

Vol. XIV, No. 3-Whole No. 144

CHICAGO, MARCH, 1945

483

Price 5c a Copy

# In This World of Reality The World Labor Conference

#### By Christ Jelset

tors and commentators are giving utterance to their convictions that post-war world relations are matters of the greatest importance. They indorse world collaboration and organization. They praise official governmental attempts to formulate plans for post-war cooperation. They warn against mere formal paper agreements on generalities and insist that tangible cooperative efforts must be put into practice. In this flood of advice, mingled with hope for success and fear of failure, we run across a speech delivered by Archibald MacLeish, Assistant Secretary of State. The talk was given at Atlantic City, N. J., before the annual meeting ' of the Association of American Colleges and printed in "Vital Speeches" of February 1, 1945.

The new Assistant Secretary of State had held his job for 20 days, and said he was not speaking in his official capacity but as a poet, in which capacity he "had been trying to look at the world for thirty years."

Not that Mr. MacLeish had a workable solution to the post-war problems. His was no improvement on the average. The reason for singling him out from the rest is that he propounded a method of approach to the problem which, if followed out, would lead dangerously close, at least, to an investigation of the realities involved.

relation to this method of ap- south have been fully agreed and

Hundreds of American educa- created, that the people must prepare themselves to live, he thought.

> Sad to say, after having propounded such a real basis upon which to start his analysis of the problem, his poetic fancy took him away from facts and into a Utopia. He spoke of the measured language of the diplomats in which they attempt to formulate agreements and also of the unpolished expressions of the interested parties who felt that their particular interests were being violated. He spoke of the Nazi method of prohibiting all

> > (Continued on page 2)

On February 6 in London, 240 trade union delegates from 45 allied and neutral countries met in a World Trade Union Conference, representing approximately 50 million organized workers. The Russian delegation was the largest, representing 27 million trade unionists of the Soviet Union, the British with 7 million. the United States with 6 million CIO members, the Latin American (including Mexico) with 4 million, the Chinese with 600,-000. There were delegates from the British Dominions, Australia and India, as well as delegates from many European countries such as France, Sweden, Yugoslavia, etc.

The Soviet trade union delegation was headed by Vasili Kuznetsov, a steel worker who learned to speak English when he was a worker at Ford's in Detroit. George Izaacs headed the British trade unions and R. J. Thomas represented the CIO at the conference. Lombardo Toledano headed the Latin American Federation of Labor and Chu Hsueh-san the Chinese. Delegates, in fact, came from every quarter of the globe.

As the press reports emanating from the conference indicated, the main point on its agenda was the "war effort" and the conference unanimously declared in favor of "complete disarmament of Germany and severe punishment of war criminals." In fact, as soon as the decisions of the "Big Three' conference at Yalta, Crimea, were announced, these received unanimous approval by this World Trade Union Conference in London.

The opening session was smooth sailing, but the World Trade Union Conference almost went on the rocks on the second day. This happened when Sir Walter Citrine, president of the British Trade Union Congress, objected to delegates being seated from former "enemy" countries such as Italy, Rumania and Bulgaria. He made no objections to delegates from Finland; in fact, he favored them being seated.

Citrine also objected to a dele-

(Continued on page 2)

# International Notes

#### The Crimean Conference

On February 12 the news lanes of the world were busy transmitting the report of the eight-day Crimean Conference. Roosevelt, Churchill and Stalin along with their respective staffs had conferred at Yalta on the Black Sea and had reached certain decisions.

Much of the report, as could be expected, had to do with Nazi Germany. First with her military defeat: "The timing, scope and coordination of new and even more powerful blows to be launched by four armies and air forces into the heart of Germany His reference to poetry was in from the east, west, north and planned in detail." Then Germany was to be occupied. "Under the agreed plan, the forces of the three powers will each occupy a separate zone of Germany." France, also, would be invited to share in the occupation. A central control commission would have headquarters in Berlin. As to the plans for the future of Germany: "It is our inflexible purpose to destroy German militarism and Nazism. . . . We are determined to disarm and disband all German armed forces: break up for all time the German general staff . . . remove or destroy all German military

equipment; eliminate or control all German industry that could be used for military production; bring all war criminals to just and swift punishment, and exact reparation in kind for the destruction wrought by the Germans; wipe out the Nazi party, Nazi laws, organizations and institutions: remove all Nazi and militarist influences from public office and from the cultural and economic life of the German people . . . only when Nazism and militarism have been extirpated will there be hope for a decent life for Germans, and a place for them in the comity of nations." A reparations commission would be set up with headquarters in

proach. He said that poets had to see something in the things that usually are taken for granted and that people therefore do not see. "What we look at and take for granted we do not see," he said. "The world we must prepare ourselves to live in," he continued, "is a world of air transportation and electrical communication." He went on to state that "this world of fourhour Atlantic hops with all it implies is not a future world to be constructed or not constructed as we choose. It is a world which now exists in all its potentialities whether we wish it to or not." It is in this new world, already

Moscow.

Other meetings were arranged. A conference of the United Nations would be called to meet in San Francisco, April 25, 1945, for the purpose of preparing the charter of an international peace and security organization. It was agreed that meetings of the foreign secretaries of the Big Three should be held frequently, "probably about every three or four months." The next meeting was scheduled to meet in London. The Curzon Line, with slight modifications, was recognized as Poland's eastern boundary. Poland should receive accessions of (Continued on page 2)



IN THIS WORLD OF REALITY By Christ Jelset

> THE WORLD LABOR **CONFERENCE** By Al Wysocki

#### **INTERNATIONAL NOTES** By Oliver Ritchie

HOME SCENE By L. B.

PEACE PROSPECTUS (Editorial) By John Keracher

(Continued from page 1)

but officially approved comment

and said it was not workable in

a world of rapid communication.

His final solution was to proceed

with full faith in the democratic

method of allowing full and un-

hindered comment and expecting

the better method of agreement

and cooperation to prevail over

disagreement and rivalry. It is

not to be wondered at that the

poetic member of the State De-

partment was unable to follow

out his materialistic discovery.

Evidently he did what thousands

of others have done: he applied

an established conclusion to a set

of facts which he was willing to

speaker had looked a little closer

at the "real world" before he

started to draw his conclusion. In

this world of reality there is more

to be observed than a speedy

transportation and communica-

tion system. Before people can

travel to foreign lands on air-

planes or communicate to distant

shores over the radio they

must eat, have shelter and cloth-

ing and other means of providing

their everyday needs. All those

needed things do not just lay

around ready for consumption;

they must be produced and dis-

tributed. The methods whereby

people have produced and dis-

tributed the good things of life

have varied from time to time,

but it has always occupied a

great deal of their time and en-

ergy. It has, in fact, been the

basic factor in formulating man's

But let us suppose that the

admit was new.

