programs of the Labourists and communists. It needs all our efforts to keep our work at pressure." . . . But American comrades, we should be helping the Scottish comrades! At present the Edinburgh comrades dispose of 100 copies each issue.

3. From C. van G., on behalf of the Islington & St. Pancras comrades, London, England: "The members of the Islington & St. Pancras group of the Revolutionary Socialist League (British Section of the Fourth International) have been seriously perturbed by the perilous state of THE NEW INTERNATIONAL finances. For the only Marxist magazine published in the English language to cease publication would be a major disaster for the international working class movement and for its vanguard, the Fourth International."

"The enclosed money order for £1. is the proceeds of a small social. . . Credit the account of the British section. . . We are sure other groups will be inspired by our example to do likewise. . ."

As we note these few commentaries by foreign comrades on our international NEW INTERNATIONAL, we are constrained to cast a questioning look at Los Angeles, in arrears, with a large bundle bill to cover; and at New York, Chicago, Minneapolis, Boston, Philadelphia, Cleveland, and many other large cities in the United States which could so easily do much more to increase the SUBSCRIPTION AND CIRCULATION base of the magazine, eliminate thereby concern about the future of our theoretical organ, and enable the Press Management to give greater attention to the development of the circulation of the *Socialist Appeal*.

NEW INTERNATIONAL agents and readers! To work to build the circulation. On to 5,000!

THE MANAGER

# THE NEW INTERNATIONAL

A MONTHLY ORGAN OF REVOLUTIONARY MARXISM

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## The Editor's Comment

**T**HE MASK IS OFF, at last. The blood-stained, monstrous face of Stalinism is exposed, now, for the whole world to see quite clearly. The illusions, the veils, the deceptions are abandoned.

Stalin, as the press of the Fourth International has consistently predicted since Munich, has capitulated to Hitler. For the Russian bureaucracy and the new exploiters which it represents and of which it is an integral part, there was no other course. Driven by an unbroken series of defeats for its external policy, knowing its utter failure within, faced with the universal hostility of the Russian masses, motivated solely by the desperate wish to save somehow its own power and privilege, the bureaucracy seeks a respite by throwing itself at the feet of the Nazi giant.

The text of the "non-aggression pact", put together with the previously signed trade and commercial agreement, proves it to be in reality an alliance. There is no escape clause, such as in all analogous treaties provided for cancellation if either party were guilty of aggression against a third state. Hitler and Stalin each binds himself against any agreement with any power or group of powers directly or indirectly threatening the other. Unquestionably there are secret pledges attached to the pact which go far beyond the public document.

The Russian bureaucracy capitulates to Hitler in order to try to save its own neck. But it capitulates in vain. Far from bringing salvation, the signing of the pact only seals the doom of the bureaucracy. The sole question for the future is whether it will be put in its grave by Hitler, once the treaty is no longer of use to him (an alliance, Hitler explains in *Mein Kampf*, is simply one of the weapons wherewith to crush an enemy), or by the Russian people once more rising in triumphant revolution to sweep away their tyrants and exploiters.

At one stroke, the signing of the pact has destroyed the remaining parties of the Communist International. They were annihilated long ago as revolutionary instrumentalities, indeed as living political organisms of any kind. But now their speedy organizational breakup, as well, is certain. Already the French Communist party, largest in the Comintern, is hopelessly in pieces. The collapse of the American party has begun on a large scale, and it will be so in all countries. For five years, the Stalinist members in the "democratic" countries have been taught to support their own imperialist governments "for the sake of Stalin". This two-faced game could seem to work so long as the course of Stalin and of the home imperialisms seemed to be in the same general direction. But now the definitive break has come, and Stalin cannot—even if he wants to—carry his parties with him. The bulk of the bureaucrats and the petty-bourgeois layers recruited so widely during the Popular Front years, will choose the master at home, and will be-

come the loudest, vilest patriots on the national scenes. What the rank-and-file workers of the Stalinist parties will do—whether they will sink into passive disillusionment, or follow the flag-wavers, or seeing the truth from the pact will join with the revolutionists of the Fourth International—is a decisive question for the future.

The pact makes everything clear, throws everything to the surface. The meaning of the Trials: how clear it is now why Stalin had to wipe out every vestige of the living tradition of the revolution, had to murder the whole generation of those who made the revolution. The end of the Spanish war: how clearly we can know now why Russian aid was withdrawn from Spain shortly after Munich, why Catalonia was abandoned without a fight, why the Spanish Stalinists accepted the Prieto-Negrin surrender terms . . . perhaps also why Miaja was never expelled from the Communist party. The dismissal of Litvinov, the speeches of Stalin and Molotoff to last winter's party congress, how clear they all are now. And no wonder Stalin had to rule his state and his parties by an iron monolithism: he had to try to manufacture subordinates ready to embrace Hitler at his nod.

But the Stalin-Hitler pact, that ultimate betrayal of the masses of the entire world, is itself today swallowed up in the war crisis, is itself in fact only one part of the war crisis. When this issue leaves the press, the war may already have begun. If it is postponed another week or month or two months, what has changed? The world, the capitalist, imperialist world, is rotted through. There is no medicine. The crisis will not end, will not end until it is settled. If Chamberlain and Roosevelt and Hitler and Daladier and Stalin have their way and their war—for that is all that is left for them, it will be settled by the destruction of the very foundations and roots of civilization. Against them and that prospect can be launched only the masses of the peoples of the world, in unremitting and final struggle within every nation against the rulers and the oppressors.

The Stalin-Hitler pact strengthens every sector of reaction. As it gives a free hand and concrete aid to Hitler, so it gives a new impetus and a new lie to Chamberlain and Daladier and Roosevelt. Under the new circumstances which it creates, Roosevelt aims to hurl the United States far sooner than would have been otherwise necessary into the war. But it is imperialism, Roosevelt's and Chamberlain's as well as Hitler's imperialism, which is the foul mother of the pact, and of Stalinism itself for that matter. To denounce and reject the pact—and who but the utterly depraved could conceivably accept it?—is wholly meaningless unless that rejection is coupled with the thousand-fold renewal of the international struggle against world imperialism. For every worker in every nation, the main enemy remains—the enemy at home.

# The Future of Roosevelt

**T**HE EXTENT of the "Congressional revolt against the President", in particular of the inner-party Democratic revolt, has been exaggerated, and its meaning obscured. Let us review the major enactments of the session in an effort to come to a better understanding:

1. *Armaments*: The enormous armament expenditures—totalling nearly two billion dollars for the present fiscal year, the highest in the peace-time history of the country—were in all cases proposed by the President. In most cases the proposals were adopted *unanimously* by Congress; on a few minor items there were a half-dozen scattered Nays.

2. *Relief*: The over-all figure for relief during the current fiscal year, which compels the reduction of WPA rolls to an average of 2,000,000, was proposed by the President. The abolition of the prevailing wage was proposed by Roosevelt through Harrington. Congress added the clauses on the 18-months provision and the cutting down of geographical wage differentials, together with minor amendments. A rumor was allowed to circulate that the administration opposed these amendments. Nevertheless, here is the fact: Congress passed the Relief Bill by a vote of 373 to 21. Only 9 Democrats voted in opposition. The President signed the bill.

3. *WPA Investigation*: The motion for a WPA investigation was motivated by the wish to prepare for a still more drastic attack on the unemployed in the future. The motion passed 351 to 27, with only 26 Democrats voting against it.

4. *Dies Committee*: Huge funds were voted to the labor-baiting, arch-reactionary Dies Committee, by a count of 344 to 35. Here, as with the WPA investigation, the Roosevelt men in Congress voted with the majority.

5. *Taxes*: Corporate tax laws, including the undistributed profits tax and laws concerning deductions for losses and status of capital stock, were revised in accordance with Wall Street demands. The changes were proposed by the administration, and voted without opposition by Congress.

6. *Social Security*: The present social security setup is not in the least what its name implies, but merely a device for increasing taxation and carrying a small part of the relief load. Certain changes were made in the earlier law, a few of them liberalizing some payments, the most important freezing the tax payment at 1% for the next three years. All the changes were voted by a majority of 361 to 2.

7. *Executive Reorganization*: The revised bill to reorganize the executive departments was submitted by the President and voted with no opposition.

8. *Agriculture*: Subsidies to farmers were revised upward from the President's figures by Congress to the highest sum in U. S. history. The Republicans made some objections to the "parity payments", but the bill was overwhelmingly passed, and was signed by Roosevelt.

9. *Appointments*: In a few cases, Roosevelt's nominations were objected to. In the most conspicuous of these—Amlie to the Interstate Commerce Commission—Roosevelt

capitulated and withdraw the name. The three big appointments—Douglas to the Supreme Court, Leiserson to the NLRB and McNutt to the Security Administration—were overwhelmingly approved of by Congress.

## Where the Squabbles Came

10. *Labor Relations*: No direct legislation on labor relations was passed, or even considered on the floor of this session of Congress. The most significant governmental act in this connection was the revision of the rules of the NLRB. These revisions, all of them in the interests of the bosses, were carried out by Roosevelt's appointed officials, and were heartily welcomed by both parties in Congress. Roosevelt's appointment of Leiserson shifted the NLRB sharply to the right. A motion to investigate the NLRB was, as in the case of the other investigations, motivated by the desire to prepare for reactionary legislation in the future. The motion carried 254 to 134. On the vote the Democrats were almost evenly divided: 103 to 123.

11. *The Hatch Bill*, restricting the political activities of Federal office holders, occasioned a sharp fight. It passed by 241 to 134. After horsing around a week and writing a wordy message, Roosevelt knuckled under and signed it. (It should be remembered that, except when a veto is over-ridden—and there were no vetoes over-ridden during the last session—a bill passed by Congress does not become law until the President signs it. And when a President signs a bill, he thereby accepts his full share of the responsibility for it.)

12. One of the most bitter struggles of the session took place over the so-called *monetary bill*. As this finally shaped up, it involved continuance of Presidential power to devalue the dollar further in terms of gold, the existence of and his control over the \$2,000,000,000 stabilization fund, and the price paid by the Treasury for domestic mined silver. After first being defeated, the President rallied and won his points by a small margin.

13. *Spending-Lending*: Toward the end of the session, Roosevelt proposed some additional pump-priming. He used a new formula which would have kept the money from appearing as an addition to the national debt. The first headlines announced that the new program was for \$3,600,000,000. In actuality, \$800,000,000 at most would have been spent during the current fiscal year: a tiny drop in the bucket when measured alongside the economy as a whole, or the \$13,000,000,000 Federal budget alone for that matter. Congress ended by shelving the whole matter, 47 Democrats voting with the Republicans to defeat it.

14. *Housing*: A similar outcome held for the proposal to add \$800,000,000 to the funds of the USHA, with 54 Democrats here joining the Republicans. It should be noted here also that the President's proposal was extremely vague, and, as the dismal past history of the administration in housing has proved, did not in the least mean that many actual dwellings would be constructed.

15. *Foreign Policy*: Foreign policy is for the most part in the hands of the President, without much intervention from Congress. Throughout the session, the White House

and the State Department continued and deepened the aggressive, provocative, war-mongering policy which has distinguished their acts since the Chicago speech of October 1937. Secret military negotiations with France and Great Britain came momentarily to the surface when the French military attache was killed in California. The open letter to Hitler plunged Roosevelt into the European crisis. Spy scares and spy trials flourished from New York to California to Panama. Latin American dictators took time off from their butchering of workers to be fêted in Washington. The nation was swarming with "democratic" European royalty. Franco was recognized, and an ambassador sent to hail him as a savior. The tough policy toward Japan was climaxed with the denunciation of the treaty, while the United States meantime kept supplying the bulk of Japan's munitions. Most of these moves were hailed by all members of both parties in Congress; a few aroused timid squeals from the isolationists. On one point, however, Congress, feeling the pressure of constituents, turned the President down. He wanted repeal of the law providing for a compulsory embargo of munitions for either side in a war. He asked for either a unilateral embargo, applying only to the side which he designated as "aggressor", or a "cash and carry" policy with no embargo, which would permit manipulation as desired. By a small vote, he was refused.

### **Where the Compass Points**

THERE IS THE RECORD, spread out right before you. This is not what somebody thinks or wishes or dreams, but the facts.

If we look over this record carefully, study and analyze it, what do we find? The first and most striking discovery is certainly *not* that of a universal fight between Roosevelt and Congress or between Roosevelt and the Tories or between Roosevelt and anyone else. The first discovery is, rather, how, *on the whole*, in the great majority of the most important cases, Roosevelt and Congress, the executive and the legislature, have *supplemented* each other, have traveled *together* in one direction, have been running along the *same*, not different roads: at different paces, perhaps, but along the same road.

What is that road? Here again the record gives the unambiguous answer: the road of *war and social reaction*. With the tiny exceptions of some of the amendments to the social security act and some of the provisions of the agriculture bill, every other measure taken by Congress and the President since the beginning of the year has been *reactionary*, reactionary not merely in the light of what might be done by an ideal government, but reactionary in comparison with what has been the case in this country. Does anyone doubt this? Look at the list.

The division of the U.S. government into three branches is, in reality, designed for one key purpose: to hide from the people the truth about the government, that the government *as a whole*, in all three branches, is nothing but the political agent of the bosses. The Sixty Families have decreed that their interests demand a rapid march toward war and social reaction, and all three branches obey. The record of the Congress and the President since the session opened is paralleled by the record of the courts, as all who remember the Fansteel and Apex decisions will recognize.

We have, then, full evidence in experience of the thesis which we have been putting forward first as a prediction and then as a commentary on immediate events: that the remnants of New Dealism, insofar as New Dealism included certain progressive phases and social concessions to the masses (which was never very far) have been liquidated; that the New Deal has been replaced by the War Deal, which is also a deal of social reaction; and that both parties and all branches of the government, Roosevelt as well as Garner and Taft and Vandenberg, have joined in the common burial.

This conclusion is reinforced in another impressive way by analysis of the record. The major conflicts between Roosevelt and the Congressional opposition did *not* occur over the chief steps in the reaction. On the contrary, Roosevelt and his forces in Congress joined with the Republicans in these steps; and the split occurred for the most part over issues which were secondary from the point of view of the fundamental reactionary direction.

There can be no disputing that Roosevelt has taken the clear lead in the super-armament building and in the aggressive, war-mongering policy generally. Congress has on the whole merely tagged along; and on the few occasions when it has protested, has been feebly resisting the speed of Roosevelt's drive toward the war.

The greatest single step in the reaction was the relief bill, with its slash of a billion dollars from last year. This is the joint product and responsibility of Roosevelt, the administration Congressmen, the Democratic right wing, and the Republicans.

The same goes for such other openly reactionary moves as the WPA investigation, the Dies Committee, and the tax revisions. There was a fight, it is true, on the NLRB investigation, but before this fight started Roosevelt had already swung the NLRB far to the right by the appointment of Leiserson and the revision of its rules.

The big disputes came over: (1) the Monetary Bill and the Neutrality Act, where the underlying issue was in both cases administrative control over foreign policy (part of the war question, therefore, and not in this case involving "progress vs. reaction"); (2) the Hatch Bill, where the issue was purely one of factional politics; (3) Spending-Lending, which was in actuality a matter of how best to increase profits.

### **What's All the Shooting About?**

IF, THEN, THE GOVERNMENT as a whole, both parties, Roosevelt and Garner and Vandenberg are all moving in the same direction, why was there so much trouble, and why did the Democratic party fall at least temporarily to pieces during the last two weeks of Congress?

Part of the trouble in the Democratic Party, and a not inconsiderable part, is simply the struggle between rival groups for control of the party machinery and all the privileges and opportunities that go with such control. This is not a minor question.

But there is also a severe complication in the position of Roosevelt, which is a source of recurring irritation between him and the right (Garner) wing of the Democratic Party. Roosevelt still has by far the greatest popular following of anyone in the party. This following, found especially

in the proletariat, the unemployed and the youth, supports him because they associate him with "progress", with social concessions to themselves. Now when a political leader has—however demagogically—built up his status and mass following on the basis of a progressive ideology, it is a painful and awkward business for him to have to assume direction of a more and more openly reactionary program. *He*, indeed, cannot do so openly. He has to cover his tracks, continue the old language, go slow once in a while, make a brief leftward foray in a minor act to hide the rightward advance on the major issues. He feels the burden of his past, but cannot shake it off all at once.

Meanwhile, the right wing presses impatiently, demanding greater speed, objecting to hesitations, growing bolder and beginning to swing the whip more imperiously. However, up to a certain point the "progressive" is *necessary* to the right wing. Only by keeping him as a front can the right wing deceive the people about what is happening and consolidate the reactionary position at a stage where the progressive can, and must, be dispensed with.

All this follows from the laws of politics. MacDonald and Blum and Caballero are as good examples as Roosevelt.

The Democratic Party is divided into a right wing (which may be symbolized by Garner), a politically impotent and cowardly left wing (John L. Lewis) and a center (Roosevelt). Roosevelt has had the illusory dream that he could rise above the party factions, and in the confusion of 1933-38, with the help of his public support, the dream almost seemed to come true. In the last two weeks of the Congressional session, the party dissolved into its elements: the hardened section of the right in a coalition with the Republicans; Roosevelt fluttering and helpless in the center, demanding "record votes" (but making no real fight for anything else); and Lewis doing nothing at all, but compelled to talk big in his rhetorical damning of Garner (Roosevelt, of course, has never yet uttered a peep against Garner).

Naturally, under these circumstances, as always under similar circumstances, there is friction. Roosevelt, poor man, is trying his best to keep in the saddle of the reaction as successfully as he did in that of the "progress". But he has got his rear, his followers, to think of, whom he can't betray *too* crassly—or he will not have anyone left and will be thrown out of the window as useless. The right wing wants action, and to make sure that it gets action, it delivers a stiff blow at suitable intervals.

### **Will the Democratic Party Split?**

HOW DEEP IS THE division in the Democratic Party? Will it lead to a split at next year's convention? We may answer that, so far as the outcome depends on the Democratic politicians of all wings, the division, though serious, is not sufficient to bring about a split.

Weighty influences work against a split. To begin with, we may observe that a split *to the right* of more than a few isolated individuals is virtually excluded. The right wing is sitting pretty, and has no reason to split. Through its own strength and particularly through the vacillations and timidity of its party opponents, the right wing can get close enough to what it wants within the party.

But how about a split to the left? This, too, from the point of view of the party machine, is unlikely, though

from entirely different causes.

The outbreak of war, or the intensification of the war crisis would, in the first place, reconsolidate the party under Roosevelt's leadership. Roosevelt has had the boldest and most consistent line on the war, and, with his sanctimonious hypocrisy of a super-Wilson, is peculiarly suited to be a popular war chief.

Secondly, a split, with two separate Presidential candidates in the field against the Republicans, would automatically mean the loss of the Presidency; and this is naturally a tremendous argument against a split.

But, third and most important, there is no *independent* left wing in the Democratic Party. The left wing, such as it is (Lewis and the rest of the labor bureaucracy, the young radical intellectuals in or close to the administration), has and has had as its sole policy: put faith in Roosevelt. Roosevelt, however, is at the *center*, with his firm links to the right. Roosevelt and the right wing are, in fact, *supplements* to each other. Roosevelt keeps the left in line and, above all, by his progressive coloration holds the workers and the unemployed, whom the right wing by itself could not keep. The right wing runs most of the State machines, and through it comes the financial backing from big business. The right wing could ill afford to let Roosevelt go; and Roosevelt, from all indications (though there is always an incalculable element in centrists), would be afraid to try it alone.

Consequently, we find the party apparatus straining toward compromise in the very midst of the Congressional chaos. Farley, as in the past, spends his time cementing relations between Roosevelt and the right wing. Amusingly enough, Mayor Hague of Jersey City and Mayor (Bloody Sunday) Kelly of Chicago have lately taken the lead in the third-term-for-Roosevelt movement. These men are corrupt, old-line machine politicians in industrial centers. By their recent pronouncements they are pointing out to the right wing how necessary it is, for the sake of the proletarian vote, to keep the film of Rooseveltism on the party; and at the same time they are holding Roosevelt firm within the party. Roosevelt himself, while his bills were being contemptuously shoved into pigeon-holes by Congress, kept "a good temper", according to the reporters, and refrained from any harsh direct attacks.

The tendency toward compromise brings about a search for a compromise candidate, acceptable to both Roosevelt and the right wing—under the theory that the left wing will accept anyone OK'd by Roosevelt. Roosevelt himself, the new Roosevelt of the War Deal and social reaction, properly tamed and chastened, would be such a compromise. But others are being primed. Paul McNutt is the latest, and the process of grooming him is entertaining to watch. McNutt is at heart a confirmed reactionary, with a record in Indiana and the Phillipines to prove it fully in action. The right wing knows that he is their man. And the right wing watches in amusement while he is given a coat of Rooseveltism for public consumption: foreign policy in the speech at the Cleveland Poultry convention; liberalism in the Pittsburgh speech to the Young Democrats. But Garner, too, is a "compromise". Why not? Did not Roosevelt take him twice as running mate? Has either of them ever said a harsh word about the other?

### **The One Possible Variant**

TO THE EXTENT THAT the outcome depends on the party politicians, things are already in the bag, and from all the smoke there will be no fire—not next year, at any rate. But there is one imponderable: the attitude of the masses, above all of the workers and unemployed who today still go along with the Democratic party. The Democrats have got to keep their support, or be slaughtered next year. Disillusionment is already setting in. A too obvious ascendancy of the right wing, and a right wing candidate, would put a too heavy strain on the allegiance of the workers. Feeling them slip away, the Democratic left wing, perhaps with Roosevelt, might find itself compelled to split away and to run its own candidate on a radical third-party ticket.

Against this possibility, however, is the fact that the right wing understands the problem, and realizes that it must make certain *formal* concessions to liberalism—in words, in the party candidate, and even in measures enacted in the next session of Congress, the session of election year.

Equally against it is the fact that no individual or group is preparing for a new party or candidate: and these are not brought into being overnight.

Here is where the black treachery of John L. Lewis' politics comes most clearly into the open. The Democratic Party is moving headlong to the right, and nothing is

going to stop it. Roosevelt is proving the most effective leader in driving home the blows, one after another, against the masses. The workers, who have so vainly and so loyally supported Roosevelt, are up against a blind wall. And Lewis continues to act exclusively as a cover for Roosevelt, just as Roosevelt covers the right wing. Lewis continues his abominable policy of the past, as proved a few weeks ago in the Kentucky primaries, where he ran his man for Democratic nomination and saw him roundly defeated by Happy Chandler's candidate (Chandler, whom Lewis elected Governor). What now in Kentucky? Lewis will turn around and support Chandler's ticket, just as he supported Earle's ticket last year in Pennsylvania, after Kennedy was whipped (and it was Kennedy, in 1932, who was chief seconder of Garner).

Everything is ripe for a bold and independent policy on the part of the workers. The session of Congress just completed and the prospect of the future gives the entire case for striking out on an altogether new line, for breaking forever with all varieties of boss politics and beginning the building of a labor party, with a workers' candidate in the field next year. But this is not going to happen so long as the workers' eyes are on the Democratic Party, on Roosevelt, or on Lewis. It will not happen until the workers decide to take their own future into their own hands.

James BURNHAM

# An Open Letter to the Workers of India

DEAR FRIENDS:

Titanic and terrible events are approaching with implacable force. Mankind lives in expectation of war which will, of course, also draw into its maelstrom the colonial countries and which is of vital significance for their destiny. Agents of the British government depict the matter as though the war will be waged for principles of "democracy" which must be saved from fascism. All classes and peoples must rally around the "peaceful" "democratic" governments so as to repel the fascist aggressors. Then "democracy" will be saved and peace stabilized forever. This gospel rests on a deliberate lie. If the British government were really concerned with the flowering of democracy then a very simple opportunity to demonstrate this exists: let the government give complete freedom to India. The right of national independence is one of the elementary democratic rights. But actually, the London government is ready to hand over all the democracies in the world in return for one tenth of its colonies.

If the Indian people do not wish to remain as slaves for all eternity, then they must expose and reject those false preachers who assert that the *sole* enemy of the people is fascism. Hitler and Mussolini are, beyond doubt, the bitterest enemies of the toilers and oppressed. They are gory executioners, deserving of the greatest hatred from the toilers and oppressed of the world. But they are, before everything, the enemies of the German and Italian peoples on whose backs they sit. The oppressed classes and peoples—as Marx, Engels, Lenin and Liebknecht have taught us—must always seek out their main enemy at

home, cast in the rôle of their own immediate oppressors and exploiters. In India that enemy above all is the British bourgeoisie. The overthrow of British imperialism would deliver a terrible blow at all the oppressors, including the fascist dictators. In the long run the imperialists are distinguished from one another in form—not in essence. German imperialism, deprived of colonies, puts on the fearful mask of fascism with its saber-teeth protruding. British imperialism, gorged, because it possesses immense colonies, hides its saber-teeth behind a mask of democracy. But this democracy exists only for the metropolitan center, for the 45,000,000 souls—or more correctly, for the ruling bourgeoisie—in the metropolitan center. India is deprived not only of democracy but of the most elementary right of national independence. Imperialist democracy is thus the democracy of slave owners fed by the life blood of the colonies. But India seeks her own democracy, and not to serve as fertilizer for the slave owners.

Those who desire to end fascism, reaction and all forms of oppression must overthrow imperialism. There is no other road. This task cannot, however, be accomplished by peaceful methods, by negotiations and pledges. Never before in history have slave owners voluntarily freed their slaves. Only a bold, resolute struggle of the Indian people for their economic and national emancipation can free India.

The Indian bourgeoisie is incapable of leading a revolutionary struggle. They are closely bound up with and dependent upon British capitalism. They tremble for their own property. They stand in fear of the masses. They

seek compromises with British imperialism no matter what the price and lull the Indian masses with hopes of reforms from above. The leader and prophet of this bourgeoisie is Gandhi. A fake leader and a false prophet! Gandhi and his compeers have developed a theory that India's position will constantly improve, that her liberties will continually be enlarged and that India will gradually become a Dominion on the road of peaceful reforms. Later on, perhaps even achieve full independence. This entire perspective is false to the core. The imperialist classes were able to make concessions to colonial peoples as well as to their own workers, only so long as capitalism marched uphill, so long as the exploiters could firmly bank on the further growth of profits. Nowadays there cannot even be talk of this. World imperialism is in decline. The condition of all imperialist nations daily becomes more difficult while the contradictions between them become more and more aggravated. Monstrous armaments devour an ever greater share of national incomes. The imperialists can no longer make serious concessions either to their own toiling masses or to the colonies. On the contrary, they are compelled to resort to an ever more bestial exploitation. It is precisely in this that capitalism's death agony is expressed. To retain their colonies, markets and concessions, from Germany, Italy and Japan, the London government stands ready to mow down millions of people. Is it possible, without losing one's senses, to pin any hopes that this greedy and savage financial oligarchy will voluntarily free India?

True enough, a government of the so-called Labor Party may replace the Tory government. But this will alter nothing. The Labor Party—as witness its entire past and present program—is in no way distinguished from the Tories on the colonial question. The Labor Party in reality expresses not the interests of the working class, but only the interests of the British labor bureaucracy and labor aristocracy. It is to this stratum that the bourgeoisie can toss juicy morsels, due to the fact that they themselves ruthlessly exploit the colonies, above all India. The British labor bureaucracy—in the Labor Party as well as in the trade unions—is directly interested in the exploitation of colonies. It has not the slightest desire to think of the emancipation of India. All these gentlemen—Major Atlee, Sir Walter Citrine & Co.—are ready at any moment to brand the revolutionary movement of the Indian people as “betrayal”, as aid to Hitler and Mussolini and to resort to military measures for its suppression.

In no way superior is the policy of the present day Communist International. To be sure, 20 years ago the Third, or Communist, International was founded as a genuine revolutionary organization. One of its most important tasks was the liberation of the colonial peoples. Only recollections today remain of this program, however. The leaders of the Communist International have long since become the mere tools of the Moscow bureaucracy which has stifled the Soviet working masses and which has become transformed into a new aristocracy. In the ranks of the Communist Parties of various countries—including India—there are no doubt many honest workers, students, etc.: but they do not fix the politics of the Comintern. The deciding word belongs to the Kremlin which is guided

not by the interests of the oppressed, but by those of the U.S.S.R.'s new aristocracy.

Stalin and his clique, for the sake of an alliance with the imperialist governments, have completely renounced the revolutionary program for the emancipation of the colonies. This was openly avowed at the last Congress of Stalin's party in Moscow in March of the current year by Manuilski, one of the leaders of the Comintern, who declared: “The Communists advance to the forefront the struggle for the realization of the right of self-determination of nationalities enslaved by fascist governments. They demand free self-determination for Austria . . . the Sudeten regions . . . Korea, Formosa, Abyssinia. . . .” And what about India, Indo-China, Algeria and other colonies of England and France? The Comintern representative answers this question as follows, “The Communists . . . demand of the imperialist governments of the so-called bourgeois democratic states the immediate [sic] drastic [!] improvement in the living standards of the toiling masses in the colonies and the granting of broad democratic rights and liberties to the colonies.” (*Pravda*, issue No. 70, March 12, 1939.) In other words, as regards the colonies of England and France the Comintern has completely gone over to Gandhi's position and the position of the conciliationist colonial bourgeoisie in general. The Comintern has completely renounced revolutionary struggle for India's independence. It “demands” (on its hands and knees) the “granting” of “democratic liberties” to India by British imperialism. The words “immediate drastic improvement in the living standards of the toiling masses in the colonies”, have an especially false and cynical ring. Modern capitalism—declining, gangrenous, disintegrating—is more and more compelled to worsen the position of workers in the metropolitan center itself. How then can it improve the position of the toilers in the colonies from whom it is compelled to squeeze out all the juices of life so as to maintain its own state of equilibrium? The improvement of the conditions of the toiling masses in the colonies is possible only on the road to the complete overthrow of imperialism.

But the Communist International has travelled even further on this road of betrayal. Communists, according to Manuilski, “subordinate the realization of this right of secession . . . in the interests of defeating fascism.” In other words, in the event of war between England and France over colonies, the Indian people must support their present slave owners, the British imperialists. That is to say, must shed their blood not for their own emancipation, but for the preservation of the rule of “the City” over India. And these cheaply-to-be-bought scoundrels dare to quote Marx and Lenin! As a matter of fact, their teacher and leader is none other than Stalin, the head of a new bureaucratic aristocracy, the butcher of the Bolshevik Party, the strangler of workers and peasants.

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The Stalinists cover up their policy of servitude to British, French and U.S.A. imperialism with the formula of “People's Front”. What a mockery of the people! “People's Front” is only a new name for that old policy, the gist of which lies in class collaboration, in a coalition between the proletariat and the bourgeoisie. In every such

coalition, the leadership invariably turns out to be in the hands of the right-wing, that is, in the hands of the propertied class. The Indian bourgeoisie, as has already been stated, wants a peaceful horse trade and not a struggle. Coalition with the bourgeoisie leads to the proletariat's abnegating the revolutionary struggle against imperialism. The policy of coalition implies marking time on one spot, temporizing, cherishing false hopes, engaging in hollow maneuvers and intrigues. As a result of this policy disillusionment inevitably sets in among the working masses, while the peasants turn their backs on the proletariat, and fall into apathy. The German revolution, the Austrian revolution, the Chinese revolution and the Spanish revolution have all perished as a result of the policy of coalition.\* The self-same danger also menaces the Indian revolution where the Stalinists, under the guise of "People's Front", are putting across a policy of subordinating the proletariat to the bourgeoisie. This signifies, in action, a rejection of the revolutionary agrarian program, a rejection of arming the workers, a rejection of the struggle for power, a rejection of revolution.

In the event that the Indian bourgeoisie finds itself compelled to take even the tiniest step on the road of struggle against the arbitrary rule of Great Britain, the proletariat will naturally support such a step. But they will support it with *their own* methods: mass meetings, bold slogans, strikes, demonstrations and more decisive combat actions, depending on the relationship of forces and the circumstances. Precisely to do this must the proletariat have its hands free. Complete independence from the bourgeoisie is indispensable to the proletariat, above all in order to exert influence on the peasantry, the predominant mass of India's population. Only the proletariat is capable of advancing a bold, revolutionary agrarian program, of rousing and rallying tens of millions of peasants and leading them in struggle against the native oppressors and British imperialism. The alliance of workers and poor peasants is the only honest, reliable alliance that can assure the final victory of the Indian revolution.

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All peacetime questions will preserve their full force in time of war, except that they will be invested with a far sharper expression. First of all, exploitation of the colonies will become greatly intensified. The metropolitan centers will not only pump from the colonies foodstuffs and raw materials, but they will also mobilize vast numbers of colonial slaves who are to die on the battlefields for their masters. Meanwhile, the colonial bourgeoisie will have its snout deep in the trough of war orders and will naturally renounce opposition in the name of patriotism and profits. Gandhi is already preparing the ground for such a policy. These gentlemen will keep drumming: "We must wait patiently till the war ends—and then London will reward us for the assistance we have given." As a matter of fact, the imperialists will redouble and treble their exploitation of the toilers both at home and especially in the colonies so as to rehabilitate the country after the havoc and devastation of the war. In these circumstances there cannot even

be talk of new social reforms in the metropolitan centers or of grants of liberties to the colonies. Double chains of slavery—that will be the inevitable consequence of the war if the masses of India follow the politics of Gandhi, the Stalinists and their friends.

The war, however, may bring to India as well as to the other colonies not a redoubled slavery but, on the contrary, complete liberty: the proviso for this is a correct revolutionary policy. The Indian people must divorce their fate from the very outset from that of British imperialism. The oppressors and the oppressed stand on opposite sides of the trenches. No aid whatsoever to the slave-owners! On the contrary, those immense difficulties which the war will bring in its wake must be utilized so as to deal a mortal blow to all the ruling classes. That is how the oppressed classes and peoples in all countries should act, irrespective of whether Messrs. Imperialists don democratic or fascist masks.

To realize such a policy a *revolutionary party*, basing itself on the vanguard of the proletariat, is necessary. Such a party does not yet exist in India. The Fourth International offers this party its program, its experience, its collaboration. The basic conditions for this party are: complete independence from imperialist democracy, complete independence from the Second and Third Internationals and complete independence from the national Indian bourgeoisie.

In a number of colonial and semi-colonial countries sections of the Fourth International already exist and are making successful progress. First place among them is unquestionably held by our section in French Indo-China which is conducting an irreconcilable struggle against French imperialism and "People's Front" mystifications. "The Stalinist leaders," it is stated in the newspaper of the Saigon workers (*The Struggle—La Lutte*), of April 7, 1939, "have taken yet another step on the road of betrayal. Throwing off their masks as revolutionists, they have become champions of imperialism and openly speak out against emancipation of the oppressed colonial peoples." Owing to their bold revolutionary politics, the Saigon proletarians, members of the Fourth International, scored a brilliant victory over the *bloc* of the ruling party and the Stalinists at the elections to the colonial council held in April of this year.

The very same policy ought to be pursued by the advanced workers of British India. We must cast away false hopes and repel false friends. We must pin hope only upon ourselves, our own revolutionary forces. The struggle for national independence, for an independent Indian republic is indissolubly linked up with the agrarian revolution, with the nationalization of banks and trusts, with a number of other economic measures aiming to raise the living standard of the country and to make the toiling masses the masters of their own destiny. Only the proletariat in an alliance with the peasantry is capable of executing these tasks.

In its initial stage the revolutionary party will no doubt comprise a tiny minority. In contrast to other parties, however, it will render a clear accounting of the situation and fearlessly march towards its great goal. It is indispensable in all the industrial centers and cities to establish

\* The experience of the Chinese Revolution of 1925-1927 is of the most direct significance for India. I heartily recommend to the Indian revolutionists Harold Isaacs' excellent book, *The Tragedy of the Chinese Revolution*.

workers groups, standing under the banner of the Fourth International. Only those intellectuals who have completely come over to the side of the proletariat must be allowed into these groups. Alien to sectarian self-immersion, the revolutionary worker-Marxists must actively participate in the work of the trade unions, educational societies, the Congress Socialist Party and, in general, all mass organizations. Everywhere they remain as the extreme left-wing, everywhere they set the example of courage in action, everywhere, in a patient and comradely manner, they explain their program to the workers, peasants and revolu-

tionary intellectuals. Impending events will come to the aid of the Indian Bolshevik-Leninists, revealing to the masses the correctness of their path. The party will grow swiftly and become tempered in the fire. Allow me to express my firm hope that the revolutionary struggle for the emancipation of India will unfold under the banner of the Fourth International.

With warmest comradely greetings,  
LEON TROTSKY.

COYOACAN, MEXICO  
July 25, 1939.

## The Story Behind Tea

THE ISLAND OF CEYLON lies at the southern extremity of the vast sub-continent of India. Within the confines of this beautiful island, known as the Pearl of the British Empire, a bitter struggle has been in progress between the masses of Ceylonese people (*Sinhalese*) and the handful of British plantation owners, militarists and imperialist gangsters. Below the reader will find the story of Ceylon, further indication of the malignant and vile characteristics of dying British "democratic" imperialism, and the aggressiveness and vitality exhibited by the colonial masses of the British Empire in the efforts to remove from their throats the hand that threatens to strangle them.

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Ceylon is a large island, one-half the size of England and 5/6 the size of Ireland. In the military and strategic sense it is of major importance to the British since it straddles the two sections of the vast Indian ocean created by the jutting out of the Indian peninsula. Ceylon is another "knot" in the British life-line of supply and communication that leads from London to Hongkong. Like the other centers of British naval and war strategy, Ceylon has been turned into a naval and air base.

Economically, the island is overwhelmingly agricultural, the predominant system being that of the *plantation*. The sole industry that exists is that connected with docks and transportation (railways). There are a few factories that perform elementary steps in the preparations of the various raw materials produced. The largest factory, employing 1,000 workers, is situated in Colombo, the leading city (300,000 population).

An analysis of the population reveals the dictatorial and predatory nature of the British rule. Out of a population of 5,306,863 (1931 figures — there are now closer to 6,000,000), there are exactly 9,500 Europeans, including the small aristocratic caste of Ceylonese Dutch Burghers who have polluted the island with their presence for 150 years. That is, *the white rulers constitute 0.156% of the population!*

In addition, there is a large and important minority of Indians who have been imported over a period of years from Southern India (Madras Presidency, Travancore, etc.) to work on the tea plantations. They number 659,311 (1936)—over 10% of the population—and constitute a major problem in the national and revolutionary move-

ment.

The 5,000,000-odd Ceylonese workers and peasants have little or no racial or historic connections with the Indian people, contrary to popular belief. They come from a distinct, semi-Mongolian-Malayan race and speak their own language (*Sinhali*) which is unrelated to the language of the southern Indians (*Tamil*). Their traditional religion is Buddhism, to which (contrary to its backward, slothful nature) reactionary Christian missionaries have endeavored to impart an aggressive, proselytizing nature. The object of this has been to create communal differences between Indians and *Sinhalese*. British "*divide et imperatore*" policy assumes the most amazing forms, even to the extent of trying to make "better" Buddhists out of Buddhists!