#### IN THIS WORLD OF REALITY The World Labor Conference

(Continued from page 1) gate being seated representing the trade unions of Poland, which is now under the administration of the Warsaw-Lublin Provisional Government. The Soviet delegates pointed out that the trade union membership in liberated Poland had increased to one million members in the past five months and therefore should have representation in the London conference.

Sir Walter Citrine, however, contended that the Polish government is still an issue under consideration by the British government. Citrine's contention was subjected to much criticism by Toledano, the Mexican delegate, and by Tomasov, a Soviet delegate, and others. Particularly to the point were the criticisms of Louis Sallant of France, a leader of the liberation movement, who favored the inclusion of the Lublin Poles, and in a pointed rejoinder reminded Citrine that the conference was "not a meeting governments but one  $\mathbf{of}$ of workers."

At this point R. J. Thomas of the CIO came to the "rescue" effected a compromise, and namely that delegates from "exenemy" countries, if they present satisfactory union credentials, could be seated; otherwise they could only be observers.

Citrine, in fear of the 27 million voting strength of the Soviet trade unions, demanded that the conference decisions be merely advisory and not binding on the organizations represented. The majority of the delegates, however, agreed to bring resolutions to a vote but stipulated that each country should have only one vote.

Citrine also tried to prevent the establishment of a permanent World Trade Union Congress. His contention was that none is necessary, insofar as one already exists, namely, the International Federation of Trade Unions, known as the "Amsterdam International," to which the British trade unions and the American Federation of Labor were affiliated. He deplored the fact that the A. F. of L was not represented in the London conference. It was pointed out to him, however, by the CIO delegates that the A. F. of L., because of its anti-CIO and anti-Soviet bias, is boycotting the World Trade Union Conference. Sidney Hillman of the CIO made a demand that the I.F.T.U. be abolished but suggested that a place be left open for the A. F. of L. in the World Trade Union Congress any time it wishes to affiliate. A committee of 18 delegates was finally selected who would make the necessary plans and arrangements for the convening of a permanent world labor organization.

CIO and the A. F. of L. a Yugoslavian delegate arose and told the conference that the unions in his nation had been split at the beginning of the war but that "the firm hand of fascism had welded all unions into one (There is still hope that group." the A. F. of L. and the CIO may vet unite; perhaps they will be "welded" into one group by the "firm hand" of American capitalist oppression unless they have sense enough to unite sooner.)

The Russian delegation urged that labor's strength be committed not only to the defeat of Germany but also to the political and economic isolation of such fascist nations as Argentina, Spain and Portugal and that it was the duty of trade unions in "democratic countries" to shut them off and "help their peoples wipe out fascism." Kuznetsov, the Soviet delegate, also criticized Sweden and Switzerland, telling the "working class and trade unions" of those two neutrals that they must "wage a decisive struggle against the policy of their governments-against their rendering assistance to Fascist Germany."

The World Trade Union Conference made a request for union representation in the new world security organization to be set up by the United Nations, that "accredited representatives of the trade union movement will be received into their councils at the San Francisco (April 25) Conference in an advisory and con-

(Continued on page 3)

(Continued from page 1) territory in the north and west. Poland's provisional government should be reorganized and broadened to include Poles from newly liberated western Poland and also Poles from abroad. When "properly formed" the new government would be given diplomatic recognition by Britain and America as well as by the Soviet Union. Recommendations were also made regarding the reorganization of the government of Yugoslavia. As for the liberated people of Europe in general the conference declared: "The establishment of order in Europe and the rebuilding of national economic life must be achieved by processes which will enable the liberated peoples to destroy the last vestiges of Nazism and Fascism and to create democratic institutions of their own choice. This is a principle of the Atlantic Charter -the right of all peoples to choose the form of government under which they will live-the restoration of sovereign and selfgovernment to those peoples who have been forcibly deprived of them by the aggressor nations."

The agreements reached at the Crimean Conference gave assurance that Britain, America and the Soviet Union would not allow their political differences to divert them from the joint task of destroying the military machine of Nazi Germany. However, after German imperialism has been crushed we are doubtful that there will be much unity of action. We are very dubious indeed that Britain and America will play a positive role in assisting the liberated peoples of Europe in the tasks of destroying the last vestiges of Nazism and Fascism, in setting up democratic institutions of their own choice and in choosing the form of government under which they are to live. London and Washington have constantly declared their democratic intentions regarding the liberated nations but their actions have often belied their words. Wherever the armies of the Allies have advanced in western and southern Europe Allied officials have retained in office many of those who served quite well their former masters. The (Continued on page 6)

relation with men just as much as it has formulated his relations with the rest of nature. At any particular historical period man has taken his method of production for granted and has therefore "not seen" anything in it. Nevertheless, his social behavior has been quite in harmony with his economic interest.

If we go back in history to the time when chattel slavery was the prevailing method of production we shall find that wars were carried on for various alleged purposes; but at bottom such wars were fought to obtain slaves, land where slaves could be exploited, and the "right" to carry on such exploitations unmolested.

In the feudal period, where the good things of life were produced, in the main, by land slaves called serfs, and the products appropriated by the feudal lords, wars were also carried on. Here, too, the alleged reasons were money. Personal and military honors were at stake, religious beliefs had to be protected. But in the end those on the winning side had more land and more land slaves to exploit and, therefore, more wealth.

Slavery and serfdom, of course, belong to the "crude and discarded" past. Today people live in nations where all are "free" and equal" under the law, where national boundaries and national rights are respected. Yet today goods are being produced and distributed in ways that are taken for granted and therefore, not "seen" very closely, not even by the poet official of the State Department.

Supposing we now take a look at this common, everyday system of production and try to find something worth seeing.

We find that people produce very little for themselves, and this holds true in a double sense: first, they produce goods for sale on the market rather than for home consumption; second, they produce mainly for others in the sense that a few, the "leading citizens," own the means of production, the tools, the raw materials, etc., and the many who do the producing merely work for those owners, the products being the property of the latter, just as much as the tools and the raw materials. Of course there is no injustive involved; the producers, the workers, are compensated for their labors, they receive wages. Neither are there any social inequalities. Any industrialist who desires to do so can give away his plant and go and hire out as a worker and receive wages. In like manner any worker who can see his way clear might build a shop, hire workers, and thus, become an employer. A free government such as we have in America sets up no barrier in the way of people choosing their

# **International Notes**

2

During the discussion on the question of unity between the

### The World Labor Conference

sultative capacity."