There are about 1,400 plantations on the island, on which are grown tea, rice, coffee, rubber, tobacco, tropical fruits and the coconut tree for copra. 85% of the plantations are British owned. Since tea forms over 60% of Ceylon's export trade, the tea plantation system is most important. All tea farms are worked by agricultural, landless proletarians who draw an average wage of 10 cents to 15 cents per day for their labor. There are under cultivation on a large-scale basis the following products: tea, 442,000 acres; rubber, 475,000 acres; coconut, 900,000 acres; rice, 834,000 acres.

What are the general living conditions of the population? (For the sake of contrast, we must bear in mind that they are quite superior to those of the Indian masses. India is still the world's most exploited colony.)

The average wage in Colombo is approximately 1 rupee (30 cents) per day. This holds for dock workers, tramcar workers and general laborers. There is no unemployment or sickness insurance; no form of relief beyond that engaged in by bourgeois charitable institutions. Widespread malnutrition and primitive sanitation create conditions naturally conducive to those fearful epidemics and plagues that sweep over Asia: malaria, bubonic plague, etc. In 1933, there were 1,000,000 cases of malaria, out of which 250,000 died! Maternal and infant mortality is very high, averaging 197 per 1,000 in the ten years ending with 1936. The reason is simply the fact that there are practically no midwives.

Aside from the capitalist plantations, a considerable feudal land system still exists. In return for a small piece

of land on which rice is grown, peasants work the estates of the landed aristocracy. No land has been given to these impoverished peasants. On the plantations, the workers live in what are known as "tied cottages" in England. They are owned by the planter who, in addition, runs the company store. This system naturally makes the agrarian worker the complete slave of the British planter. Anybody visiting a plantation worker without permission of the planter commits a *criminal offense*.

Ceylon is a Crown Colony of the British Empire. This means it is ruled politically direct from London and the Colonial Office. The British-appointed Governor-General has complete powers, equivalent to the Viceroy of India. There is a State Council of 60 members, elected by adult franchise and controlled by the party of the planters. The feeble strings that go to make up Crown Colony "democracy" are all held in the hands of the plantation owners. Such in brief outline is the scheme of things on Ceylon.

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There are two "special" problems, both linked up with the basic struggle for independence, that confront the revolutionary socialists of Ceylon. First of all, there is the problem of Buddhism, the religious issue. To quote from a report written by a recent revolutionary visitor to the island, "As in most countries where the peasantry forms the bulk of the population, religion not only plays an important part in the cultural life of the people, but is also used by the aristocracy to consolidate its position." The problem is essentially that outlined by Lenin in his pamphlet on "Religion." That is, drawing a dividing line and thrusting a wedge between the upper Buddhist priesthood and the poor, more progressive lower stratum. We shall see below what progress is being made along these lines.

Of far greater significance is the problem of the large Indian minority. With the fall in Ceylonese trade and the marketing value of its products, and with the sharp rise of a revolutionary socialist movement, the plantation bosses are endeavouring to practice the familiar British "divide and rule" tactic. The 600,000 Indians living in Ceylon are in the position of aliens without any legal status. The government has decreed that all those who are unemployed must leave or be deported. This would immediately affect at least 10,000 of them—a mass deportation.

In his 1935 report, the Indian agent said, "The plight of the Indian laborer who loses his job . . . is indeed a sad one. He has no asylum here [Ceylon]—and if he were to drag his weary limbs to the land of his birth . . . his position would be no better." The Indian Nationalist Congress has sent Jawaharlal Nehru to discuss the problem with the Ceylon government, but the socialists of Ceylon will be acting wisely if they keep their eyes on this chronic capitulator and tool of the ever more impotent Mahatma Gandhi. The Indian minority problem is of basic importance to the Ceylonese movement precisely because the fate of Ceylon is bound up so closely with that of India. It would be fatal indeed if the revolutionary Marxists would concede one inch to the reactionary "solution" proposed by the Ceylon government and which will, with certain petty modifications, be accepted by the spineless Nehru.

The real solution to this problem is the revolutionary solution, that is to say, a full understanding that the *Indian*

*and Ceylonese masses belong together*, in joint struggle against the imperialists and their agents. Concretely this means a campaign that will allow the Indians to become citizens of Ceylon, with full democratic liberties; a campaign to merge and unify the Sinhalese and Indian trade unions that exist; a joint agricultural union that will include *all* workers in its ranks, *etc.* The plan to drive out the Indian workers, to make them the scapegoat for British imperialism must be fought tooth and nail! The Indian workers have the same economic problems as the Sinhalese workers and peasants, except in more aggravated form. They have the same desire for national independence and freedom because they too come from a subject country. Is it not perfectly clear that they can be the most loyal and militant fighters in the independence struggle and the struggle against plantation landlordism? *Beware of another Palestine in Ceylon!*

At the head of the workers and peasants of Ceylon stands the *Lanka Sama Samaja* Party (the Ceylon People's Equality or Socialist Party). In 1935 there was not a single workers' party on the island. In December of that year a group of 50 students and workers formed the L.S.S.P. which had a phenomenal growth because of its cleverly combined electoral and mass activity. Its membership is now several thousand and has an unquestioned leadership over the 6,000,000 island workers and peasants. In its first election campaign the Party won two seats in the State Council and could carry 10-15 today. Its two Council members forced through a Shop Hours Act limiting the working day to 10 hours (it had been 12 to 16 previously); obtained milk and food supplies for children in the schools, *etc.*

The L.S.S.P. publishes its propaganda in 3 languages: English, Sinhalese and Tamil. Its Sinhali paper has a regular circulation of 8,000 copies and is read by 8-10 times that number. "In outlying villages, all the adults read the same copy." Pamphlets and leaflets on colonial and world affairs are frequently published in the 3 languages.

The Party has organized unions of railway and tramcar workers and is at present organizing a union of all general laborers in Colombo. It is likewise active among the plantation laborers and small peasants. It is among these people that the L.S.S.P. attempts to expose the pro-imperialist character of the upper Buddhist priesthood by forcing them into the open on specific issues. Often support is won from the poorer local priests who are brought into the fight for specific reforms. The L.S.S.P. has developed a dramatic technique of conducting work among the masses while linking up these struggles with the goals of national independence and socialism. It is a mass party with mass influence. And as such it offers a serious threat to the Chamberlain slave masters and the Ceylonese plantation owners.

The bourgeoisie has organized its own political organization: the *Sinhali Maha Sabha*—consisting of brown industrialists, remnants of the landed aristocracy and white plantation overlords. Its overt aim is to smash the *Lanka Sama Samaja* Party, set up a colonial military dictatorship and put an end to the nationalist movement. Its immediate tactic is to prevent the L.S.S.P. from making gains at the forthcoming Council elections by creating bureaucratic constitutional barriers.

At the same time, this imperialist party intensifies its direct attack against the L.S.S.P. and the workers. Police brutality, arrests, victimization on the job, breaking up of meetings by hired *goondas* (hoodlums), etc. These are the every-day tactics of the British, driving relentlessly toward their dictatorship. They are attempting to hermetically seal the island of Ceylon while they fulfill their criminal work in the dark of night. But they face an adversary who is not paralyzed by the treacherous doctrine of a Gandhi! They face millions of workers and peasants who are led by a Party that has solemnly declared in National Conference its determination not to support British imperialism in any war it may conduct and which has rejected as laughable the idea of unity or capitulation to imperialism, as advo-

cated by the Stalinists.

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Ceylon, conquered and ruled by the sword, has been in British hands since the year 1796. It is today unquestionably one of the weakest links in the chain of empire. While far ahead of all the other British colonies in militancy, aggressiveness and leadership it is nevertheless only typical of its sister colonies in its irresistible desire for self-determination and freedom from British rule. "It may be that the first successful revolt against the chain that binds the colonies to Britain will be that of the inhabitants of this island. Ceylon's workers and peasants are fully prepared to take their part in the fight for the establishment of world socialism." (*ibid.*) Sherman STANLEY

## Twenty-five Million of Us

"While it isn't written in the Constitution, nevertheless it is the inherent duty of the Federal government to keep its citizens from starving."—Franklin D. Roosevelt, 1933.

"The Federal government must and shall quit this business of relief."—Franklin D. Roosevelt, 1935.

THERE ARE at the present time in this country between 10,000,000 and 12,000,000 completely unemployed workers and—with their dependents an army of at least 25,000,000 men, women and children. In a social system based on the production and consumption of goods, these twenty-five million—one-fifth of the nation—are excluded from all part in the normal work and life of society. In the most highly rationalized productive system in the world, it is impossible to "find" jobs for one-fifth of the workers. In the richest and most powerful capitalist society in history, one out of every five citizens is a pauper. If he is lucky, his destitution is officially recognized by the state and he and his family are maintained by the state on a level just above starvation. The less fortunate beg, borrow, and steal—if they can. But however they keep themselves alive, or don't, these twenty-five million have no place in the nation, no value to society. They are outcasts, pariahs, parasites on the body politic.

The great majority of these outcasts will *never*, under capitalism, find a place in society again. Mass unemployment has been a feature of our capitalism since 1929, nor do most economists see any reasonable prospect for it to be liquidated. Every year half a million *new* workers enter the job market. Every year technological advances—stimulated rather than discouraged by the "hard times"—raise the productivity of labor to new levels. The business boom of 1936-1937 raised production almost to 1929 levels, without reducing unemployment at any time below 7,000,000.

Several years ago, President Roosevelt and his advisers began to realize that mass unemployment is a *permanent* feature of American capitalism. The question of relief thus came to take on an entirely different and much grimmer political aspect than it had in the early years of the New Deal. It is no longer a matter of "tiding over" the unemployed until the next period of prosperity sets them afloat again. It is a matter from now on, of providing state sup-

port for them permanently. This explains the unprecedentedly vicious attack the Congressional reactionaries have made this year on relief standards, and also the extreme faintness, to say the least, of the New Deal opposition to this attack. "No other administration measure of equal importance has been so weakly defended," wrote the *New Republic's* Washington correspondent of the 1940 relief bill. For the brutal fact is that the political weight of the unemployed is far from enough to outweigh the bad political effects of the deficits which their support has cost the Federal treasury. All hands in Washington, Republican and Democrats alike, want desperately to get out from under. And the movement to do so—by reducing relief payments once more to Hooverian levels—has made enormous progress since the first of the year.

But mass unemployment, the major social symptom of capitalist decay, is a problem for revolutionary as well as bourgeois politicians. Unemployment is the great splitter of the ranks of the working class. Already antagonism is growing dangerously between the unemployed and the employed, especially those whose jobs are protected by strong unions. Already Father Coughlin and other fascist demagogues are making the same overtures to the unemployed that Hitler so successfully made in Germany. Already the New Deal's reformist program has gone far along the road to failure which the Weimar Republic trod, with the same disillusioning effects on the masses of the unemployed. Above all, since the first of this year, the political drive of the two major bourgeois parties against relief standards has reached a new and unprecedented stage of intensity. Without an understanding of unemployment and the problems of the unemployed, it will be impossible for any revolutionary party to defeat fascism and bring about socialism in America.

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This article is divided into two sections. Part I, presented here, is a survey of unemployment relief. It traces the development of Federal relief policy from 1929 to 1939, analyzes in detail the relief legislation this year, and considers the political and social implications of the current drift of New Deal relief policy. Part II, which will appear next month, will be devoted to the social, economic and

political aspects of unemployment: the future of technological unemployment, the social composition of the unemployed, the rôle of unemployed organizations like the Workers Alliance, the lessons to be drawn from this summer's WPA strike, etc.

### **New Deal Relief Enters Its Third Period**

The history of New Deal relief policy can be divided into three periods.

The first period lasted from the establishment of the F.E.R.A. in the spring of 1933 to its liquidation and replacement by W.P.A. at the end of 1935. In this period, when unemployment was still considered a temporary problem—"F.E.R.A." stands for "Federal *Emergency* Relief Administration—and before any great political pressure had developed against Federal relief spending, the New Deal accepted responsibility for *all* the unemployed, putting up three dollars for relief to every dollar spent by state and local governments. "While it isn't written in the Constitution," President Roosevelt declared in 1933, "nevertheless it is the inherent duty of the Federal government to keep its citizens from starving."

The second period began with the establishment of W.P.A. in 1935 and lasted up to the beginning of this year. The New Deal narrowed its relief responsibilities down to between 1,500,000 and 3,000,000 of the unemployed (the total varying from year to year) to whom it gave W.P.A. jobs, at wages which came to something more than 35% and less than 60% below a "minimum emergency budget" as defined by the W.P.A. itself. The rest of the unemployed—about three-fourths of the total number—were turned back to the states and communities, that is, to a standard of relief compared to which the wretchedly inadequate W.F.A. wage is positively lavish. The keynote of this period was struck in President Roosevelt's famous pronouncement to Congress early in 1935: "The Federal government must and shall quit this business of relief." How this can be reconciled with his earlier statement about "the duty of the Federal government to keep its citizens from starving" neither the President nor his many advisers have tried to explain.

In the third period, which began with the opening of Congress in January of this year, the New Deal's persistent effort to "get out of this business of relief" has been reinforced by a powerful reactionary drive in Congress. The 1940 Federal relief bill, passed by Congress on June 30 and signed by the President a few days later, is a long step toward liquidating W.P.A. and reducing all relief once more to the local-community levels of Hoover's regime.

Until this year, President Roosevelt has been remarkably successful in concealing from the masses the real nature of the New Deal's post-1935 relief policies. This was partly because the New Deal appears to be positively lavish compared to the relief standards of Roosevelt's immediate predecessor. The New Deal has been able to show a rise in average monthly relief payments per family from less than \$7 under Hoover to \$17.22 by October, 1933, and \$30.30 by January, 1935. But there are two important qualifications to be made here. (1) Since 1935, as this article will copiously demonstrate, both average relief payments and the number on relief have gone down consider-

ably. (2) The longer the depression lasts, the more the savings of the workers are exhausted and the larger, therefore, relief payments must be. Barring recourse to actual mass starvation, the New Deal had no choice but to greatly increase relief payments. Also, note that, although the 1937 collapse hit the workers after eight years of "hard times", and hence with even greater impact than the 1929 slump, yet relief rolls increased comparatively little and are at present being drastically reduced again. According to the *N. Y. Times* of August 21, 1939, the combined home and work relief rolls of New York City on that date stood at the lowest figure since the beginning of 1933.

The other reason the masses have been so slow to wake up to the real direction of New Deal relief policy is the consummate political skill of President Roosevelt. Year after year, he has made speeches dripping with humanitarian sympathy for the unemployed. Just as persistently, though not quite so publicly, he has done his best to keep W.P.A. appropriations down (see Chart II for the record) and ordered Harry Hopkins to purge hundreds of thousands off the rolls at the slightest upturn in business. The New Deal's left-wing supporters—the liberals, organized labor, even a large section of the unemployed themselves—have listened to the speeches and overlooked the actions. This master of shell-game politics knows just how to use his spiel to divert the crowd's attention from his deft manipulations.

This year, however, the New Deal has come out so openly against the unemployed that large sections of the masses are beginning to lose faith in Everybody's Friend in the White House. But if the masses are growing restive, not so the top leadership of their organizations. All the organs of reformism—the liberal weeklies, the *C.I.O. News*, the *New Leader*, the *Daily Worker*—have kept silent about the increasingly open relief-wrecking policy of the New Deal. This has produced a really fantastic situation. When President Roosevelt proposes that 1,000,000 W.P.A. workers be dropped next year, John L. Lewis addresses a militant letter of protest to—Chairman Taylor of the House Appropriations Committee. When the President's W.P.A. administrator suggests to the Woodrum Committee that the 1940 relief bill abolish the paying of union wages on W.P.A., the *Daily Worker* damns—the Woodrum Committee. When the White House assumes leadership of the drive to smash the W.P.A. strike, when the President declares "You can't strike against the Government" and instructs his Department of Justice to prepare indictments against the strike leaders, the entire liberal and labor press with one mighty voice denounces—the Congressional Tories. The more the right wing presses the New Deal, the more the New Deal gives ground. And the more the New Deal retreats, the more frightened become its left-wing supporters, the more frantically insistent on complete support and the Trotskyist immorality of any criticism of the New Deal which will "divide the ranks" of the hard-pressed forces of righteousness. Practically, however, this policy means that the New Deal these days feels enormous pressure from the right and practically none at all from the left.

The result is that by now the President can hardly be said to be yielding to Tory pressure on the relief issue.

Since 1935, his skirmishes with the Tories on relief have been at best sham battles. But this year he has openly put himself at the head of the "enemy" forces—so openly as to suggest that he is gambling on a European war in the near future to take care of the whole unemployment and relief issue. In the meantime, the unemployed millions are rubbing their heads and wondering what hit them. In truth, they were ganged up on by one of the most formid-

## SECTION I: RELIEF UNDER THE OLD DEAL

### "Primarily a Community Problem"

Unemployment is not, of course, a phenomenon peculiar to our times. It has always been an integral part of capitalist economic organization, a useful and necessary weapon in the hands of the ruling class. Likewise, there has always been a certain amount of unemployment relief. In the last century, Boston had its Provident Wood-yards, where the jobless cut wood for their bed and supper. (When more wood was produced than could be sold, boondoggling was resorted to: half the men would be set to work cording up logs into piles which the other half would then tear down.) In the winter of the 1877-1878 depression, the city of Washington set its unemployed to grading streets, at fifty cents a day. During another winter of deep depression, 1893-1894, Philadelphia spent \$2,000,000 to keep alive 100,000 jobless men and their families—\$20 a family.<sup>1</sup> That terrible winter brought forth Coxey's Army, the first great "hunger march" of unemployed citizens to the national capital. It also produced President Cleveland's celebrated epigram, when it was suggested to him perhaps the Federal government should appropriate funds for relief: "The people should support the government. The government should not support the people." This majestic pun remained the last word on Federal unemployment policy throughout the next forty years.

In these early decades, there was mass unemployment and great suffering during the periodic economic crises, but these were emergencies, disasters like floods or fires which were brief and violent interruptions of the normal order of things. After the war, however, mass unemployment arose for the first time as a chronic problem. The Federal government remained as aloof as ever, but the city governments had to take over more and more of the relief burden. Long before 1929, private charity had proved inadequate. "As early as 1929 more than three-fourths of the relief bill was paid from public funds."<sup>2</sup> Between 1911 and 1929, in sixteen large cities, population increased 41%, general expenses of government 256%, and relief expenditures 1,118%.<sup>3</sup> In the 1921-1922 depression, the number of unemployed was estimated at between 4,000,000 and 5,000,000, or one out of every seven non-agricultural workers in the country. President Harding met the crisis in the best Cleveland tradition, convoking a great "committee" of bankers, industrialists, and "labor leaders" under the chairmanship of his Secretary of Commerce, Herbert Hoover. The committee, after much longwinded deliberation, decided that unemployment relief was "primarily a community problem", talked vaguely of housing, roads, and public construction programs, suggested that the number of available working hours be evenly divided among

able coalitions in our political history, ranging from the bureaucracy of the C.I.O. and the Workers Alliance through the White House to the "Republicrats" in Congress. Every actor has played his appropriate rôle in the tragi-comedy. Unless the unemployed come to realize that in this cast the ostensible heroes are really the worst villains of all, the play will not have a happy ending. It is one of the purposes of this article to help along this process of enlightenment.

the number of available workers (the ancestor of Hoover's later "share-the-work" campaign, the most barefaced and unblushing attempt ever made by big business to shift the entire burden of unemployment onto the shoulders of the working class), and finally adjourned with an admonition of "patriotic patience on the part of all our people". (Reference No. 3-A.)

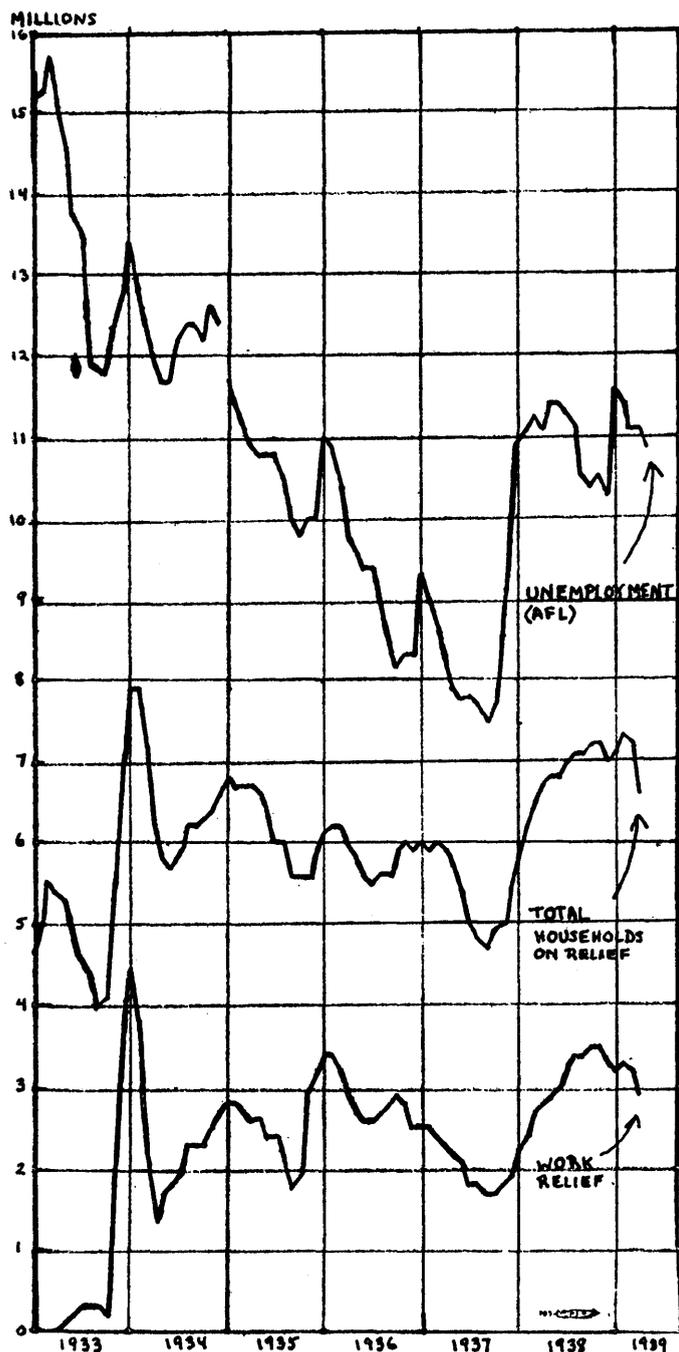
But even more alarming than the unprecedented number of unemployed in the 1921 depression was the fact that all through the booming Twenties, except for 1929, there were never less than 1,500,000 men out of work, according to the *minimum* figure of the conservative Hoover Committee on Recent Economic Changes.\* By the time the bottom dropped out of things in 1929, unemployment was already a serious social problem.

### The Great Disintegration

As the economic decline went on unchecked from 1929 to 1930 to 1931 to 1932, as the total number of unemployed reached five million, seven million, eight, ten million, and as the Hoover administration refused to do anything about it except issue optimistic statements, more and more strange and—to the bourgeoisie—disturbing things happened. American capitalism seemed to be going to pieces right before every one's eyes, not because of any revolutionary upsurge of the masses—there were only sporadic outbursts—but because the system's own contradictions were shattering it. Capitalism seemed, for a few years, to be breaking up of its own weight.

One million boys and men, and a few women, wandered about the country, homeless, looking for work, riding the freights. In the winter of 1932, fifty of them were killed on a single railroad, one hundred crippled. The police chief of the Southern Pacific Railway told a Senate committee that 79,200 "trespassers" were thrown off S. P. trains in 1929, 683,500 in 1932, and that of these three-quarters were under 25 years of age. The Kansas City police estimated that 1,500 men and boys rode into or out of the city every day on the freights. . . . In Oakland, Cal., the unemployed lived in sections of sewer pipe. In Arkansas, they took to caves and burrows in the Ozark mountains. . . . Detroit's relief rolls listed two families after whom streets were named. . . . In West Virginia, children stood shoeless in the breadlines in the dead of the winter of 1931, and in one school 99 out of 100 of the miners' children were found to be ten pounds or more underweight. . . . The records of the hospitals of New York City—where relief was comparatively generous—noted under "Cause of Death"

\*Just how conservative this figure is may be gathered from the fact that the Hoover Committee put the unemployed for 1927 at 2,055,000, while Lewis Corey, writing in *The Annalist* for March 9, 1928, set the figure at 3,500,000.



### Chart I: Unemployment and Relief, 1933-1939

Sources: figures on unemployment from A.F.L. monthly estimates; figures on relief up to June, 1938, are from *Report on Progress of the W.P.A. Program*, June 30, 1938; later figures are estimated.

This chart shows the month-by-month fluctuations of unemployment and relief under the New Deal. The upper line represents the total number of unemployed workers—"employables" only. The middle line shows the total number of households—*not* workers—receiving any kind of relief, Federal or local, home relief or work relief. The lower line shows the total households on work relief, which includes C.W.A. (1933-1934), the Emergency Work Program of F.E.R.A. (1934-1935), W.P.A. (1935-1939), and C.C.C. (1933-1939).

All these work relief programs were paid for either entirely or mainly with Federal funds. Up to 1935, 75% of *all* relief, home or work, was paid for out of the Federal treasury. Since then, all home relief has been paid for by the states and local governments, and the New Deal has limited its responsibility to W.P.A. Note that the only time relief under the New Deal even *approached* providing for the bulk of the unemployed was in the very brief C.W.A. interlude, and that since the slump in the fall of 1937 (whose severity can be gauged by the steep rise in unemployment shown here) relief has increasingly failed to keep up with unemployment.

In reading this chart, two points should be kept in mind. On the one hand, the relief line would not be expected to go as high as the unemployment line, since there is often more than one unemployed worker in a family. A W.P.A. survey in March, 1935, for example, showed that in 4,200,000 families then on relief there were 6,200,000 unemployed workers. On the other hand, the A.F.L. unemployment estimate, used here, probably considerably *underestimates* the number of unemployed. The only actual count that has ever been attempted—the Federal "unemployment census" taken in November, 1937—showed about 2,000,000 *more* unemployed workers than the A.F.L. had estimated for that particular week.

The gap in the "unemployment" line, by the way, occurs because at that point the A.F.L. changed its method of computing unemployment, causing a sharp revision downward.

in fifty cases during 1931: "Malnutrition" or "Starvation". . . . When Henry Ford made a public offer of jobs in March, 1932, tens of thousands of men mobbed the great River Rouge plant, were met by city and company police with riot guns and dispersed, leaving four dead and fifty wounded. . . . Father Cox led an "army" of unemployed to Washington. The Bonus Army, primarily an unemployed movement, camped along the Potomac until Hoover had their hovels burned by the police and army. . . . Two hundred miners and their families were found living under a bridge in Arizona. Such encampments of the jobless, expropriated from their homes by the depression, sprung up on the outskirts of every big city, and were universally known as "Hooverville". . . . Sometimes people refused to obey the rules of the game. It took a squad of deputies and three hundred rounds of machine gun ammunition to evict one family from its farm near Elkhorn,

Iowa. . . . Mayor Cermak of Chicago wired the R.F.C.: "If I cannot have funds for relief, I cannot answer for law and order." . . . The Hoover Administration deported 18,000 aliens in a single year of the depression. . . . In New York City evictions increased 30% in 1930, foundlings 100%. . . . Orders were issued to the Illinois National Guard in 1931: "Blank cartridges should never be fired at a mob. Never fire over the heads of rioters. The aim should be low, with full charge and battle sight."<sup>4</sup>

They tried everything, except relief, to "solve" the unemployment "problem". Everything, that is, which would put the major burden where it rightfully belonged under capitalism: on the shoulders of the working class. Some one figured out that if everybody bought an apple every day from an unemployed man, the "problem" would be solved, and there was a period when every street corner in the business and shopping districts of New York had its

apple seller with his box of apples. There were great national drives to raise funds for the "Community Chest", to which every one, rich and poor, was expected to contribute his "fair share" for relief. In some cities, "block aid" campaigns were staged, the idea being that the inhabitants of each city block took care of their own unemployed. Thus the Astorbilts were responsible for seeing that their neighbors, the Vanderpoels, didn't starve; and the Tony Pasquales, jobless for two years, had to see to it that *their* neighbors, the Mike Wochniks, also jobless for two years, got enough to eat. Equally ingenious was the great "share-the-work" campaign initiated by the Hoover administration and cheerfully promoted by the big employers. The idea here was that such work as there was should be equally divided among the available workers. The effect of this equitable arrangement was to relieve unemployment by cutting in half the average earnings of each worker. According to National Industrial Conference Board figures, average earnings in manufacturing in June, 1929, were \$28.69, and by the end of 1932, were \$16.88. (Also, despite all this work-sharing, 40% of all workers by then had been laid off completely.) Finally, many of the unemployed themselves were driven to seek to escape completely from the capitalist system by organizing coöperative and barter exchange groups. Such islands of a more primitive economy were to be found all through the American capitalist structure in 1932. But there was no escape here, either. The history of the Unemployed Citizens League of Seattle, the most famous of such groups, illustrates clearly the ultimate futility of such efforts to build socialism in one county.

### "No One Has Starved"

But in spite of apple-selling, Community Chests, block-aid, share-the-work, and barter groups, the unemployed continued to increase and to ask to be fed. "No one has starved," was the only reply the Hoover administration made to all criticisms of its refusal to give relief. Even this modest claim was shown to be a lie by a well-documented and scathing review of Federal relief policies printed in *Fortune* in September, 1932. The quintessence of Hooverian relief policy was summarized in a sentence in a letter written in September, 1931, by Walter S. Gifford, head of the American Telephone & Telegraph Co. and then chairman of the President's Organization on Unemployment Relief. "To date," wrote Mr. Gifford, "this committee has recommended that, as far as possible, unemployment relief

be given to the individual in his home, thereby keeping him out of the public eye."<sup>5</sup>

But no amount of keeping the jobless out of sight could prevent their numbers increasing daily. As the depression worsened, as new millions joined the ranks of the unemployed, as the savings of the unemployed were inexorably exhausted, the mass pressure for relief, militantly led at that period by the Communist and other radical parties, became increasingly hard to resist. Private charity first tried to cope with relief, and nation-wide drives for contributions were put on in 1931 and 1932 by Mr. Gifford's committee. This proved inadequate, and the resources of local governments were next drawn upon. In twelve Pennsylvania cities, for example, private relief expenditures jumped from \$1,700,000 in 1930 to \$9,000,000 in 1932, but in the same period *public* relief funds rose from \$2,400,000 to \$16,800,000.<sup>6</sup> After 1932, private charity fell off sharply, and today less than 5% of all relief comes from this source. By 1932 the states were forced to come to the rescue of their local governments, and when Roosevelt took office in March, 1933, about \$200,000,000 had been spent or appropriated by the states for relief.<sup>7</sup>

In the spring of 1932, Congress made relief history when it voted to permit the Reconstruction Finance Corporation to lend \$300,000,000 of its funds to the states for relief purposes. The money was loaned, not granted outright, and Congress' action was dictated as much by concern over the financial condition of the states and cities as over the sufferings of the unemployed. Its action was, even so, a historic event: for the first time the Federal government had accepted some responsibility for unemployment relief. President Hoover vetoed the bill, and it was repassed over his veto a week later. Its significance was more as a gesture than anything else, for up to the inauguration of Roosevelt a year later, the R.F.C. had only lent out \$80,000,000 for relief purposes. Relief even in this last year of the Hoover régime never got much above a national average of \$7 a month per family. But Hoover's instinct as a bourgeois politician was correct: this bill set a precedent. It opened the sluice gates, however small a crack, of the only reservoir of capital large enough to keep the unemployed millions above the level of slow starvation: the credit of the Federal government. Hoover's genial successor, after a few years of experimentation, is doing his best to close the gates.

## SECTION II: NEW DEAL RELIEF, 1933-1938

### Enter the New Deal

It must be confessed that, compared to Hoover, Franklin Roosevelt in the early years of the New Deal appears as a veritable St. George on a white horse galloping with streaming banners to the rescue of the unemployed. When he took office on March 4, 1933, the number of unemployed stood at an all-time high of 17,500,000. The relief system had broken down as disastrously as the banking system—though the front-page headlines went to the sufferings of the bankers rather than of the unemployed. As Governor of New York, Roosevelt had taken public issue with Hoover, insisting that relief was a state responsibility. (Hoover had taken the position that it was immoral for any political subdivision larger than a county to take official

notice of unemployment.) The Governor had backed up his word by getting the state legislature to pass the Wicks Bill, which in 1931 set up for New York the first of the state relief organizations. Great things were therefore expected of the new President.

Under White House leadership, Congress passed the Federal Emergency Relief Act, appropriating \$500,000,000 to be *given* as Federal grants-in-aid to the states to help finance their relief programs. The President signed the bill on May 12, 1933. As administrator of the F.E.R.A. he appointed Harry Hopkins, a professional social worker, who had been head of the New York relief organization.

For all this show of action, actual relief expenditures somehow lagged. By August 21, three months after

F.E.R.A. had been established and almost six months after Roosevelt had taken office, only \$139,000,000 had been given out in grants.<sup>8</sup> The fact is that the real interest of the President and his advisers, then as later, was not in relief but in recovery. Their approach has never been based on the needs of the unemployed but rather on what they would call "positive measures to restore prosperity".

The ragged, hungry masses of the unemployed present a problem which, it has long been evident, bores and irritates the genial master of the White House. This imputes no exceptional heartlessness to the President. He is a humanitarian over the radio—and also, no doubt, in his personal life—but his primary political task is to make capitalism "work". He knows quite well that unless he does this, the votes of the unemployed will be of no use to him, and that if he does it, he won't need them. The second proposition he illustrated clearly enough by drastically cutting W.P.A. at the first sign of an upturn in 1936. He has, therefore, preferred to treat unemployment with *recovery* rather than *relief* measures. An advantage or a disadvantage of this system—depending on one's point of view—is that when the recovery measures blow up, as they always do, the unemployed are the chief victims of the explosion. An example is the recent defeat by Congress of the Administration's lending-spending program. The President now claims that he had suggested the one-third cut in W.P.A. only because the spending program—a "positive recovery measure"—would give jobs to those dropped from W.P.A. But Congress accepted his W.P.A. cut and rejected his spending program, leaving the unemployed holding the bag as usual.

On June 16, 1933, the President signed the bill which really appealed to him and his advisers as a way of meeting the unemployment problem: the National Industrial Recovery Act, significantly described by New Dealers as "essentially an employment measure". This firstborn of the prolific breed of New Deal white rabbits was divided into N.R.A. and P.W.A.: while private industry was regulating itself back to prosperity under the Blue Eagle, the Public Works Authority was supposed to prime the pump with a \$3,300,000,000 public works program. The theory was that for every job on P.W.A., two jobs would be created in the industries supplying its materials. The President hopefully described P.W.A. as "a bridge over which men may pass from relief to normal employment".

### **The Magic Beanstalk: C.W.A.**

But the Blue Eagle laid an egg and the P.W.A. bridge never reached the other side of the abyss. As the fifth winter of the depression approached, it became clear that a more direct attack on unemployment was necessary. Some left-wing advisers persuaded the President that a big work relief program, giving millions of men quick jobs on projects requiring little expenditure for materials, would turn the trick which P.W.A. had flubbed. They were aided by the most renowned advocate of this particular panacea for capitalist ills, the English economist, J. M. Keynes, who visited the White House and made a deep impression on Roosevelt. On November 8, 1933, the President set aside \$400,000,000 of P.W.A. funds to be used by a new agency, the Civil Works Administration, which would be run by Hopkins and his F.E.R.A. organization.

The C.W.A. was much the most generous and humane of all New Deal relief programs. (It is significant that it was sold to the President as a recovery rather than a relief measure.) By the middle of January, 1934, 4,000,000 men were working on C.W.A. projects throughout the country. Half were drawn from F.E.R.A.-financed state work relief rolls, the other half were from the ranks of the unemployed not on relief. It was the first and last time that a Federal work program provided jobs for workers without requiring them first to pauperize themselves in order to get on local relief rolls. Prevailing wages were paid for a full-time working week, not the "security wage" that came in later with W.P.A. Finally, F.E.R.A. continued to help the states provide for the millions who were unemployable or who could not be accommodated on C.W.A.

During these winter months of 1933-1934, relief was being given to 27,750,000 men, women and children, or over one-fifth the population. This was an all-time high. It was reached then not because the need was greatest—it had been greater a year earlier and would be greater in the winter of 1937-1938—but because for a few months the New Deal had a program which came somewhere near providing for all the unemployed who needed relief. This modest standard was never again achieved.

Social workers and relief administrators throughout the country hailed C.W.A. as a great step forward. "I shall never forget," writes one, "the tremendous enthusiasm with which it was greeted and the inspiring meeting held in Washington on November 15, 1933, when it was launched." (Reference No. 9.) President Roosevelt addressed the gathering and in moving terms described C.W.A. as aimed especially at all who were "too proud to go and ask for relief". As a recovery measure, however, C.W.A. soon proved much too expensive. Worse yet, "many employers objected that the wages paid by the Government were attracting men from private industry".<sup>10</sup> On February 28, 1934, therefore, three months after the "inspiring meeting", the President announced that C.W.A. was to be liquidated as quickly as possible. Evidently the Presidential sympathy for those "too proud to ask for relief" had evaporated. In the future, indeed, millions who asked for relief with no pride at all were to find it impossible to get.

Within a week 52,000 letters and 7,000 telegrams inundated the White House and F.E.R.A. headquarters protesting the destruction of C.W.A. Unemployed demonstrations took place all over the country. For months an average of one delegation a week called on Harry Hopkins to ask for the restoration of C.W.A.<sup>11</sup> Nor was Hopkins in any doubt as to what his fellow social workers thought about this move. William Hodson, now relief commissioner for New York City, expressed himself thus:

I say it was a tragedy when the Federal Government abandoned the C.W.A. program on March 31, 1934. It is true that the President had announced the program as temporary in nature; nevertheless the people of the country believed that civil works would be carried on and tapered off gradually as the employment index rose and people could leave civil works employment for jobs in regular industry. This was not to be and the sudden transition from work and wages without a needs test, to work relief on the basis of destitution was a bitter shock to the unemployed.<sup>12</sup>

C. W. Bookman, executive secretary of the Cincinnati Community Chest, had this to say:

Probably the most serious defect of the C.W.A. was the hope it built up in the hearts of millions of unemployed, and then dashed to earth, that at last a job at a reasonable wage was to be provided for them by their government until such time as industry could reemploy them. . . . It was a serious thing to destroy the confidence and break down the morale of ten to twelve million people who, through no fault of their own, had endured four years of privation and want.<sup>13</sup>

Serious or not, the Administration did it. Up to this point, social workers had endorsed the New Deal in relief with whole-hearted and rather naive enthusiasm. The junking of C.W.A. was a terrible shock to them. More shocks were to follow. The attitude of the National Conference of Social Work and the American Association of Social Workers became increasingly disillusioned, critical, even hostile as the New Deal relief policies came to have an ever more Hooverian coloration. Politically unsophisticated, they did not understand what speedily became crystal clear to the President: that the unemployed were a political liability rather than an asset. Once this great truth had dawned on the Administration, it acted with characteristic decision. C.W.A. was liquidated with brutal rapidity. In February, 3,216,000 workers were on its rolls. In April, there were 38,000 left. The beanstalk had grown up overnight and was chopped down at one stroke.