Both British and American delegates vied with each other in praising their respective unions for their contributions toward the winning of the war. Reid Robinson of the CIO spoke with pride of "our successful campaign" in reelecting President Roosevelt and that the CIO would not rest until Wallace "fits securely in the office to which President Roosevelt has appointed him—and as Secretary of Commerce helps to realize the goal of 60 million jobs in the United States and world-wide good neighborly relations."

C. N. Gallie, a British delegate, spoke on post-war reconstruction and immediate trade union demands, pointing out that the post-war world should include social security, full employment, equality of educational opportunity and public control. The last point, he said, was a part of the program of the British Trade Union Congress and it called for "a controlled economic system."

Ken Hill, a Jamaican trade union delegate, offered this wee bit of criticism of imperialism: that the "imperial powers should be asked to give a definite pledge that the colonial peoples should

In spite of all this freedom and equality, observation will show us where this system of production follows a trend which nobody thus far has been able to alter or reverse. Once people begin to look at the market for the things they want rather than make such things for themselves, they will choose what is cheapest providing quality is not sacrificed. And who can sell good quality goods the cheapest? Those who are able to improve on their methods of production are in possession of the best natural resources, and can find the easiest method of bringing the goods to market. In short, those who are best able to eliminate human labor from the process of production have the advantage as sellers. Others less able to improve productive methods find themselves at a disadvantage and are finally competed out of busi-These latter find themness. selves compelled to go to the labor market to sell, not goods they have produced, but their own time and energy as work-If they succeed in getting ers. jobs they find themselves introduced to better methods of production than those they had used as individual producers. They also find that the wages they are able to bargain for, and get, will not buy all they are now able to produce. In fact, it is precisely this difference between what a worker is able to produce and what he is able to buy with his wages that the employer retains (Continued on page 7)

be given self-determination as soon as possible."

On the whole, even from a capitalist standpoint, this World Labor conference was well behaved and far from a revolutionary gathering. It is an indication of how far—or, in fact, it is more fitting to say how little, world labor has progressed in ideological understanding as to the causes of the present world conflict and how future wars can be prevented.

From one point of view, however, namely Soviet participation in this conference, it was a step forward. It is this aspect that causes apprehension in capitalist circles. A bourgeois periodical, the Time Magazine (Feb. 19) tries to conceal its apprehension under a guise of flippant and illconcealed sneers at this world labor conference. It states that if the Soviet view prevailed, that of bringing about a permanent World Trade Union Congress, it would be Russia's second big attempt to form a new labor international. That "the Red International of Labor Unions (Profitern) was quietly quashed seven years ago, never having made headway toward its object, to capture the conservative trade unions of all countries."

It further remarks that, "Perhaps, in the auspicious atmosphere of Russia's new political prestige, Lenin's words to the Profitern's first world congress were again remembered in Moscow: "The conversion of trade union members to the ideas of communism is moving irresistibly onward everywhere \* \* \* moving irregularly, incorrectly, unsteadily, overcoming thousands of obstacles, \* \* \* but still moving irresistibly onward.""

In spite of the sneers of the bourgeoisie and its thinly veiled attacks against the Soviet Union, the fact of the matter is that the trade union members are "moving irresistibly onward," no matter how "unsteadily" in their forward course, towards the ideas of communism. That which drives them forward, however, is not Russian propaganda but the "firm hand" of the ruling class in each so-called democratic nation cracking the whip of capitalist exploitation over the backs of the toiling workers. In order to escape the lashes of that whip the workers are bound to look for a solution and to seek advice. That advice will be forthcoming through continued contact with Russian tradeunion delegates in world labor conferences. It may yet penetrate the consciousness of even American labor union members that real job security can only be achieved when the factory workers become their own "managers," i. e., establish collective ownership as the workers have done in the Soviet Union.

# HOME SCENE

#### Work or Jail

The May-Bailey "work or jail" bill, as finally passed by the House of Representatives, calls for what is in substance the regimentation of labor and an end of the "free' labor market.

By this bill, local draft boards may request men to take designated jobs and direct them to do so; may "freeze" registrants in existing jobs. Violators of this act are subject to be inducted for general military duty, or fined \$10,000 and imprisoned for five years. "A reasonable" choice of employers is to be provided to the registrants by the draft board. A worker would have to prove to a court, or a draft appeal board, why he declines to take a particular job. The Senate has not vet, to this writing (Feb. 19) concurred with the House.

Should this, or any similar bill, become the law of the land, it would be the opening wedge of 20th century indentured slavery.

Why, after over three years of successfully meeting the demands of war production through the traditional "voluntary" arrangement, has the call been issued to shackle labor? In view of the high production recordswhy? No shortcoming as far as equality is concerned. Then why the need for regimentation? The military officials say it would be a morale booster to the man at the front. It would assure a continuous adequate supply. But hitherto the supply has been adequate. Why may it be inadequate for the future? And it is here that the clue for the proposed bill lies hidden.

When it appeared that the war in Europe would be ended last summer, reconversion, cutbacks and the hunt for peace jobs commenced. Fearing a rush from wartime production and jobs when the war in Europe actually ends, with the Japanese military machine yet to be defeated, the Administration is bent on preventing a complete letdown. The Administration may be aware, according to their warnings, that Japan is not a pushover and would require in the way of supplies and men much more than is generally believed. Further, it is an attempt to make an "orderly" retreat. Hopes of higher profits and wages were the inducement to get in war industries. Fear of being left behind is the anxiety of both capital and labor in the transition from war to peace. Planlessness, cutbacks and dislocation have already produced some bitter experiences for labor. Detroit alone, the munitions capital of the U.S., showed a drop of 57,000 workers, from the level of 347,000 in December, 1943, to 289,000 in January of 1945, according to George F. Addes, secretary-treasurer of the United Automobile Workers, CIO, after

a survey of 192 major war plants. Further, he estimates, the total drop in the whole Detroit area of 100,000 from a peak of 700,000, based on the same rate of staff reduction. It is reported in the New York Times of Feb. 18 that: "At the beginning of February Michigan Unemployment the Compensation Commission had on file 10,208 claims from the Detroit area. This compared with 2,592 a year ago." Accordingly, the shortage may not be serious, or not here at all now, but precaution for the future must be in the minds of the sponsors of this bill.

Another factor, too, is the ever pleasant dream of all capitalists. Remember how the "democratic" capitalists admired Mussolini and Hitler in solving the labor question. "Putting labor in its place" is a goal always worthy of achievement. Wouldn't it be conducive, under the guise of war emergency, to usher in antilabor and regimentation laws? "Work or Jail" may be the opening shot for such enactment.

#### \* \* \* Work or Fight

"Action speaks louder than words." For it is reported that those men aged 18 to 38 upon leaving war jobs will be embraced by the Army. True armed embrace! It is disclosed by the War Department that under a Selective Service ruling, which orders induction for those leaving war jobs, who then will receive four weeks of basic training before receiving an Army assignment or placed on inactive duty. Physically fit, they become part of the armed forces as other draftees. Unfit they become members of the Army reserve and sent into government factories to work at Army pay or into limited Army service.

Work or fight are shades of that something that ostensibly the boys across are fighting against.

#### Allentown Plan

While Congress debates the labor draft, in Allentown, Pa., the WMC (War Manpower Commission) acts.

WMC officials in Allentown, Pa., by cutting the employment ceilings of non-essential plants have forced workers into war work, thus achieving the same results proposed by the labor draft. By making known the names of workers to be transferred, arrived at through conference of management, labor unions and WMC officials, the workers "voluntarily" are made to shift into war industries.

Transferred from work in which they are skilled to new jobs, means lower pay. It is an uphill struggle against government regulations, plant obstacles to achieve higher rating.

(Continued on page 7)

Al Wysocki.

place in life.

#### PROLETARIAN NEWS

A Journal for the Working Class Devoted to the Education of Workers and

Their Struggle for Power Published Monthly by the Proletarian Party of America Subscriptions-12 Issues for 50 Cents Send All Subscriptions, Contributions, Etc., to PROLETARIAN NEWS 1545 N. Larrabee St., Chicago, Ill.

### **Peace Prospectus**

The outcome of the war in Europe is fairly obvious. The defeat of the Axis, or what is left of it, Nazi Germany, seems so certain that much consideration is being given to what will be done to assure that another world conflict, another struggle between the great powers, will not make its appearance "in our time."

Down through the ages, men have dreamed of permanent peace, a time when swords would be beaten into plowshares or pruning hooks. Poets have written to tell of the "good time coming, if we wait a little longer," and how "The pen shall supersede the sword, and right, not might, shall be the lord, and that "man to man will brother be the world over," etc.

Peace is a beautiful sentiment, but the reality is something else again. With the passing of time the ways of war, not of peace, have encompassed the world. Yet, the desire for peace can lull the mass of mankind into the old dream again. Undoubtedly the majority of men have believed in the possibility of a peaceful world, where people would "live and let live." Even military leaders have spoken of the blessings of peace and denounced war in no uncertain terms, referring to it, in some cases, as "Hell." Some people have contended that war settles nothing on a permanent basis, but just brings about a different alignment for another war. either of revenge or to redress injuries.

These simple facts, so well known, have caused men to put forth various remedies for war. They have argued that "If only a sound peace could be achieved, with justice for all, war could be banished from our midst," etc. Some Christians have proclaimed that war can be avoided if mankind would but accept Christ's injunction, "that we love one another." This, despite the fact that the Christian nations of the world for several centuries now have done the most slaughtering. It is an obvious case of theory and practice being out of step. Philosophers and politicians alike have their schemes of permanent peace, and those politicans who are sufficiently prominent to be referred to as statesmen, speak with assurance about a "lasting peace," and contend that with the right sort of international agreements and "machinery to prevent war" that a world of peace will

peace, namely the elimination of the causes of war. And the same solution holds good for certain problems of peace, such as depressions, with their mass of jobless, hungry workers, in the midst of economic superabundance, also slums, crime and disease.

First, let us examine some of the alleged causes of war, put forth by press and pulpit, radio comment and other channels of publicity. The most commonly accepted reason for the war in Europe is that it was the doings of the madman, Adolf Hitler, and in Asia it is the result of the Japanese people's belief that they are destined to rule the world. In 1914, Kaiser Wilhelm II got the blame. Some people contend that war is caused by militarism, that big armies and navies and those in command, plus the munitions manufacturers, soon or late have their way and war is on. Were this latter true, then America will be in for many wars in the future, because of the magnitude of its naval and military forces and the profit hunger of its munitions makers.

A more recent theory is that there are two different types of nations. There are war loving nations, and peace loving nations, and that it is the former that starts the trouble. They are known as aggressors. All these "reasons" are untruths, or half-truths, and someone has said that a half-truth is a lie and a half.

Adolf Hitler and Benito Mussolini may be madmen, but that does not explain whole nations preparing for war and regimenting whole populations for its prosecution. Militarists may desire war, but there are periods of peace when the militarists' desires would be just as strong. Munitions makers profit from war, their business is greatly stimulated by it, but if they could make war at will then there would be perpetual war.

Those who visualize universal peace through negotiations have witnessed in this decade the failure of Munich, which was one of the greatest efforts at negotiated peace, through appeasement, ever made. It did not prevent war, although it may have delayed it by a few months. And what have the present leaders of the United Nations to offer as a result of their many conferences? It will not be peace by appeasement this time, that policy failed. It will be peace by repression, by a show of overwhelming force to scare all thoughts of war-making out of the heads of aggressors. This policy will also fail.

First, there is no assurance that the United Nations will remain united, that they will not fall foul of each other. Their interests are just as conflicting as were the interests of imperial Germany and imperial Britain in 1939. Then, there is the Soviet Union, which represents the society of the future, and the social order prevailing in Britain and America, which represents the past, and is already in a state of decay, or should we be polite

the only sound approach to the question of access to the whole world market to dispose of its products. The financiers, with surplus capital to invest, also require free access to investment in different parts of the world. Through this means they share in the exploitation of millions of workers in foreign lands. They are no longer limited to exploiting their home workers.

> All this brings about political changes, especially in relation to foreign policies. The State Department of the U.S., for instance, takes on a new outlook. Its spheres of operation become world-wide. Germany, Britain, France, Italy, Japan, and other nations, are all engaged in this world-wide rivalry, this scramble for a greater share of the world's wealth. This is finance imperialism, as distinct from the older capitalist imperialism, when the British and French empires, for instance, were founded.

> This scramble for vaster wealth on the part of the world's multi-millionaires would work smoothly enough, if there were limits to their avarice, or the world market and supplies of raw materials, not to mention spheres of investment, were unlimited in scope. But that is just the trouble. They all reach out for the "good things" and they can't all have them. Sooner or later, one or more of those nations begin to think that they are being discriminated against, that they are not getting their "fair share," that they are being "ganged up on," etc. They set out to do something about it. They gang up with others who also think that the world's economic plums should be divided differently, and as those in possession of the plums think otherwise, sooner or later the conflict is on. Then it becomes necessary for the governments of the finance imperialists to tell the broad masses that it is a just war, for freedom and a new order, for the protection of our "way of life," etc.