Those C.W.A. workers who could qualify as paupers went back to state and local relief, financed mostly by F.E.R.A. The rest had to wait until they had exhausted all their resources before they were allowed the privilege of home relief. After the rosy dream of C.W.A., this was bad enough. But something much worse was coming.

### **"This Business of Relief"**

In his annual message to Congress of January 4, 1935, President Roosevelt outlined a new relief policy. When the Federal government had taken over the major responsibility for relief in 1933, the move had been universally popular. The breakdown of local relief had gone so far that many conservatives feared actual revolution. The states and communities welcomed Federal funds as, in many cases, the only way to escape bankruptcy. But as conditions improved, the right wing demanded more and more insistently that the Federal credit be no longer used to support the unemployed. What had been a universally popular program in 1933, two years later had become a sore spot, a vulnerable point in New Deal policies. And relief, unlike the Neutrality Act or the Supreme Court reorganization, is not the kind of an issue on which the White House will put up a fight.

It was reported that the President's new program "had been laid down at a conference in December, 1934, of the National Industrial Conference Board and the National Association of Manufacturers, representing business and banking leadership in the United States. These leaders had demanded an end to relief from the Federal Treasury and that where work was provided it should be paid for at less than the normal rate of wages in order that there might be no incentive to remain in public work rather than to seek private employment".<sup>14</sup> On the relief issue, as on so many others, big business joined hands with the Congressional spokesmen for the backward South and with the forces of rural and small-town conservatism throughout the nation. (Any one who follows the Gallup and *Fortune*

polls must be struck with the similarity of political sentiment shown by the wealthy and the farmers.) Pressure of this sort was more than a reformist Administration could resist, especially since no comparable pressure was ever exerted from the left on the relief issue. The keynote of the President's 1935 message, and of all subsequent New Deal relief policy, was his blunt statement: "*The Federal Government must and shall quit this business of relief.*"

The President's new program sounded reasonable enough. He put the total number of heads-of-families on relief at 5,000,000. Of these, he estimated that 1,500,000 were "unemployable" because of age or other disabilities. These he proposed to turn over to the state and local governments, without any aid from the Federal Treasury. The remaining 3,500,000 "employables" were to be given jobs on a gigantic new \$4,000,000,000 Federal work relief program, which began to take shape in the spring of 1935 as the W.P.A. (Workers Progress Administration). Thus the Federal Government got out of relief, as demanded by business, and provided jobs instead of the dole, as demanded by the unemployed. But the 3,500,000 jobs in practise turned out to be an illusion. That figure was approached only twice in the history of W.P.A., and the average in its four years of operation has been closer to 2,000,000. The White House has consistently tried to reduce the W.P.A. rolls, purging hundreds of thousands of W.P.A. workers every time the slightest business upturn gave an excuse. The one-third slash now being made in the rolls at the request of the President, on the grounds of a microscopic rise in the business index, is merely the latest of a long series.

But even had W.P.A. provided the 3,500,000 jobs promised by the President, it would still have been grossly inadequate. At the time the program was first announced in 1935 there were 12,000,000 *employable* workers out of a job, and almost 7,000,000 households on the relief rolls. Thus the effect of the new program was to formally disavow Federal responsibility for the great majority of the unemployed, and to throw these millions back onto the streets and communities for support. Up to 1935, three-fourths of the nation's relief bill had been paid by the Federal Treasury, through F.E.R.A.'s grants-in-aid to the states. From now on, the unemployed were divided into a minority on W.P.A. and a great majority, getting on the average about \$25 a month per family to live on as against the \$50 average W.P.A. pay. From now on, W.P.A. came to be regarded as simply a big employer, like the U. S. Steel Corp., which hired and fired workers as the fluctuations of business conditions—in this case, the political interests of the New Deal—dictated. From now on, the communities struggled to keep the bulk of the unemployed alive, and since their financial resources were inadequate, the result was a nation-wide drop in relief standards and a return in large areas to the misery and chaos of Hooverian days.

There were also several minor jokers in the new program, whose rich humor the unemployed slowly came to appreciate.

1. One of the scandals of Hooverism had been its refusal of all help to the masses of men and boys whom the depression set wandering about the country, looking for

work. The New Deal at once accepted responsibility for transient relief—obviously a job that could be done only by the Federal government—and put into effect an intelligent and humane program. This was now tossed out the window. “In September, 1935, the order was issued to the states to close intake at the transient treatment centers and camps and to liquidate the entire program as of November first. The transient, unsettled person was to become the ‘forgotten man’ of the New Deal, as he had been of the old. . . . The stream of transient flow was driven underground. We had returned to the chaos of March, 1933.”<sup>15</sup> The sufferings of the people described in Steinbeck’s *The Grapes of Wrath* are a dramatic illustration of what has happened to the transients.

2. There was no provision for increasing W.P.A. pay to provide for big families—though it was supposed to be a “security wage”. It was calculated that workers with more than three dependents were better off under home relief, which allowed extra money for more children, than under W.P.A. There were many cases of real suffering in large families whose head had been forced to take a W.P.A. job, under pain of losing relief altogether. “The transfer from work relief to W.P.A.,” writes a social worker, “means the complete abandonment of the family wage on relief operations, which was one of the most enlightened procedures developed under F.E.R.A.”<sup>16</sup> It is an indication of the remoteness of the W.P.A. administration from the living needs of the unemployed that this injustice, neither difficult nor expensive to rectify, has remained unchanged down to the present.

3. The best joke of all, however, one so good the President repeated it this spring, was what W.P.A. did—or rather, attempted to do—about wage rates. This deserves a section to itself.

### **The 1935 Strike**

The first event in the life of the newborn W.P.A. was a strike which offers some instructive parallels and contrasts to the 1939 W.P.A. strike. C.W.A. had given full-time work at prevailing wage rates. Its successor, the Emergency Work Relief program of F.E.R.A., had kept the prevailing wage principle, but had cut down the hours of the highly paid workers so that they were able to earn only a “security wage”. That is to say, skilled workers were paid at union rates, but were given only a third or a half as many hours work per month as the unskilled workers. Business had long been pressing for the abandonment of the prevailing wage principle on relief jobs.

In his W.P.A. message, the President said: “Compensation . . . should be in the form of security payments which should be larger than the amount now received as a relief dole but at the same time not so large as to encourage the rejection of opportunities for private employment.” The unions tried to get Congress to attach to the W.P.A. bill the McCarran amendment, stipulating that prevailing wages were to be paid. The New Deal forces killed this amendment, but permitted a “compromise”: the whole question of wage rates was to be left up to the President.

Just what this compromise was worth and just how loyal a friend of labor was the great humanitarian in the White House—these matters became clear as the W.P.A. program was launched that summer. From the White

House came the categorical order: security wages, without reference to prevailing rates of pay, were to be paid on all W.P.A. projects. In New York City, where the first attempt was made to get W.P.A. into operation, this meant that the wages of common labor rose from \$50 to \$55 a month, while hours of work rose from 96 to 120 a month. Skilled workers were even worse off: their wages rose 50% (from \$61 to \$93.50), their hours increased 130% (from 48 to 120).

The first Emergency Work Relief projects were transferred to W.P.A. in New York City on August 5, 1935. Before their unions had taken formal action, bricklayers, ironworkers, plasterers, plumbers, and other skilled workers began walking out on the job. General Hugh Johnson, W.P.A. administrator for New York, flew down to Atlantic City to plead with the A.F.L. leadership to call off the strike. (It is interesting to note how much more seriously the New Deal took this strike than the 1939 strike: Johnson appealed frantically to the leaders and the rank and file, in person and on the radio; whereas his successor, Colonel Somervell, didn’t trouble to make more than routine press releases throughout the strike.) The strike continued to grow. On August 9, the Central Trades and Labor Council, after a formal strike vote, made it official.

The backbone of resistance to the strike was clearly located in the White House. Johnson was known to have been against the new wage policy. “Labor doesn’t like it and I don’t like it,” he said, adding correctly: “It’s going to give me a lot of headaches.”<sup>17</sup> He was badly heckled by the Trades Council when he appeared before it with a last-minute plea not to vote the strike. “The union delegates challenged his statements, his logic and arguments. They cited things he had said while N.R.A. administrator in support of the prevailing wage rate, and asked why he had changed his mind.”<sup>18</sup> Since he hadn’t changed his mind, the General found such questions hard to answer. Mayor LaGuardia, also, was in an obviously uncomfortable position. “I can’t see how there should be a strike on relief jobs,” he said on August 7. “But after all, we’re living in a free country. You can’t make any one work if he doesn’t want to work.”<sup>19</sup> But there was never any question as to the attitude of the President. On August 10 he came out publicly against the strike, with the usual You-Can’t-Strike-Against-the-Government line. He took swift steps to implement his words: W.P.A. administrators were authorized to recruit scabs through the National Re-Employment Service; and an executive order forbade the use of Federal funds for home relief to W.P.A. strikers.<sup>20</sup> Since from half to three-quarters of every community’s relief funds came from F.E.R.A., and since no separate accounting was practical, this meant that it was almost impossible to pay relief to strikers. Even so, it was not until August 15, after two weeks of evasion and indecision, that LaGuardia dared to announce that strikers would not receive city relief. (In 1939, he made this announcement on the first day of the strike.)

The course of the strike was a curious one. On August 13 the papers jubilantly announced its complete collapse. “Among the membership of the striking unions,” commented the *N. Y. Times*, “the ‘work-or-starve’ order of President Roosevelt was described as having broken the

strike spirit before it spread widely." For a month, the strike dropped almost completely out of the press. In spite of the efforts of the then militant Workers Alliance to arouse the unskilled workers, the strike never approached a mass movement. The unions stuck to it persistently, however, and on September 18, Johnson, admitting he had not been able to get the program up to capacity, hinted at a concession on the wage principle. The Administration had not even tried to launch W.P.A. projects on any large scale in the rest of the country. Two days later, Hopkins, after negotiations with President Meany of the New York Federation of Labor, authorized state administrators to adjust wages—by cutting hours per month—as seemed best to them. If this was not, as the *N. Y. Times* labelled it in an indignant editorial, "a complete capitulation to the demands of union leaders", it meant at least that the *status quo* as of before W.P.A. had been restored. W.P.A., like F.E.R.A., would pay union wages wherever the unions were strong.

In 1936 the A.F.L. was able to get Congress to write into the W.P.A. bill a definite commitment to the prevailing wage principle. Labor's friend in the White House, however, bided his time patiently. This spring the President took advantage of the reactionary temper of Congress to have his man, Colonel Harrington, urge the Woodrum Committee that prevailing wages be junked. It is still too early to say definitely whether the Administration has finally won its long fight. It has on its side this time two great advantages: the more reactionary political climate in 1939 than in 1935; and the fact that it is much harder to strike successfully against a law passed by Congress than against a mere administrative ruling, such as was overturned by the 1935 strike.

### Back to Hooverville

Delayed by the strike, the W.P.A. program went ahead slowly. It was not until the end of 1935 that the last of the F.E.R.A. grants were made, and the Federal government was out of "this business of relief". In the process of shifting from F.E.R.A. to W.P.A., the New Deal did some characteristic chiselling at the expense of the unemployed, by dismantling the old program faster than the new one was built up. "The fine social consciousness which characterized the early days of the New Deal," lamented the *Nation* in its most pathetic style, "appears to have faded."<sup>21</sup> The "fading" brought a more vigorous reaction from the unemployed of Kansas City, who stormed the Wyandotte County court house in August to protest a cut of *two-thirds* in relief rates. "The protest," stated the *N. Y. Times*, "followed a curtailment in relief funds made necessary by a cut in Federal work relief funds for the county from \$225,000 to \$80,000 a month, *pending start of the W.P.A. program.*" (Italics mine.)

The chief effect of the withdrawal of F.E.R.A. funds—and this was permanent and not temporary—was a return to the chaos, the glaring inequities, and the subhuman relief standards of Hooverian times. The effect on the unemployed, in some ways, was even worse, since a full six years of depression by now had drained dry their last financial resources. But even here the New Deal tried to coin some political capital, by contrasting the declining local relief standards with the relatively high wages paid

on W.P.A.! Thus Aubrey Williams, the man whom the sob-sisters of the liberal press talk about in Lincolnesque terms, said proudly: "By September of this year, the average relief payment had already receded to \$25.90 and in some states had sunk to \$4.50 a month. Under the work program, on the other hand, the wage payment approximates \$50 a month. Thus we have achieved through a work program what two and a half years of a relief program could not accomplish."<sup>22</sup> And this was the spokesman for the extreme left wing of the New Deal relief apparatus!

At the end of the year, the American Association of Social Workers conducted, through its chapters throughout the nation, a survey of relief conditions. It reported that the new relief set-up had resulted in "low-grade pauper treatment over wide areas". Conditions among the millions who couldn't get onto W.P.A. were worse than they had been at any time since the beginning of the New Deal, and were actually worse than they had been in the last months of the Hoover administration.<sup>23</sup> Another report pointed out that W.P.A. had fallen short by 500,000 of the 3,500,000 jobs promised a year ago by the President.<sup>24</sup>

### The Purges Begin

The White House answered these criticisms by suggesting to the new Congress that in the fiscal year 1936-1937 W.P.A. could get along on an appropriation of \$1,500,000,000, which was \$500,000,000 less than would have been needed even to continue it on the low level it reached in 1935. In the first six months of 1936, one out of every five W.P.A. workers was cut off the rolls. This was the first of those recurrent mass purges which have been the most prominent feature of W.P.A. policy. To quote an article in the *Saturday Evening Post*, of all places: "The purges are purely arbitrary. Mr. Hopkins orders one when he has an idea the job market will stand it, and if Mr. Hopkins' idea should ever be wrong, God alone would have to help the relievers cut off the rolls."<sup>25</sup>

Another purge took place in the fall. "Mr. Roosevelt is personally responsible for the present attempt to cut 150,000 workers off from the W.P.A. rolls," wrote the *New Republic's* Washington correspondent. "All sources agree that, during the campaign, he became greatly disturbed over W.P.A. spending. As soon as the votes of the W.P.A. voters were safely counted, he is supposed to have given the order for dismissals."<sup>26</sup> In his Baltimore speech of April 29, 1936, the President had for the first time publicly admitted that unemployment looked like a permanent problem. And yet his first post-election speech was an appeal for contributions to the Community Chest drive, expressing the hope that, as prosperity returned, relief would become once more a matter for local charity. The parallel with Hoover was becoming embarrassing.

On November 16, Farley indiscreetly revealed what was in the back of "The Boss's" mind when he told reporters that W.P.A. was to be liquidated and relief shifted back entirely to the states and communities. By December the W.P.A. rolls had been so deeply cut, with such an alarming rise in local relief rolls as a consequence, that the Conference of American Mayors cabled a desperate appeal to the President, off on a "goodwill" junket tour of South America.<sup>27</sup> Unless the firings were stopped, they threatened to

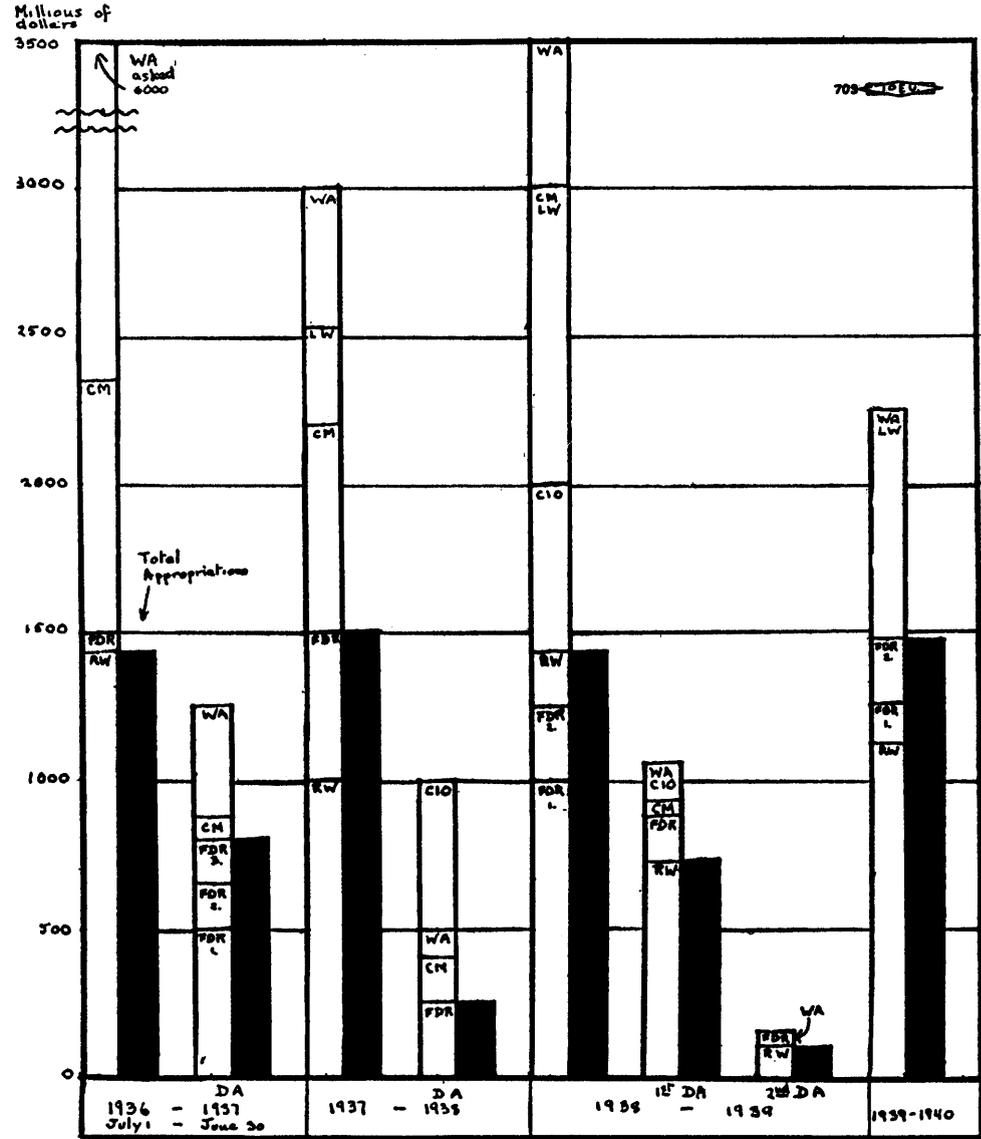
The usual apology offered for the New Deal's relief record is that President Roosevelt has *wanted* more adequate relief, but that a reactionary Congress has refused to vote him the funds. But how much of a fight has the New Deal actually put up for more generous W.P.A. appropriations? Here is the damning record, in black and white.

The white columns represent the various W.P.A. appropriations publicly *asked for* by the reactionary right-wing in Congress (RW), by President Roosevelt (FDR), by Left-Wing New Dealers in Congress (LW), by the Conference of American Mayors, headed by Mayor LaGuardia of New York City (CM), by the Congress of Industrial Organizations (CIO), and by the Workers Alliance (WA). The all-black columns show the amounts actually voted by Congress in each instance. It is apparent at a glance that President Roosevelt has generally asked for W.P.A. appropriations only a little higher than the Congressional reactionaries, and considerably below the amounts proposed by even so politically moderate a group as the Conference of Mayors. And in some cases, Roosevelt has actually asked for *less* than the Congressional right-wing proposed! There are also instances of Roosevelt being forced to revise his original proposals upward—indicated by the figures "1" (for his first proposal), "2", etc. The chart also shows plainly how much more "reasonable" the demands of the Workers Alliance have become in the last year.