> The big leaders of the United Nations undoubtedly know that no peace plan, however formulated, can prevent the coming of a third world war. Churchill and Roosevelt must know that much, certainly Stalin does. However, they are justified in planning to hold it off as long as possible. The Soviet Union needs time to rebuild and restore what the war has destroyed. A strong peace is in its favor, especially one which will prevent a combination of European powers from rising against it in the near future. Britain and America have yet to fight it out with their old friend, the finance imperialist power which tried to supplant them in the Orient. Japanese capitalism.

The domination of the Pacific is of the utmost importance to finance imperialism, but it means nothing to the Soviet Union. The latter is not imperialist. It does not require materials outside of its own borders. It wants no sphere of investment to exploit the workers of other lands. It has abolished exploitation at home. With it the profit system is ended, and a new classless, profitless system is being built. It would also be a warless system if the imperialist nations would leave it alone, but knowing them as it does (Germany was once its best capitalist friend, as America is at present) it is not utopian enough to disarm. On the contrary, the U.S.S.R., profiting by the lessons of this war, will probably build up a stronger army than ever. Not for aggression and conquest, as imperialist powers must, but as a mighty warning to the capitalist imperialists that they had better leave the Soviet Union alone.

emerge, not as a result of exhaustion but as a result of understanding, and practical politics.

In view of the prevailing world situation and the recent meeting of certain prominent people in the Crimea, and what that conference is said to have achieved, we believe it is timely to reexamine the whole question of peace and war.

#### Cause and Effect

In the field of social phenomena an understanding of causes is necessary if effects are to be successfully dealt with. Without an understanding of the causes of war it will be difficult for anyone to arrive at a real, a practical, solution to the devastation, the mass murder, that is periodically let loose upon the world with increasing intensification and scope. Yet, we are sure that this is

and say, over-ripeness?

If war is inherent in capitalism, as we contend that it is, no new "League of Nations," any more than the old one, can prevent the coming of another world conflict, so long as the causes of war are left intact. If the roots are there the plant will spring again.

Now, what are the causes of war? Nations do not fight for fun. They engage in war to prevent something from being taken from them or to take something from others which they think they should have. In the modern world, the great powers, with the exception of the Soviet Union, are in that stage of development named by Lenin, finance capitalism, when the big banks and industrial monopolies dominate the nations.

Modern industry requires materials drawn from all parts of the earth. It also requires

So long as the capitalist system prevails, as it does in the greater part of the world, war is inevitable. The way to a warless world is through a classless world. The first step is the taking of political supremacy out

# Wages and the Working Day

(Continued from last issue) The wage system is a sale and purchase affair. The average worker sells the only thing he possesses, his labor power. In other words, his power to perform physical and mental work. The purchaser of labor power is a capitalist, and his purpose in employing workers is to make a profit. This result he achieves by paying the full value, on an average of labor power, and selling the products of labor at their value, a much higher value.

It is this difference between the two values (the value of labor power and the value of the products of labor) which enriches the exploiters of wage workers. This **surplus value** is the source from which all profits, no matter how divided, arise under the prevailing mode of production.

Not all payments for services are wages. An individual house painter or plumber or doctor may be paid for services, but they are not wage workers. Painters or plumbers who are employed by big building contractors are wage workers, and they produce surplus values for their employers. A doctor who works full time for a hospital, public or private, is a wage worker. And, in like manner, a nurse so employed is an exploited wage worker. They may call\_themselves salaried ladies and gentlemen, but they are exploited wage slaves just the same.

The surplus values appropriated by the capitalists have a tendency to increase in ratio. This increase of the surplus is achieved in a number of ways. It can be done by prolonging the working day, so that the surplus labor time will be longer, or it can be brought about by increasing the tempo of production without increasing hours. Of course it can also be done by reducing wages, while retaining the same output, or by all three, reduced wages, lengthened working day, increased speed of production.

More efficient machinery enables the workers to turn out more products per hour. In some cases, where the working day has actually been shortened, the surplus has been greatly increased by the use of improved machinery, or by speeding up production, and sometimes by both simultaneously. All new values are added by human labor. Only the producers create value. Because it has been noticed that workers using

machinery can produce more than those using hand tools, or using improved machines as against old types, some people have concluded that machinery adds value, that machines actually produce. This, of course, is an illusion. No shovel ever dug a hole, not even a steam-shovel. A worker is always necessary. No hammer ever drove a nail. No saw ever cut wood. Tools or machines simply make it possible for the workers to produce more, or less, according to the usefulness of those appliances.

A new expression of vulgar economy arose a few years ago to proclaim that machines produce 90 per cent of the wealth, and that the workers only produce 10 per cent. If that were true, the employers would be quite happy to let the 10 per cent go and get rid of the workers producing it entirely. They would save themselves a lot of conflict. However, the employers are not so stupid as that organization of proclaimed "scientists," who are unable to comprehend that not a wheel would turn in the modern world without a worker to start it, feed it, stop it, and remove the product.

The struggle for a shorter working day is an historic struggle. (The ten-hour day when achieved (legally) in Great Britain a hundred years ago was considered a tremendous advance for labor. It was bitterly opposed. Many employers proclaimed that Britain would be ruined.

The eight-hour day, a much more recent achievement, was also a great victory, and a universal six-hour day is long overdue. However, even if we recognize the many sacrifices made by the workers in those great struggles for the shorter working day we have to recognize another and far more vital factor in the reduction of the length of the working day, namely, the increased speed of production.

The tempo of modern industry could not permit the 12 to 16 hour day which prevailed a century ago, nor even the ten hours average of 50 years ago. There is just so much human energy in the average worker and when that is used up, the prolonging of the hours beyond that period is not profitable to the employers. An exhausted worker is not a good producer. An energetic one, contented with his job, is like the "contented cow" which gives more and better milk.

Long hours, if persisted in, reduce the worker's strength and impair his efficiency, so that a half-dead worker drags himself to the factory, if he is able to come at all. The wiser employers have long since learned that prolonging the working day to a point where the worker's efficiency is impaired does not pay. Some employers, of course, have not learned that and never will. Their immediate advantage is all they can see. Consequently, they continually strive to increase the speed of production. prolong the working hours and "chisel" upon the workers in various ways.