The abbreviation, "D.A." means "Deficiency Appropriation" — i. e., additional amounts voted by Congress during the fiscal year to supplement the amount originally voted at the beginning of the year. It should be noted that the *original* appropriation for the last fiscal year (1938-1939) was about the same as the original appropriation for the current fiscal year. *But* this original sum last year was voted for only the first eight months of the year, and it was expected—as was the case—that further deficiency appropriations would be voted in the course of the year. This year, however, the original

Chart II:

How Much Has Roosevelt Asked for Relief? A 4-Year Record



Sources: for amounts asked for relief by various groups, *N. Y. Times*; for amounts actually appropriated by Congress, the annual Budget of the U. S. Government.

sum voted is expressly stipulated to be spent in twelve equal monthly instalments over the entire year. Thus it is unlikely that any additional deficiency appropriations will be voted this winter.

appeal directly to Congress. But the firings went on.

**What Happens Afterward**

This is a good place for a few words on just what happens to those who are dropped from W.P.A. in these purges, the greatest of which is taking place at this very moment. In asking for a smaller W.P.A. appropriation in 1936, the President used for the first time his by now routine excuse: business is improving, and so those purged will get jobs in private industry. Year after year, this argument has been advanced by the White House. Year after year, it has turned out to be, to put it politely, fallacious. There may be some dispute as to the precise nature of the technological and economic reasons for this—next month we will examine them. But there is little question as to what becomes of those cut off the rolls. A little of the evidence may be cited.

1936: A W.P.A. survey of sample cases "closed for administra-

tive reasons" found that less than 10% of the families averaged three meals a day. Most of them had "somewhat less than two meals a day", many had only one. "Fresh meat, eggs, butter, cheese and milk had practically disappeared from their diets. . . . Most of them were destitute, lacking practically everything required for health and social efficiency. Some lived on food given by friends. Others begged scraps from stores."<sup>28</sup>

1937: That summer, before the fall slump, 335,000 workers were purged from W.P.A. In New York City 23,700 out of 25,000 purgees applied at once for home relief, and 14,600 were at once placed on the rolls. In Illinois the state relief commission reported an increase of 12,213 cases whereas the normal seasonal trend called for a decline of up to 14,000 cases. In Indianapolis 60% of those laid off applied at once for home relief, in Cleveland and Columbus 75%. A survey made by the *N. Y. Post* after this purge showed that 1.5% of those dropped had gotten full-time jobs, 10% had part-time jobs, 54% were on home relief, and the rest existing God knows how.<sup>29</sup>

1938: In the fall of 1938, after another purge, the W.P.A. made a study of what had become of those dismissed in five representa-

tive cities: Atlanta, Baltimore, St. Louis, New Bedford and San Francisco. The *New Republic* summarized the findings:

"The average W.P.A. wage over the whole country is \$55 a month, which gives no leeway for savings. Thirty days after being dismissed, one-fifth have no income whatever. A fifth are living on friends and relatives, and another fifth are dependent mainly on direct relief. Two-fifths are earning on the average \$25 per month from work in private industry, almost entirely, of course, part-time and odd jobs. Three months later the proportion on direct relief has risen to about one-half, and the proportion that has applied is much larger.

"In many parts of the country, direct relief is not available at all. Numerous states refuse relief to any one who is 'employable', whether he can get a job or not. A former W.P.A. worker is considered an employable. But even those places which help a dismissed W.P.A. man have only limited funds. When many are discharged at once—and W.P.A. dismissals are nearly always on that scale—funds run out and a crisis occurs. Then you have conditions like those seen in Chicago recently, where nobody got more than 15 per cent of what he needed for clothing, shelter, medicine, etc."<sup>30</sup>

### "Homes Without Food"

Early in 1937, as the business index continued to rise, the President had Harry Hopkins announce a further cut of 600,000 by the end of June. This time protests came not only from the Workers Alliance and the Mayors' Conference, but also from a hastily formed committee of the governors of New York, Massachusetts, Pennsylvania, Michigan, Illinois, and Wisconsin, who journeyed in a body to the White House to urge that no further cuts be made. The President told them he would give "serious and sympathetic" consideration to their plea.

This last proposal of the great humanitarian in the White House was too much even for the faithful Harry Hopkins to stomach. He obediently announced that 600,000 were to be dropped, but he also testified frankly before a Congressional committee that it would be impossible to cut that many without causing "widespread suffering". He also made a prophecy which the business boomlet of that very summer was to verify down to the last iota: "Carefully prepared estimates show that unemployment will approximate 6,500,000 to 7,500,000 in 1937, even with a return to 1929 levels of production. This figure can be taken as a minimum."<sup>31</sup>

Despite all protests from mayors, governors and his own W.P.A. administrator, the President insisted on carrying out the cut, as may be seen by reference to Chart II. In the spring of 1937, Grace Abbott devoted the presidential address at the National Conference of Social Work to a bitter attack on New Deal relief policy. "The Federal government's withdrawal from the home assistance program led to the chaos in which we now find ourselves. The whole relief program has collapsed in many areas." Indignantly she described "the homes without food and without fuel in bitter weather, the children too hungry to go to school, whole families without warm clothing and bedding, the people without provision for medical care, and the evictions that have gone on so relentlessly". She charged there were "people actually living on nothing but surplus commodities in whole areas."<sup>32</sup> (On this last, see under "Orange Stamps, Blue Stamps" on page 282.)

### The 1937 Slump

Such protests fell on ears even deaf as usual. Business was still on the upgrade, the 1936-1937 boomlet was

approaching its climax, and the White House was making political hay while the sun shone by drastically cutting down on all Government expenditures, especially W.P.A. By the fall of 1937, W.P.A. had been reduced to its all-time low. That fall, business started on a nose dive, caused chiefly by the withdrawal of public spending, which for speed and steepness of decline was unprecedented in our history. The downward curve of W.P.A. collided disastrously with a sharp upward curve of unemployment—see Chart I. Between September, 1937, and January, 1938, non-agricultural employment dropped from 35,000,000 to 32,200,000. The White House met the crisis in the best Hooverian tradition. For months the W.P.A. rolls were held down to the low figure they had reached just before the crash. The Federal Government, indeed, refused to recognize officially the existence of the decline, except vaguely as "a temporary recession". Two months after it began, the President, speaking on the radio for the annual Community Chest drive, declared that "the return of prosperity" meant that the Federal Government "will more and more narrow the circle of its relief activities". Once more he washed his hands of responsibility for the unemployed: "Although Federal relief activities will have to be curtailed, there must needs be no abatement of state, local and individual relief work. Indeed, local and private activities must be increased."<sup>33</sup>

By the end of the year, unemployment had grown so serious that the Administration was forced to increase the W.P.A. rolls to 1,950,000—this figure being 500,000 under the 1936-1937 average, although the need was at least twice as great this winter. On February 10, the President reluctantly asked for a \$250,000,000 deficiency appropriation. The C.I.O. had wanted \$1,000,000,000 appropriated, the Mayors' Conference, \$400,000,000. "On both sides of the Capitol, the President's letter was referred to as a 'conservative' request."<sup>34</sup> Between September, 1937, and May, 1938, 3,300,000 non-agricultural workers lost their jobs; W.P.A. rolls expanded in that period by only 1,300,000, and it took several months of deepening depression to get this modest expansion even started. What this meant in human terms was revealed by a nation-wide survey made by the American Association of Social Workers that winter:

Relief allowances, already below levels necessary to maintain life and health, have been further pared; relief has been made hard to get and difficult to endure. . . . Relief offices have been closed periodically; new applicants are being refused. . . . Family groups which include a so-called employable denied any relief in many sections. Malnutrition common among relief families throughout the country. Children kept from school because of lack of clothing. . . . Wholesale evictions. . . . In Chicago an analysis of the clothing needs of 100 men on relief showed 72 without overcoats, 7 without any kind of a jacket, 40 with bad shoes, and 10 without underwear of any kind."<sup>35</sup>

As it had year after year, the Association recommended that Federal funds be granted to the states for relief, and, also as he had year after year, the President paid no attention to this recommendation.

### Business Improves—Off with Their Heads!

The preceding fall, before the "recession" had gone very far, the President was reported to have decided to ask for a total W.P.A. appropriation of \$1,000,000,000 for 1938-

1939. But by the spring of 1938 even the White House didn't dare to oppose the demand from all quarters for a bigger W.P.A. appropriation. There was a slight improvement in business that summer and fall. At once, the old policy of drastic reduction of W.P.A. was put into force. According to one survey: "From November, 1938, to January, 1939, W.P.A. wages declined sharply—by nearly 10% in two months—while general relief rose even more sharply—by 19%. Between November and January, 310,

000 persons throughout the United States had resigned or were laid off from W.P.A. jobs and were not replaced; during that same period the general relief rolls had increased by more than 241,000 cases. In January, 1939, although the total expenditure for relief was less than in November, 1938—because of shrinkage of W.P.A. expenditures—there were still nearly 23,000,000 persons on relief in more than 7,000,000 families."<sup>36</sup>

### SECTION III: RELIEF IN 1939, THE YEAR OF TRANSITION

Thus the New Deal entered on 1939, its relief policy more definitely set than ever towards the weakening and eventual complete liquidation of W.P.A. But now the reactionary bloc in Congress took the ball out of the President's hands. There was no basic difference in policy: what the New Deal had been doing, gradually and in a left-handed way, the Congressional Tories, unhampered by the need for any idealist-reformist false front, now proposed to do openly and speedily. For a few months there was a remarkable sham battle, with the President making political capital out of a pretense of defending W.P.A. against the inhumane onslaughts of the Tories. But the New Deal generalship in Congress was, understandably, half-hearted, and the Tories inflicted some embarrassing defeats on the Administration. The President finally put an end to the comedy in his relief message of April 27, in which he openly joined the enemy, asking for a W.P.A. appropriation so low as to arouse no opposition even from the Republicans.

The comedy was good while it lasted. Every one from the Workers Alliance to the "Republicrats" played their parts to perfection. The following chronology will give some idea of its richness.

#### JANUARY

3. Senator Carter Glass strikes the keynote of Congressional action on relief: "Whatever is asked for relief will be three times too much."<sup>37</sup>

4. "The November plans of the White House advisers to shift W.P.A. funds and workers to munitions-making have been reluctantly given up as impracticable. However, they have not been wholly scrapped. . . . It is still hoped that the W.P.A. may be used."—T.R.B. in the *New Republic*, Jan. 4, 1939.

13. For the first time in the history of the New Deal, the House cuts a relief appropriation asked for by the President. To make up the deficiency in funds for the rest of the fiscal year (through June 30), the President asked \$875,000,000. This inadequate sum the House reduces to \$725,000,000, by a vote of 226 to 137. The session lasted eight hours, and the jokes bandied back and forth "filled the House with merriment in probably the most colorful sitting of that body in years". The "Republicrats" took over entire control of the session, shouting down all liberalizing amendments and writing into the act whatever struck their fancy. One successful amendment—thrown out of the final bill by the Senate—denied W.P.A. jobs "to any person who attempted to influence the political opinion of another". When the time came for a final vote on the measure as a whole, and the Speaker asked if any one wanted a separate roll-call on any amendment, not a voice was raised on the Democratic side of the House. "A gasp of astonishment went up from the crowded galleries." The New Deal had served notice it would not even go through the motions of fighting on the relief issue.

16. Ralph Hetzel, unemployment director of the C.I.O., springs into action with a call to all C.I.O. locals to—write letters to their Congressmen.

18. The Senate committee on appropriations considers the President's \$875,000,000 deficiency request. Borah makes a more militant appeal than the President or any New Deal leader has ventured: "I am for economy, but there are plenty of places to cut Federal appropriations without taking it out of the hides of poor, helpless people on relief. Many of them are now living like beasts, hundreds of thousands of them. . . . Here they are, proposing to drop 200,000 people in the dead of winter, and 200,000 more when the cold March winds are blowing. God knows what these people are going to do, unless they starve. . . . When the armaments bill comes along, there will be no close figuring."

David Lasser, president of the Workers Alliance, wants to know: "Is the majority of this Congress trying deliberately to provoke a situation of social disorder?" The possibility seems to worry him.

19. Colonel Harrington estimates the W.P.A. rolls will have to be cut one-third before July if the House's \$725,000,000 is permitted to stand.

The Social Security Board releases figures showing a 4% increase in relief cases between November and December, 1938.

A heavy snowstorm hits Washington. It is reported that many Congressmen are wavering in their feeling that relief should be cut.

20. Ralph Hetzel issues a bulletin: a "preliminary survey" by his staff shows that a majority of Senators favor the President's miserably inadequate W.P.A. figure to the House's wretchedly inadequate figure. This seems to Mr. Hetzel to be glad tidings. Nothing is said about the \$1,050,000,000 originally asked by the C.I.O.

21. The Senate appropriations committee votes, 17 to 7, for the House figure.

22. The Workers Alliance announces that over 500,000 members and sympathizers will parade throughout the nation next Saturday to protest against the Congressional cuts. (N. B. Parades fail to materialize, account of rain or something.)

23. David Lasser writes a letter to each and every Senator. Comrade Lasser is hurt because his testimony before a Senate committee last week was deleted from the printed record. "We regret. . . . It is our feeling. . . . If the committee had informed me that my statement was awkwardly put, I would have been glad to clarify it." (N.B. No one asks him to "clarify".)

26. Ralph Hetzel issues a clarion call for more postcards to Congress. Mr. Hetzel: "The tide seems to be turning."

27. The tide turns—backwards. The Senate votes, 47-46, for the House figure. The vote is apparently a terrible shock to Majority Leader Barkley, who had promised the President victory by at least five votes. Barkley had been so sure of winning that he had allowed Senator Thomas to use up all the New Deal's debating time with a speech on the silver issue. By now, such bungling—if bungling it was—in the handling of the New Deal's relief bills in Congress has come to be taken for granted. Relief somehow is not an issue that brings out the best efforts of New Deal parliamentarians. . . . The importance of the relief issue is shown by the fact that the Senate vote is the biggest to be turned out in the last three years. Every Senator either voted or was paired, except Senator Chavez, Dem., of New Mexico, who was detained at home defending a score of friends and relatives against Federal indictments charging misuse of W.P.A. funds.

The Hon. Mr. Chavez put himself on record, however, as favoring the House figure.

### FEBRUARY

7. President Roosevelt signs the \$725,000,000 deficiency appropriation bill. He asks Congress to appropriate \$150,000,000 more at once, as "a state of emergency" exists. He states, without bothering to mention it was his administrator who did it, that W.P.A. rolls have been reduced by 350,000 since last October by not filling vacancies, and that by now there is a big waiting list of certified relief cases desperately in need of W.P.A. jobs. But now it will be necessary to cut 1,000,000 off W.P.A. on April 1. The President announces that from now on, he himself will personally lead the fight for \$150,000,000 more.

15. Representative White, of Ohio, says that Congress made the W.P.A. cut as "an experiment".

### MARCH

6. Headline: ROOSEVELT FOR RESTORATION OF \$150,000,000 RELIEF FUND BUT AGAIN ASSURES BUSINESS. PROMISES NO NEW TAXES.

9. Colonel Harrington states that even if the President's \$150,000,000 is voted by April 1, it will still be necessary to drop 150,000 more W.P.A. workers. "This reduction, Colonel Harrington said, had been contemplated all along by the President and was intended by him when he originally asked Congress for \$875,000,000."

14. More than a month after he personally assumed leadership of the great battle for \$150,000,000 more funds, President Roosevelt gets around to writing a formal letter to Congress about it. It is significant that neither now nor at any time in the last few years of such fake struggles with Congress over W.P.A. appropriations has the President carried the fight to the people. Relief is too explosive an issue to be handled over the radio. The President prefers to rely on parliamentary maneuvers. Thus at this juncture, he "persuades" the mild New Dealer, Chairman Taylor of the House appropriations committee, to supersede the anti-New Deal Woodrum as head of the subcommittee on W.P.A. The persuasive instrument is a promise of a million dollar irrigation project for Taylor's home county. This Metternichean maneuver bears no visible fruit whatever, so far as the W.P.A. fund is concerned.

It is revealed that, pursuant to the first W.P.A. deficiency bill, 30,000 aliens have been dropped from W.P.A. In signing the bill, President Roosevelt made no objection to this provision.

David Lasser threatens that if the pink slips go out next week, "we will print 3,000,000 ballots for distribution among W.P.A. workers to determine whether they want to stage a protest march on Washington". (N.B. The ballots were printed, the vote was, according to the Workers Alliance's own figures, about 20 to 1 in favor of a march, but no march took place. Once more, parade called account of rain—or something.)

20. The Workers Alliance brings one hundred hand-picked delegates from the South to plead, in the Congressional corridors, with the Southern Democrats for more relief funds. Net result: a Workers Alliance lobbyist gets his face slapped by Congressman Cox of Georgia when he makes the social error of presenting to the Congressman a Negro constituent. (The more respectable the left becomes in matters like this, the more unrestrained is the violence of the right.)

27. Congressman Cox gets the House to approve, 352 to 27, his proposal for an investigation of the W.P.A.

30. "We have never sought by the Federal program to provide for all who are eligible for W.P.A. If the full amount of \$150,000,000 were appropriated there would still be approximately a million certified as eligible for W.P.A. who would have to rely upon their own resources or upon the care of the states and localities." This is an argument advanced *against* the \$150,000,000 figure, by Representative Woodrum of Virginia, veteran leader of the anti-relief forces in the House.

31. The House votes \$100,000,000 for relief, almost unanimously. This is the outcome of an extraordinary situation. The New Deal leaders in the House became convinced they could not carry the \$150,000,000 figure. Woodrum offers to "compromise"

on \$100,000,000. The New Dealers agree and withdraw from the fight, leaving the fight against those who would cut relief below even this figure in the hands of Woodrum. Thus, for one day at least, Franklin D. Roosevelt yields his sword and buckler as the peerless champion of the unemployed to the gentleman from Virginia.

### APRIL

11. The Senate considers the President's request for \$150,000,000 W.P.A. funds. Senator Barkley, majority leader, makes a remarkable speech refusing to fight for the White House figure, on the grounds that \$100,000,000 is all that can be gotten. "I am not going to kid the Senate, or kid the people of the United States by holding out the hope that they can get something they cannot get," declares this great liberal statesman. "So far as this amendment is concerned, I have not tried to exercise control over the vote of any Senator. I thought it unwise to precipitate this fight. . . . I have not hawked myself around and electioneered in the cloakrooms." Such a display of high-mindedness in a party floor leader, approaching the scrupulous detachment of a Gallup Poll investigator, is a worthy companion-piece to the behavior of the New Deal leadership in the House on this same matter. The Senate votes for Mr. Woodrum's \$100,000,000, just as Senator Barkley predicted would happen.

14. Colonel B. B. Somervell, W.P.A. administrator for New York City, proposes to his charges that they all work doubly hard, so as to complete all possible projects before the lay-offs begin. To stimulate their enthusiasm, he announces that the W.P.A. group which has done most work by the end of the month will receive—"special mention."

27. President Roosevelt sends to Congress his annual W.P.A. message. For the fiscal year beginning July 1, he suggests an appropriation of \$1,477,000,000, which will mean dropping 1,000,000 off the rolls. "The sum asked produced little unfavorable reaction in Congress."