Through organized labor action. the workers can checkmate the employers to a considerable extent, although the latter, being in possession of the means of production, have most of the advantage on their side. The labor movement has to continually resist the many maneuvers of the employers, and their lackeys, who strive to increase the volume of production without a corresponding increase in wage payments. If the workers did not systematically fight back, their living standards, bad and all as they are, would be still worse. Their share of the working day, the necessary labor time, would be infringed upon, or in other words, wages would be cut to the starvation point.

#### "Good" Wages

Since wages of any sort imply exploitation, which is a polite name for robbery, and all exploitation, from a worker's point of view is bad, it follows that all wages are bad. Yet, workers carelessly use the term "good wages," but there really is no such thing. There are bad wages, and worse wages, but no good wages. To an understanding worker, the wage system itself is an evil thing. He continually fights against it and proclaims its final abolition as the starting point for the solution of his problems.

Nature never brought one class into being for the purpose of working all their lives just for the comfort and enrichment of another class. This is one thing which cannot be charged up to nature. It is a man-imposed condition, a social arrangement, which nowadays is cruel and stupid, especially since famine from scarcity is practically unknown. Yet, famine from oversupply, with its accompanying unemployment, is an outstanding characteristic of the prevailing social system. To fight wars over the disposal of those supplies, while

the producers thereof should be using it themselves, is just as stupid.

#### **Increased Ratio of Exploitation**

The working people have been exploited so long that they have come to regard it as a nature-imposed condition, as something that is inevitable. They also believe that the past forms of exploitation, slavery for instance, were the worst. That the workers of former times were exploited the most. Don't we have a shorter work week than our fathers had, and is not our toil lighter than theirs was? Are we not much better off?

Here, too, there is much illusion. Here, again, workers are caught by surface appearances. They have not even a suspicion that they are the most exploited workers in all history. This is because they do not comprehend the **"relative wage."** They see the amount they receive, without seeing the tremendous increase of the surplus which they produce during the **surplus labor time**, and which they leave in the hands of their exploiters.

Before the invention of machinery the greater part of the working day was the **necessary labor time.** It took the workers, with hand tools, much longer to produce the equivalent of their wages. Only during the lesser part of the working day did they produce surplus value for their employers.

By the middle of the last century, about 1850, after the machine system in Britain was about 75 years old, the British industrialists were able to boast that now they had only to pay to the workers in wages about half of the new values produced each day. Half of the new values added by the workers using machinery could be retained by them. Thus, at that time, about half was necessary labor time, when the workers were producing values equivalent to their wages. and half was surplus labor time, during which the workers were producing surplus values (the source of all profits) for their employers.

From then until now in Britain, and also in other countries, all improvements in the productive process have but lengthened the part of the working day in which surplus values are produced for the employers and shortened the part of the working day in which the workers are producing for themselves, producing values equivalent to their wages.

(To be continued)

of the hands of the capitalists. The second step is the socialization of the means of production. In other words, the abolition of the private ownership of the means of life.

With the natural resources and the machinery of production in the hands of society as a whole, the economic incentive for war would disappear. Capitalist property and peace do not go together. If the masses of the American people want to retain capitalist property they will have to do without peace. If, on the other hand, they have had enough of starvation in "peace" times and enough slaughter in war times, then the workers, the vast majority, must break with the old order of things and build a powerful political party of their own class, with the purpose of taking America out of the hands of the plutocrats and placing it in the hands of the whole people. The workers, the proletarians, and they alone can bring this change, a warless world of peace and plenty. The time to act is now.

#### John Keracher.

### Wallace vs. Jones

The President's appointment of Wallace as the new Secretary of Commerce in place of Jesse Jones has precipitated an open split in Congress. As yet this body has not confirmed his nomination. The first rebuff was met in the Senate Commerce Committee, 14 to 5 voting for rejection. Republicans and conservative (Southern) Democrats coalesced to defeat Wallace. Party lines were crossed. Not only is the opposition strong against Wallace to head the Department of Commerce as such; his choice is made doubly difficult by the fact, that during Jones' administration the RFC (Reconstruction Finance Corporation), with authority over many billions of dollars and the granting of loans to business and farmers, was made a part of the Commerce Department. Thus, unless organizational changes are made. the head of the Commerce Dept. becomes automatically endowed with tremendous financial resources and power over its disposition. The first step in this fight was logically the disassociation or severance of the RFC from the Department of Commerce, and its establishment as an independent government unit. The George bill was first introduced in the Senate to the above effect and passed by a vote of 74 to 12. It has since been also passed in the House overwhelmingly by 399 to 2. Preliminary to the outcome over Wallace's confirmation the opposition played safe by first limiting the financial powers of the Commerce Department while indulging in the various Congressional legalisms and obstructionisms known to these capitalist parliamentarians.

The struggle has been variously labeled as one between sound business experience as against inexperience, between conservatism and liberalism. Here's what Jesse Jones said: "The man who is given the vast responsibilities contained in the Reconstruction Finance Corporation Act should be a man of proven and sound BUSINESS EX-PERINCE.

"He should be a man who will attract to him men of sound judgement with BUSINESS KNOWL-EDGE gained from experience in

behind Wallace. Hearst's Daily Mirror even more rabid, characterized Wallace as "plainly incompetent." "a career doctrinaire, a man of dreams and books," "the pal, mentally and physically, of every socialistic radical in the country." The New York Sun labeled Wallace's statesmanship as a "flop," ironically referring to him in an editorial, "Wallace in Won-"Compared to him" derland." (Wallace), says the Sun, "Dr. Townsend was a piker, Plato and Sir Thomas Moore were idle dreamers and Karl Marx was a rank reactionary."

Jones on the other hand is charged by Wallace and the liberals as representative of the powerful and entrenched interests.

On the whole the real issue is too much beclouded by personality and counter personality charges, ideological representations and misrepresentations. Wallace is quite correct, although not altogether so, when he said, "This is not any petty question of personalities. This is a question of fundamental policy. It is the question of the path which America will follow in the future." And what is that question? Wallace says: "For the second time in 25 years America has proved her capacity to meet the challenge of total war. Twice in 25 years we have amazed the whole world-and ourselveswith our daring conception of what America could do when forced to war. We have astonished a grateful world by the stupendous number of planes, tanks and guns rolling off our assembly lines; with the bridge of ships we have erected across the oceans; by the overwhelming force with which America has turned the scales of battle."