### MAY

14. John L. Lewis, fearless leader of labor and militant champion of the masses, speaks out boldly, mincing no words, against the proposal to cut 1,000,000 off W.P.A., demands emphatically that at least 3,000,000 W.P.A. jobs be provided next year. For a man in high public position, however, Mr. Lewis seems strangely ill-informed. He apparently is unaware that the 1,000,000 cut was proposed by the President, since in his eloquent letter there is not a single reference either to the New Deal or Roosevelt. Furthermore, through some clerical error, the letter is addressed not to "Franklin D. Roosevelt, the White House", but to "Edward T. Taylor, chairman, House Appropriations Committee".

23. Colonel Harrington, W.P.A. chief, tells the Woodrum Committee that the Administration expects to be able to reduce W.P.A. rolls to 1,500,000 by July 1, 1941—a cut of just half.

### JUNE

12. The Woodrum Committee ponders next year's W.P.A. appropriation. "Even the more conservative members," reports the *N.Y. Times*, "were said to regard Mr. Roosevelt's request for \$1,470,000,000 as 'most reasonable'."

17. The House passes its W.P.A. bill for 1939-1940, an extremely reactionary measure, following almost completely the suggestions of the Woodrum Committee. The seriousness of the New Deal objections to this bill may be seen in the final vote on the measure: 373 to 21. "Confusion marked the later hours of debate. . . . Hoots, catcalls, and boos greeted speakers. . . . The session was held before packed galleries, enjoying the 'show'. . . . As the hour grew late, the members shouted down the reading clerk as he attempted to read amendments. And without hearing them—it was impossible in the press gallery directly above the reading clerk to distinguish the words—the House voted them down."

23. The *Civil Service Standard*, official organ of District I of State, County, and Municipal Workers of America (C.I.O.), runs an editorial on the W.P.A. situation: "The new Public Enemies can be routed! The civil service will rise to a man behind Roosevelt, LaGuardia, Lewis, Harrington, Somervell, and Hodson!" There is talk of the *Standard* being tinged with Stalinism.

29. The committees of the House and of the Senate wind up their long discussions of the W.P.A. bill, which must be passed by both houses before midnight, June 30, the end of the fiscal year. Throughout these discussions, it has been clear that the House is more reactionary than the Senate as to the new bill. The liberals and organized labor pin their hopes to the Senate—but they forget that the House is also much more determined. The final joint bill reported out by the committee is, in all important respects, the House's bill, that is to say, Representative Woodrum's bill.

30. On the last day of the fiscal year, the 1940 relief bill, which goes into effect tomorrow, passes both houses of Congress. In the House, Representative Woodrum has a field day. "Congress for the first time has vigorously moved into this picture and asserted its prerogatives," he quite correctly declares, and promises more such "assertions" in the future. The New Deal "opposition", half-hearted at best, by now is completely helpless and demoralized. After taking up almost all the debating time, Woodrum "yielded to several New Dealers, who were forced to be content with whatever words they could sandwich in between derisive shouts from the other members, who showed an unwillingness for any delay and for any defense of W.P.A. or its projects". The final vote is carried by "a shouting, cheering majority of 321 to 23". The minority was unable to force a roll-call. In the Senate, the bill was passed not only without a roll call but without even a record vote.

### The Roosevelt-Woodrum Act

Thus was passed by the representatives of the people—who took care not to put their votes on record—the act which laid the legal basis for Federal relief in the present fiscal year (July 1, 1939 to June 30, 1940). It is by far the most reactionary relief measure to be passed since the beginning of the New Deal. It makes basic changes in the whole W.P.A. set-up. The liberals, the Stalinists, and the C.I.O. leadership unanimously blame its drastic provisions on the Congressional Tories. Just what does the act provide? What is the effect of each provision? And who is responsible? Let us see.

1. *Provision:* This fiscal year's W.P.A. appropriation set at \$1,477,000,000. This sum, furthermore, is to be spent in twelve equal monthly instalments. (Hitherto, W.P.A. funds have been spent when and as determined by the administrator.)

*Effect:* W.P.A. rolls must average 2,000,000 this year, down 1,000,000 from last year. The equal-monthly-instalments provision is designed to make it harder to put through deficiency appropriations. In the past (see Chart II) the initial appropriation has usually been completely spent before the end of the fiscal year, and Congress has then had no choice but to vote more funds.

*Responsibility:* Credit for the equal-instalments provision goes to the Congressional "Republicrats". Credit for the cut in total funds belongs to President Roosevelt, who wrote in his relief message to Congress on April 27: "For the fiscal year 1940, I recommend, therefore, that the specific sum of \$1,477,000,000 be provided for the Works Progress Administration. . . . This represents a reduction of one-third below the amount provided in the current fiscal year and will permit the employment of slightly more than 2,000,000 persons during the twelve months beginning July 1, 1939."

2. *Provision:* All employees to work 130 hours a month, at no increase in wages.

*Effect:* Hitherto, W.P.A. workers have been paid a monthly "security wage"—which is not affected by this provision—and the hours of work required of them per month have been adjusted so as to make their *rate* of pay that prevailing in private employment. The new arrangement means that union wages are no longer paid on W.P.A., and is therefore a serious blow at the national wage structure, especially in the building trades.

*Responsibility:* Rests entirely with the White House. Roosevelt's W.P.A. administrator, Colonel Harrington, first advanced this suggestion in his testimony last spring before the Woodrum Com-

mittee. After a long description of the technical difficulties of administering W.P.A. with work-months of varying lengths and of the "inequities" the system inflicted on the unskilled workers—a smoke screen for the real object of the White House: to break the unions' power on W.P.A.—Colonel Harrington concluded: "It is my recommendation that persons employed on projects of W.P.A. be required to work 130 hours per month and that the earnings of such persons be on a monthly basis . . . and that substantially the present national labor costs be maintained."<sup>38</sup> In signing the final bill, President Roosevelt made no objection to this provision—although the Democratic platform in 1936, on which he was reelected, included a specific prevailing wage pledge. We have already seen how the White House tried to abolish prevailing wages on W.P.A. in 1935. And the current investigation by the Department of Justice into building-trade wages fits into the same general pattern. As the Washington columnists, Alsop and Kintner, recently put it: "The President was not sorry to see the prevailing wage struck out of the last bill. . . . He is well known to regard the unions as primary obstacles to recovery."<sup>39</sup>

3. *Provision:* All persons who have been on W.P.A. for more than 18 months must be cut off the rolls by September 1. After thirty days, they can get back on again if (1) they are re-certified as completely destitute by the local relief authorities, (2) there is room on the W.P.A. rolls, and (3) the local W.P.A. head wants to take them back on.

*Effect:* This will cause much suffering to hundreds of thousands of W.P.A. "veterans", who will be forced onto relief at half or less their W.P.A. earnings. It will also make it much more difficult to hold together W.P.A. unions, since the organized workers will be largely replaced by new people from the rolls.

*Responsibility:* Rests primarily with the Republicrats. But it is worth noting that this ingenious union-busting device was first publicly proposed by Colonel Brehon Somervell, who has been in charge of W.P.A. in New York City since 1936. The press in June, 1937, was full of discussion of "The Somervell Plan"—identical with the present one—for getting rid of what the Colonel called "W.P.A. career men".<sup>40</sup> It is also worth noting that Colonel Somervell was not rebuked publicly by his superiors, nor did the President object to this provision in signing the bill.

4. *Provision:* Wage differentials between various parts of the country to be abolished, except insofar as they reflect differences in living costs.

*Effect:* Hitherto, wages have varied widely in different regions. Unskilled workers in the South, for instance, have been getting \$26 a month, in the big cities of the North, \$56. There is nothing like this much difference between Northern and Southern living costs. (A recent Bureau of Labor Statistics study put it at less than 3%.) There is, however, a great difference in living standards. The new provision aims to eliminate this difference. This is being done chiefly by raising W.P.A. wages in the South. In New York City, for example, unskilled W.P.A. workers have had their monthly pay cut \$8 (from \$60.50 to \$52). In Southern cities W.P.A. unskilled rates have gone up about \$15 a month.<sup>41</sup>

*Responsibility:* The Southern Democrats put this one across. Their aim was partly to force a further series of wage cuts, but chiefly to get more W.P.A. money for the South, whose share has always been low. (According to figures presented by Senator Byrnes of North Carolina: in 1936-1938, the thirteen Southern states, with a total population of 33,800,000, got only \$609,400,000 W.P.A. funds between them, while New York State alone (Pop.: 12,600,000) got \$737,200,000, or about three times as much per capita.) But there is likely to be one unexpected kick-back to this provision: even a small rise in W.P.A. wages in the South will bring them above the coolie level of private-employment wages down there, and thus tend to force up the whole Southern wage level. This is, of course, the last thing the Southern Democrats would want to happen.

5. *Provision:* Administrative costs may not exceed 4% of total expenditures.

*Effect:* Ostensibly a way of insuring that the maximum of funds spent go for relief, this provision is actually a cunning way

of wrecking the whole program. It will reduce administrative outlays below the level of efficiency, will make it impossible to plan out projects with enough care, and so will lower the quality of work done. Thus public opinion will be prepared to favor complete liquidation of W.P.A.

*Responsibility:* Rests entirely with Congress.

6. Finally, there are a number of less important provisions, originated by Congress but not opposed very strongly by the Administration. All aliens are to be dropped from the rolls. At least twice a year, the financial status of every W.P.A. worker must be investigated—at a cost of between \$5 and \$10 a head! In future, no project is to cost over \$52,000 for materials—a limitation designed to restrict W.P.A. to the kind of “boondoggling” projects most vulnerable to political attack. The Federal Theatre Project is abolished outright, and the art, music, writers, and research

projects have been greatly restricted. The Administration put up a comparatively strong fight against this last change.

7. One minor provision deserves a paragraph to itself. One, at least, of the W.P.A. millions got a raise in pay, namely, Colonel Harrington, whose salary was raised from \$7,200 to \$10,000. It seems the Colonel completely charmed the Woodrum Committee, and its chairman in particular. When the House discussed a proposal to replace the Colonel with a bi-partisan board—“Colonel Harrington’s chief supporter turned out to be Mr. Woodrum himself, who in appreciation of Colonel Harrington’s precise and dignified testimony, publicly urged that he be made one of the proposed three-man W.P.A. administrative board”.<sup>42</sup> When it came to signing the bill, the President showed that he agreed with Mr. Woodrum that the Colonel should have his pay raised, just as Mr. Woodrum agreed with *him* that the other W.P.A.-ers should have their pay cut.

## SECTION IV: THE FUTURE OF RELIEF UNDER THE NEW DEAL

This is the transition year in New Deal relief policy, but transition to what? The future depends on too many outside factors—notably the possibility of a European war, which may already be an actuality by the time this appears in print—for any very definite predictions. But there are two main tendencies in the Administration’s relief policies of late years which seem to point towards the kind of relief most likely to develop in the future. Let us conclude with some consideration of what each of these means to the unemployed masses.

### **Orange Stamps, Blue Stamps**

For some months now the New Deal has been experimenting with a new way of distributing surplus farm produce to the unemployed. There is nothing new in the basic idea. Even Hoover’s Federal Farm Board used to hand over large quantities of surplus wheat and cotton to the Red Cross for free distribution among the unemployed. And after the disastrous political kickback from the original A.A.A. policy of ploughing under cotton and destroying hogs—an error which to this day provides excellent ammunition to the New Deal’s opponents—the Administration turned to the same method to disembarass itself of some of the huge stocks of farm products it bought to keep up farm prices. For years now the Federal Surplus Commodities Corporation has been shipping carloads of free food to local relief authorities. Last year it gave away \$62,000,000 worth. This was a mere drop in the bottomless bucket of New Deal farm subsidies. It was of peculiar importance, however, in the general relief picture.

When the Federal government in 1935 threw back onto the states the burden of supporting most of the unemployed, every one knew that in large areas neither the resources nor the willingness existed to do much supporting. It was politically impossible, however, for the New Deal to allow any large number of citizens to starve to death—to starve suddenly, that is, gradual starvation being another matter and politically quite permissible. Here is where the F.S.C.C. came in. Its food has always been distributed with the formal stipulation that it is to be used to supplement relief and not in place of relief. The stipulation was purely formal, however, and there are no recorded instances of G-men being sent to track down violations. In many rural areas, especially in the South and Southwest, surplus commodities have been the principal staff of life of the unemployed population. It is an unsteady staff to lean on:

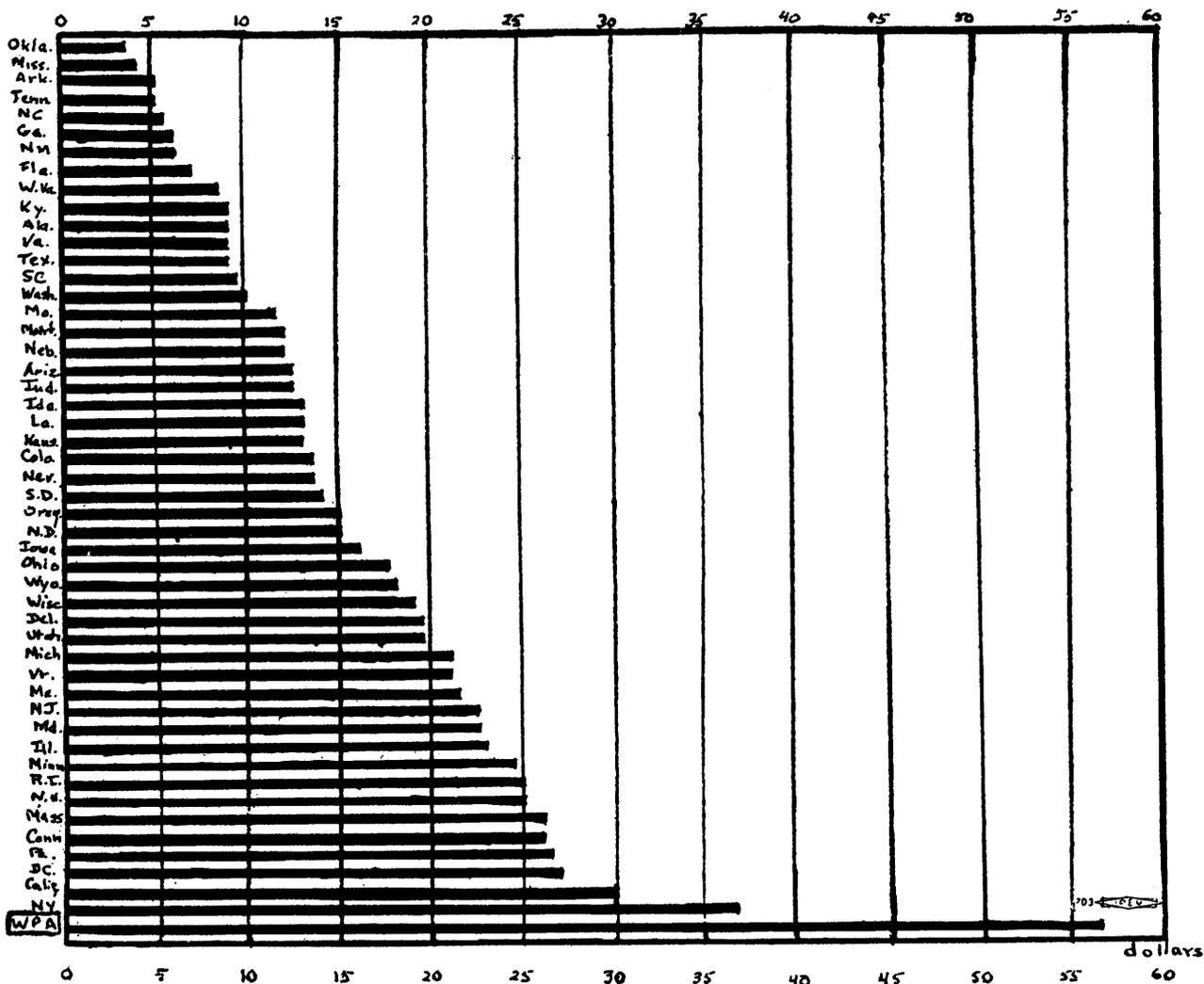
one week it may be cabbages, prunes and celery, the next butter and grapefruit, and the third navy beans, radishes, and eggs. But it explains how unemployed families in Oklahoma can live on \$4 a month—the rest of the explanation being they don’t eat much.

In the past, the F.S.C.C. simply bought the produce in the wholesale market and shipped it to the relief authorities for distribution. The new plan is much more ingenious. Relief families are sold orange stamps, good at their grocer’s for any kind of foodstuffs, but only for food. The inducement to buy is that with every \$1 of orange stamps, they get, *free*, 50 cents worth of blue stamps. These latter are good only for whatever farm commodities the F.S.C.C. declares to be “surplus” that week. The local relief authorities then pay the grocer cash for his orange stamps and the F.S.C.C. pays him cash for his blue stamps. Thus surplus commodities, instead of being shortcircuited from wholesaler to the consumer, go through all the regular channels of trade, with each middleman and retailer making his profit in the process. It means that the food trade as well as the farmer now gets a Federal subsidy.

The parentage of this ingenious plan can be traced to a meeting of wholesalers and retailers held in Chicago early in 1939. The assembled merchants adopted the plan with enthusiasm and arranged to press it in Washington.<sup>43</sup> In March, it was formally announced by Milo Perkins, the aggressive and high-powered young head of the F.S.C.C., at a meeting in Washington of the National Food and Grocery Conference Committee. According to *Business Week*, Mr. Perkins, who used to be a manufacturer himself, made a “highly favorable impression” on the assembled grocers, who were delighted to find him “a practical business man who understands business problems”.<sup>44</sup> Secretary Wallace has also claimed paternity of the plan. The one thing certain is that no one connected with giving relief to the unemployed had very much to do with it.

The next step was to try out the plan on the dog—*i.e.*, the unemployed. Every one understood this might be a ticklish business. At the Washington conference, it was agreed that a careful preliminary sounding-out should be made of various communities, and that the plan would be experimentally launched only in those where the unemployed seemed to be receptive. On May 16, it was first tried out, in Rochester, N. Y. There was one significant change in plans. As originally worked out in Washington,

Chart III: Average Relief Given, Per Family, in the 48 States. Date: April, 1939.



Sources: W.P.A. average monthly wage from recent issues of *W.P.A. Statistical Bulletin* (payroll for month divided by number of persons on W.P.A. the last week of the month) and *U. S. Social Security Bulletin*; figures for state relief payments are from *Social Security Bulletin* for April, 1939, table 4, page 6. Figures are for state and local funds excluding cost of administration, materials, equipment, hospitalizations and burials.

Since 1935, the New Deal has been doing its best to shift the entire burden of relief back to the state and local governments, where it rested in the days of Hoover. This year, because of the one-third cut in W.P.A. put through at the suggestion of the White House, 1,000,000 more unemployed families will be thrown back onto local relief.

The responsibility for the increasingly low relief standards throughout the nation rests entirely with the New Deal. Early in 1937, after a nation-wide survey of relief conditions, the American Association of Social Workers reported: "There can be no doubt that since the Federal government withdrew its aid from the states for direct relief, welfare practices in many areas have deteriorated to pre-depression levels."