"But what of the peacetime problems here at home which will follow the successful conclusion of this war? Is America prepared to meet the challenge of these peacetime problems as it has twice met the challenge of war? Will we aproach the problems of peace with the same boldness of conception, the same courage and determination as we have approached the problems of war?" ... "America's known capacities are not difficult to calculate. We are now producing goods and services to the giggantic total of \$200,000,000,000 a year with 52 million workers and 12 million soldiers. In simple language that means that today America is producing nearly twice as much as she had ever produced before the war. But an enormous part of the goods and services we are producing today does not find its way into the American home. No, it represents the ships, the guns, the planes and tanks we are using to fight the war." "But I know and you know if we can produce a huge flow of ships and guns and planes and tanks, we can also produce an abundance of houses and cars and clothing and provide education and

### INTERNATIONAL NOTES

#### (Continued from page 2)

reason for such action is well worth investigation. Under fascist regimes there was no place Those who for fence-sitters. were politically conscious either collaborated or opposed. Those willing to collaborate were mostly business people, members of the exploiting class. Those who opposed came largely from the ranks of the exploited proletariat. They formed the most militant element in the Partisan movements. When the fascist legions met with defeat the time came for the Allies to reestablish civil government in liberated territory. They had a choice of just two elements with which to deal. They could deal with the officials they found in office or they could deal with the partisans. To deal with the latter was to deal with "anarchism," as Prime Minister Churchill had more than once proclaimed. The Allied goverments evidently heeded this advice and the only alternative was to keep many of the former Nazi or Fascist officials on the This was supposed to be iob. just a temporary measure to tide over till "democratic" elements could be found or trained. However, the tendency was for this temporary measure to become permanent and, as a result, the civil population within the Allied folds tends to become more hostile with each passing month.

The Soviet government is faced with no such fears and contradictions. They can carry their words into action and in so doing solve the problems of occupation.

In view of these considerations it will be interesting to watch how the declarations of the Crimean Conference are carried out, are forgotten or are circumvented, as the case may be.

#### "Peace" in Greece

A peace pact has been signed between the British supported Greek Regency and the ELAS. Under the terms ELAS forces are to turn in their arms to ELAS guards in 37 localities. These guards are to act, it is stated, as

recreation and the other good especially since the output of prothings of life for all Americans.

custodians for the government. The agreement also provides for a plebiscite of the monarchy and an early general election.

Although the surrendered arms are supposed to be held in custody for the Athens government, ELAS apparently retains actual control. If this is so, they could rearm their forces at will and the peace pact could more properly be called a truce or armistice.

EAM (United Liberation Front), which gives political guidance to the ELAS, is reported to have refused to accept any appointments in the Athens government. No doubt, however, they will plan to enter their representatives in the coming elections, if such elections actually are held. A smear campaign against the EAM and the ELAS is well under way. An ignorant British Tommy got wide publicity when he stated that the ELAS were "the lousiest, scruffiest lot of fighters our men ever came across, compared with whom the Germans were gentlemen." Labor "leaders." various "liberals" and even "socialists" who once lambasted Churchill for British military intervention in Greece have led the hue and cry. Evidently these gentlemen have seen the error of their ways. We doubt if such a campaign will have much effect on the people of Greece. If the Greek masses cannot be weaned away from supporting the EAM, excuses will likely be found to delay elections indefinitely.

Churchill, evidently, is still much worried over the Greek situation. He stopped off in Athens on his way home from Yalta. He promised the Athenians his personal cooperation in the rehabilitation of Greece and called on them to "let party hatred die." However, in the next breath he stated, "Speaking as an Englishman I am very proud of the part the British army played in protecting this immortal city from violence and anarchy." There are times when Churchill appears to have very little imagination.

Oliver Ritchie.

business.

"It is my firm conviction that the government's investment in plants and facilities and in raw materials of all sorts, should not be made the subject of AMATEUR **EXPERIMENTATION.**"

The opposition press gave quite an account of its powers of misrepresentation. For instance the Journal American editorially warned that Wallace stood for "the Communist Way." Arthur Krock in New York Times, "The leftwing supporters of the President are determined to control the Federal Loan Administration." Capt. Joseph M. Patterson's News saw the hand of the "C. I. O.-Communist Political Action Committee"

"But to accomplish this task of utilizing our full productive capacity, year after year, it is childish to think that this can be accomplished by a small segment of business and finance, even though that small segment consists of the giants of industry and the tycoons of American finance."

This then clearly is the core of the question: can post-war America utilize to the full those tremendous productive capacities — built up during and in the interest of war — in peacetime, within the scope of the system of private enterprise?

In view of its inability to do so in the pre-war peace period, and

duction has doubled since. The problem is how to reconcile the disparity between production and consumption. To put it differently, how to increase the consumptive power of the nation so as to keep pace with its productive output. To this question Wallace and the Roosevelt New Deal Administration answers: That it cannot be done without governmental aid and control; that business of its own power cannot bridge this widening gap between an increased production and a relatively decreasing consumption. The Jones crowd maintains stolidly that business needs no outside interference. It's problems can be worked out on the basis of "sound" business practic-

# HOME SCENE

#### (Continued from page 3)

This plan, while appearing as a free meeting of all minds, is in reality labor's involuntary submission to the "higher" mind of capital.

#### **Reconversion Reconverted**

When the Yanks were sweeping through France last summer and the war in Europe looked all over but the shouting, the industrialists of America were putting in operation, in a limited way, their reconversion plans.

"There will be a hot time in the town of Berlin when the Yanks go marching in" changed with the Nazi offensive in the West. Reconversion plans and operations went by the "board." For on January 27 the War Production Board ordered a halt to much of that "to prevent interference with the use of manpower, facilities and materials for urgently needed production."

The itching hands of the capitalists to get in on the ground floor and to "cash in" while the getting was good was nullified by the Nazi gents from over there. Peace profits will have to wait while the war profits continue.

#### It Makes a Difference

Secretary of the Treasury Morgenthau made known over a radio broadcast that the cost of the war, since Pearl Harbor, to the

es and experience; that the function of government is the "maintenance of public safety and social order," i.e. to keep labor "in its place," that to go beyond this is outside the scope of constituted government. The conflict thus resolves itself into one between government or state capitalism and private capitalism. There is agreement on the principle of the system of free enterprise (capitalism) and its survival. There is difference over the method of making it survive. Wallace sums it up this way in one of his speeches: What these people (the Jones crowd) don't realize is that in fighting me they are fighting you and millions like you to the third and fourth generations. WITH-OUT REALIZING IT THEY ARE FIGHTING AGAINST THE SUR-VIVAL OF CAPITALISM AND FREE ENTERPRISE. The time has came to fight back." (Capitals mine.)