This chart shows the cold statistics just what this statement means. The bars indicate the total relief given in the month of April, 1939, to the average family on relief in each of the 48 states. (The numbers represent dollars-per-month.) The chart shows dramatically the enormous differences in local relief standards—New York being about eight times as high as Oklahoma—and also the subhuman level of this sort of relief in general. The bottom bar represents the average W.P.A. wage for that month. It was originally planned to show on this chart some "minimum emergency subsistence" budgets worked out by social agencies, but this proved to be impractical: the very lowest of such budgets, if represented on the same scale as the above payments, would have stretched the chart several inches beyond the edge of this page.

the plan was compulsory. Government experts were to determine "scientifically" just how much of a relief family's budget should be spent on food, taking into consideration, of course, geographical and other factors. This amount would be deducted from the family's relief check and given it in the form of orange stamps, good only for food. To this would be added the 50% "bonus" in blue stamps. By the time the Rochester test was made, however, the plan had been made voluntary. The unemployed were paid their usual cash relief, and could buy stamps or not as they chose. Even so, there was much nervousness as to just

how the plan would go over. A half dozen high New Deal officials travelled to Rochester to watch its first steps in life. The response from those on relief was reasonably favorable—the local grocers, of course, were more than pleased—and it was decided to try it next in Dayton, Ohio. Again, the original plan was to make it compulsory, so as to compare it with Rochester, but at the last moment the New Dealers again lost their nerve. The plan has to date been tried out successfully in four cities and seems to have a big future before it. This year the F.S.C. expects to spend as much as \$100,000,000 on it—almost double last

year's figure. Politically, the plan is a masterstroke. It gives the unemployed more to eat. And it subsidizes not only the farmers but also the wholesale and retail merchants. These latter, unaccustomed to Federal largesse, have been loud in their rejoicings. And the small business vote has never been spurned by American politicians.

### **Back to the Grocery Basket**

It seems ungrateful to look such a fine gift horse in the mouth, but there is a great deal more, for the unemployed, in the project than an addition to their diet. The compulsory feature, temporarily suspended, may easily be slipped back once the thing gets working smoothly. (Even now relief families must buy orange stamps to get the blue "bonus", thus submitting their buying to some degree of official regulation.) From stamps for food it is a short step to stamps for clothing, and for everything else it seems wise to permit the jobless to have, until their entire consumption is regulated by decree and they live a caste apart, cut off from the rest of capitalist society on a moneyless, subsistence level. Already it has been unofficially announced that the plan will be extended to cotton textiles, in order to get rid of between 600,000 and 700,000 bales from the huge cotton carry-over in the Government's warehouses. At the moment of writing, also, the plan is being extended in another and even more significant direction. In Pottawatomie County, Oklahoma, *non-relief* families with incomes of less than \$19.50 a week are to be allowed to buy the stamps. As Chart III shows, Oklahoma has the lowest standard of relief in the country. The stamp plan is here being used as a means of keeping families from demanding relief, in fact as a substitute for relief. Local officials who don't make use of it this way will be exceptionally high-minded indeed.

In the fall of 1933, the F.E.R.A. sent out a questionnaire to the states asking whether they paid relief in cash or in kind. Of the 31 states replying, 28 stated they paid no direct cash relief whatever.<sup>45</sup> One of the great struggles of F.E.R.A. in those early years of idealistic reformism was to get relief authorities to pay in cash and not in groceries. By 1935 the battle was largely won, and social workers praised the advance. But here, as in other matters, they have become increasingly alarmed at the turn things have lately taken. The brutal truth is that the mildest sort of reformist progress has by now become a luxury which the New Deal cannot politically afford. The ultimate effect of the food stamp plan promises to be to fasten on the unemployed once more the grocery-basket relief of Hooverian years. But the plan is the kind of recovery measure with relief trimmings that has always been the favorite approach of the Administration to the unemployment problem. And it is by its usefulness to farm prices and to the food trade rather than to the unemployed that it will be judged. In the frank words of a Washington news service for business men: "Idea of plan is primarily to help farmers dispose of crops, secondarily to feed the unemployed."

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But the stamp plan is not the chief future worry of the unemployed. Far more serious is the clearly expressed determination of the New Deal to throw the whole relief problem back into the laps of the states and communities whence it was plucked in 1933. Already, as we have seen,

great progress has been made in this direction. The 1939-1940 W.P.A. bill will add another 1,000,000 employables to the local relief rolls before the winter is out. This survey of New Deal relief policies—especially of their future trend—may therefore well conclude with an examination of two points. (1) What has happened, in the last few years to the increasing numbers of unemployed who have been recommitted to the care of local governments? (2) What are the main reasons why only the Federal Government can cope adequately with unemployment relief?

There is copious evidence as to the first question. A little of it is briefly reviewed below.

### **New Jersey, 1936**

The classic example of the effects of Federal withdrawal from relief activities is what happened in New Jersey in the summer of 1936. By the beginning of the year, all Federal relief funds had been withdrawn. The state legislature set up a state relief organization, which functioned for a few months. But in April the State senate refused to vote any funds and turned the state's 270,000 unemployed over entirely to the care of local governments. A month later, the *N. Y. Times* made a survey of the results. Its findings—which the *Times*, of course, found admirable—may be summarized:

*Trenton*: Rolls cut from 3,682 cases to 1,602, cost per month from \$102,000 to \$30,000. "Nearly all the people we had to drop took it philosophically," said the welfare supervisor.

*Camden*: 4,530 cases cut to 2,856. Relief director: "We're going after the chisellers."

*Atlantic City*: 3,105 cases cut to 1,700. Relief director: "We gave every case dropped a two weeks food order, telling them it was to be their last. Almost all of them took it for granted the city could not afford to support them. 'We'll try to get along somehow, at least through the summer,' they would say."

*Williamstown*: Relief per family \$1 to \$2 a week. Case of worker with silicosis, his wife and his two kids "living" on \$2 a week.

*Hoboken*: 2,000 cases cut to 90. City poormaster, Barck, 71 years old: "I'm in favor of giving the old American pioneer spirit a chance to assert itself." (In February, 1938, Barck met his death at the hands of Joseph Scutellaro, an unemployed mason, who plunged a letter-spike into Barck's heart when the poormaster refused relief and suggested Scutellaro's young wife could make money on the streets.)

The American Association of Social Workers also looked into New Jersey relief that summer and added a few touches to the picture: Many towns gave no relief to single men, none to families resident less than five years. . . . Food budgets were cut in half in most places, with no money for rent, clothing, medical care, gas and electricity. . . . Some towns solved the problem by issuing licenses to beg to all unemployed. . . . Others put them at forced labor, or turned them over to local sweatshops, at low wages. . . . Many "poormasters"—the term suggests the Elizabethan antiquity of the relief set-up here, as in many other states—fed their charges exclusively on surplus commodities distributed free by the F.S.C.C. Typical ration for two weeks for a family of three: one package peas, six cans beef, one jar jam, one package prunes, six cans evaporated milk, one package oatmeal. . . . The Association concluded: "New Jersey is experimenting with slow starvation for relief recipients."<sup>46</sup>

### **Pennsylvania, 1936**

For three months in the spring of 1936, the Pennsyl-

vania legislature was deadlocked on the question of relief. Early in July, in the midst of the deadlock, funds ran out completely. For nine days no relief was paid in the state. Another legislative tie-up at the end of the month cut off all relief for ten more days. The Philadelphia Non-partisan Committee on Relief investigated to see how the unemployed got through these periods. The *N. Y. Times* of August 2, 1936, reported:

The survey disclosed that 67% of those cut off from relief "eked out subsistence through peddling, begging or scavenging, or pawning articles of clothing and carefully husbanded possessions" and that 25.2% were "about equally divided between dependence upon already overburdened private agencies, relatives, friends and neighbors in only slightly more fortunate circumstances, and upon food orders distributed by the police stations". . . . About one-fourth of the families had some current income, averaging \$3.78 per week per family. . . . In three-fourths of the cases there was no such income. . . . "Many ate surplus Federal commodities, consisting of flour, beef and beans."

The committee announced that its conclusion was similar to that reached by the Community Council of Philadelphia which, after a like study in 1932 when 52,000 families were "off relief" for more than ten weeks, asserted that "people do not starve to death when relief stops. They just starve, with a margin by which life persists maintained by the pity of their neighbors and by a sort of scavenging on the community."

"Although relief has been resumed . . . families have mortgaged their future existence: scanty supplies of Winter clothing will have to be replaced; tools sold for food will have to be repurchased and debts will have to be repaid. . . . The effect on their mental state cannot be expressed in measurable terms."

### Chicago, 1938

In the spring of 1938, the legislatures of Ohio and of Illinois failed to vote relief funds. The basic cause was the same in both cases: the hostility of the dominant rural and small-town bloc to the increasing relief needs of the big cities. In Cleveland and Chicago, relief for a period of months broke down completely. A single news item will give some idea of just what this meant to the unemployed:

Chicago, May 21: The second largest city in this country, Chicago, has followed Cleveland, the sixth largest, into relief bankruptcy. . . . 93,000 families—270,000 persons—have been receiving direct relief in Chicago. 59,000 of those families, those whose names begin with the letters "A" through "NUT", received their May checks before the funds ran out. 34,000 families whose names fall between the letters "NUU" and "Z" can receive no aid until some action is taken by the legislature. . . . Meanwhile, relief stations are distributing small quantities of foodstuffs from the Federal Surplus Commodities Corp. . . . This is a typical hand-out for a relief family in Chicago today: 5 cents worth of dry beans, 29 cents of butter, 9 cents of cabbage, 6½ cents of celery, 5 cents of rice, and 9 cents of prunes—60½ cents worth. This, plus another 55 cents worth later in the month is to last an average family of three persons until June. . . . In Cleveland the situation is worse because it has been going on longer, since the end of April. . . . Governor Henry Horner of Illinois and Mayor Burton of Cleveland had made the identical statement: "No one will be allowed to starve."<sup>47</sup>

Note: On May 19, W.P.A. Administrator Harry Hopkins said: "No one is going to starve. The legislatures will take care of that." They did.

### Texas, 1939

The *New Republic* for March 22, 1939, printed a letter from a social worker in Texas:

Now they're talking about dropping the W.P.A. and substituting direct relief. That will mean a lot of starving people here in the South. . . . Texas gives no direct relief except old-age assistance (partly Federal funds). . . . I do not know of any county

that gives more than emergency aid to employment cases. This sort of aid may be about a dollar a month for staples such as sugar, salt, coffee. Surplus commodities are the only foodstuffs given. . . . The W.P.A. in Texas and in the South as a whole is the only source of aid for able-bodied workers. . . .

When I was in the Dallas district two weeks ago, a woman with children had killed herself because she was refused assignment to a sewing project. In the East Texas district over 24,000 families were awaiting assignment to the W.P.A. Last year in Washington County, Mississippi, the richest county in the state, the average monthly payment for old-age assistance was \$3.71. . . . The old-age clients in Greenville, the county seat, were sent to a soup kitchen supported by Sunday movie benefits. There they could get soup and bread twice a day and take some home for the other meal if they brought a bucket.

### Why the States Cannot Handle Relief

It is depressing that, at this late date, after all the experience piled up since 1929, it is still necessary to demonstrate the elementary fact that *only the Federal Government can give adequate relief to the unemployed*. The recent policy of the New Deal, however, makes it necessary to give, in the briefest outline, the reasons why the states and communities cannot, even if they would, cope with unemployment relief. There are roughly five major reasons: (1) The states lack the financial resources. (2) The smaller the political subdivision, the more likelihood relief funds will be used for political ends. (3) The smaller the subdivision, the more likelihood relief funds will be used for political ends. (3) The smaller the subdivision, the more incompetent the administration of relief. (4) State legislatures are even more responsive to anti-relief pressure from business and rural interests than is Congress and the Administration. (5) Above all, unemployment is a nationwide phenomenon, and relief can only be equitably and efficiently administered on a national scale.

(1) Three-quarters of all state and local revenues come from general property taxes, almost wholly on real-estate. Since this form of property has been especially hard hit by the depression, tax assessments have had to be cut down and tax delinquencies have been common. During the 1929-1935 decline, 3,000 local governments defaulted on their debts. Many more have undoubtedly joined them in bankruptcy since the 1937 slump. This means forced economies in all services—not only relief but also schools, police, even garbage collecting. (Chicago, which has been bankrupt for years, is the classic example.) The one big source of revenue still open to states and communities for raising relief funds is the general sales tax, already used for that purpose in New York City and many other places. This is the kind of tax, of course, that bears most heavily on the masses.<sup>48</sup>

(2) For all the reactionary cry of "politics in relief!", there has been remarkably little of it in either F.E.R.A., C.W.A. or W.P.A. It is the state, city, and county machines that make relief into a political football. The Earle administration in Pennsylvania, for example, used relief funds freely in the 1938 state elections. In Luzerne County, 12,000 road-making jobs were given out a few weeks before election day. An engineer later testified, in court, that 368 would have been an "adequate" working force.<sup>49</sup> After their votes had been registered, the unemployed, of course, were laid off wholesale. According to official state figures, 162,764 relief checks were issued on the weekly pay day

falling on November 4, 1938, and 51,887 on the next pay day, November 11. Election day was November 8.<sup>50</sup>

(3) The number and complexity of local government units often make it impossible to organize relief sensibly. Each one of the 1400 townships in Illinois runs its own relief system, completely independently of the other 1399.<sup>51</sup> Sometimes a relief family on one side of a street will get twice as much milk for its baby as a family across the way in another county. Local relief officials are generally political appointees. A survey made in 1934 of the 425 poor districts in Pennsylvania showed that not a single one of the 967 persons in charge of them had any training whatsoever in social work. One third of them were farmers.<sup>52</sup> "Persons recruited for the disbursing of relief in this period of purely local control," reads another report, "were as a rule not adequate for the job. In one county, an ex-deputy sheriff was named 'case supervisor' . . . because he was said to 'know every one in the county.' His method of checking up on applicants for relief was unique. He drove his car as far as the hard roads made going easy, then blew his horn. Every one came running."<sup>53</sup>

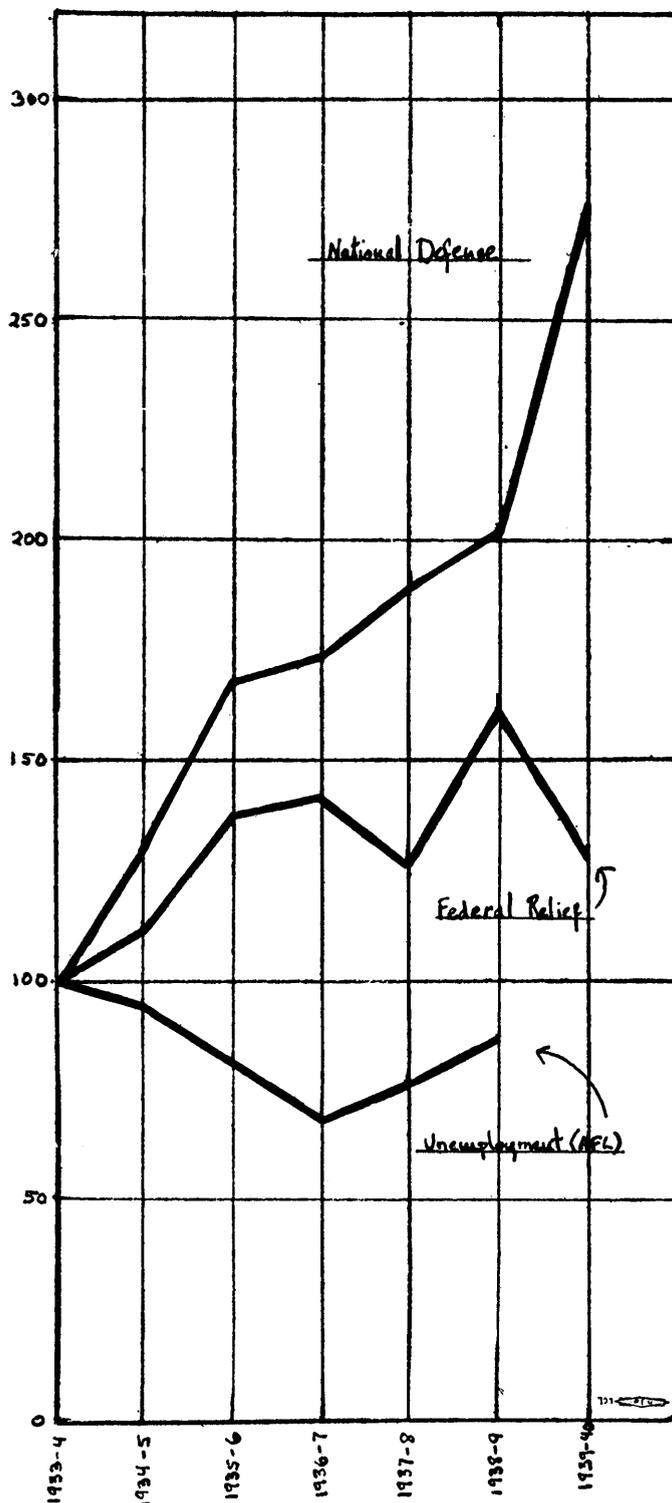
(4) State legislatures usually will put to shame the most reactionary Congress on the matter of relief. The rôle which the Southern Democrats play in Congress on the relief issue is played in these legislatures—and usually even more effectively—by representatives from the country districts. The rural population doesn't understand the need for relief. Mentally still living in the world of the unexhausted frontier, the farmers believe the unemployed don't work because they are shiftless, and so they strongly object to supporting the unemployed. In states like Texas and Oklahoma where the rural counties completely dominate, relief standards are unbelievably low. (See Chart III.) In the big cities, where social thought is more advanced and where the unemployed are more organized and articulate, relief standards are higher. In states like Ohio, Illinois, and Pennsylvania the unemployed often get the worst of both worlds: unemployment is a serious problem because of the many urban, industrialized areas, and yet relief funds are voted by a legislature often controlled by the farming districts. The result is such chronic collapses of relief as are described above.

(5) But these are all minor points compared to the fact that, in this period of monopoly capitalism, the American economy is integrated nationally, not locally. The economic forces that produce unemployment operate on a national scale. At the same time, there are the most tremendous variations between different communities as to both the amount of unemployment and the resources available for its relief. Unemployment varies widely at any given time between different industries. In September, 1937, for instance, 8% of the workers in manufacturing were idle, as against 24% in mining, 42% in construction, and 26% in fishing and forestry.<sup>54</sup> It is not surprising, therefore, to find wide variations also between different parts of the country. The 1937 unemployment census showed that unemployment was much more severe in New England, the Middle Atlantic states and the South than in the rest of the country.<sup>55</sup> The Middle Atlantic states have the wealth to cope with relief, but the South has not. In 1931 the national average of taxable wealth was \$1961 per capita. In ten Southern

states, it was less than 1,000. The taxable wealth in the richest state was about five times that in the poorest.<sup>56</sup>

In the light of such statistics, it is not surprising to find

Chart IV: New Deal Into War Deal



Sources: national defense expenditures are limited to specific army and navy expenditures, and are taken from annual Budgets of U. S. Govt., except for 1939-1940, which are appropriations voted to date as listed in *N. Y. Times*, August 6, 1939; relief figures are from U. S. budgets, *N. Y. Times*, and *Report on Progress of the W.P.A. Program* June 30, 1938.

This chart shows, in simplified form, the trend of relief as against naval and military expenditures of the New Deal from its birth up to the present. No commentary is necessary.

It should be explained that the fiscal year of 1933-1934 is taken as 100, and the trends of all three lines are shown in index numbers on that as a base.

that community A often has three times the relief load and half the resources to meet it with that community B has. As Chart III shows, this spring the average family in Oklahoma got \$4 in relief a month, while the average New York family got \$37. But the Oklahoma family was just as hungry as the New York family. Only a Federally financed and administered relief system will level out such inequities. The New Deal has gathered into the hands of the Federal government unprecedentedly wide powers to deal with interstate crime, to regulate various parts of the economic system, to control the radio, the courts, the whole fabric of social life. To this trend—an inevitable and long overdue development—there has been one great exception. The New Deal, as we have seen, for years has been shoving the relief problem ever more insistently back onto the states and communities. The more it is permitted to do so, the more desperate will become the plight of the unemployed.

Dwight MACDONALD  
(Charts by Nancy MACDONALD)

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