U. S. A. is 238 billion dollars. That the war expenditures are bound to multiply, as the war remains unfinished business, is obvious.

We recall the 1930's when appropriations for unemployment relief were debated in the U. S. Congress and throughout the land. Every penny thrown for relief was accompanied by howls of bankruptcy. It was stated authoritatively at that time a 50 billion debt mark was the line of demarcation between bankruptcy and solvency.

Money for destruction is patriotic and unhesitatingly spent. Money for relief is "communistic" and grudgingly dispensed. It makes a difference, naturally, what the money is spent for.

#### L. B.

### Whose Money?

At the end of 1944 the country's 14,500 banks had on deposit an estimated \$138,000,000,000, compared with \$118,000,000,000 at the end of 1943 and \$44,000,-000,000 at the end of 1932, the depression low.

Of this amount the 300 largest commercial banks held \$81,974,-595,900, an increase of more than \$12,000,000,000 over the previous year, and about five times the total in 1933.

ganization at their disposal. It was such subsidies in the 30's that saved hundreds of thousands of small farmers from mortage foreclosures and economic extinction; and even though small business resents official beaurocracy, red tape and mounting tax burdens, it is forced to look to that very government service as its only hope of survival. Labor on the other hand is behind Wallace, recalling as it does the days of the great or terrible depression, when Hoover left them in the ditch. Roosevelt, then came to their aid. He gave the workers a pick and shovel (WPA) to "dig in the ditch." With labor it is clearly a case, "not the love of God but fear of the devil." Fear of a postwar with an even more davastating condition of joblessness is forcing them to run to the support of anyone who holds out the faintest gleam or promise of a job, be it profitable or nonprofit yielding. And lastly, some sections of big business who see further than their nose, observe the general trend and are fearful of its revolutionary consequences. Such in the main is the class composition of Wallace's support.

### IN THIS WORLD OF REALITY

(Continued from page 3)

as his profit.

The products thus produced by workers but not retained by them or bought back by their wages are not suitable for the consumption of the employer. He must bring them to the market and sell them before he counts them as profits. Thus the market tends to fill up. The employer must look for new markets, in foreign lands, perhaps. He must also continue to improve his means of production so as to be at an advantage in relation to his competitors. He cannot afford to increase his workers' wages even should he be so inclined. He cannot afford to give them shorter hours or more leisure time except where he at the same time can stimulate them to greater productive efforts and thus increase his own margin, his profit.

The ever growing amount of surplus goods, produced by workers but belonging to the employers force the latter to go further afield, to acquire the best sources of raw materials and to dispose of the new wealth daily piling up at the factory outlets. The transportation and communication systems are improved and extended in conjunction with the ever improving production system. Thus the new airplane and the radio that MacLeish has noted are not merely devices for an extended tourist trade, or for impartial people to gossip over. The radio is used to carry birthday greetings between kings and presidents. It does carry stories of praise or ridicule of people in far off lands; but it also does more, it carries descriptions and word pictures of new products. The airplane brings samples of such products and salespeople to demonstrate the advantages connected with acquisition.

On the world market as on the home market goods pile up in times of peace. Only the most efficient producers are able to make sales and realize large enough profits to continue expanding their businesses, the less efficient fall behind in the race and finally have to fold up. For a man in business to face such elimination is to face economic ruin. There is not much he can do about it except fold up and go hunting for a job. When a nation of producers feel themselves slipping it is more serious. Not only do such producers feel their profits dwindling, they note also that their common people, their workers, begin to face unemployment and poverty. This cannot be tolerated. They find faults with their foreign competitors. They go to their government for protection.

ness groups. Serious competition might take place in South America between European and U.S.A. business firms. It might take place in China. The struggle might get under way between rival groups who want to invest their surplus capital. European or American groups might want to build steel mills in Brazil or rail lines in Chile, or air lines over the Andes. Several might be wanting the rich natural resources of the East Indies or Indo-China, Burma, or Africa.

Such a struggle is not merely one over who shall get the most business and the biggest profits, but one in which the less successful face not only economic extinction for themselves but a national calamity for their nation with reduced business, growing unemployment finally unrest and political struggle leading to revolution.

The everyday occurrence of economic production and distribution is of course something that people "take for granted," something they do not see very much in. The hard and fast laws which govern this economic system are nevertheless such that sooner or later the world's workers will be forced to take notice. The wars that have occurred in the recent past have been brought about by just these economic laws. The economic panics and depressions have sprung from the same source. The present world conflict sprung basically from the same source; and the post-war era of "lasting peace and full employment" will land on the rocks of economic strife that these economic laws decree.

Our poetic member of the State Department cannot be expected to see so much in a system that is "taken for granted." His poetic inclinations might lead him in that direction, but his job with the government will tend to close his eyes. His work of promoting international good-will at present must be linked with the drudgery of promoting American business in the rest of the world. The latter leads to competition and strife which culminates in war.

The millions of workers in America, as well as in the rest of the world, have no such interest to uphold. Only their traditional training in support of their exploiters blinds them to the real issue. To them the advice of MacLeish to look at. and try to see something in, the things that commonly are taken for granted is the best advice. The labor movement is fortunate in having recorded in books the findings of men who were able to see a great deal in our present day system of economic productions. Only let us make sure that we see the facts and not the perverted picture painted for us by our exploiters.

It is obvious from the above that Wallace and Jones alike are fighting for the same thing, viz. the survival of capitalism and Wallace is quite frank about it.

Who are the supporters of Wallace? In the main the so-called liberals, representatives of small business interests of city and farm who if left unaided through either government subsidy or loans, are crowded out by the natural working out of the economic process in a condition of domination of largescale industry and finance with enormous capital resources and or-

The Jones forces in the main rests on conservative big business which is true to its immediate material interests. Drunk with economic control, callous towards its weaker competitors upon whose ruin it thrives, ruthless in its exploitation of labor and uncomp-

(Continued on page 8)

Again the real competition may not be in one's home country against foreign importations. It might occur in a third nation between two or more foreign busi-

## Wallace vs. Jones

#### (Continued from page 7)

promising towards it; reluctant on the one hand to revive those economically brushed aside by the very laws of capitalist competition and concentration; or to feed or provide for workers who create no profits.

The liberals hail Wallace as a great American liberal and progressive. We are reminded of another great liberal, President Roosevelt who said in his campaign against Landon in 1936: "I'm a liberal because I'm a conservative." Conservatism is to Roosevelt the essence of liberalism, or to put it differently, liberalism is to him the best form of conservatism. And like Wallace, he too was more than once called a communist or socialist, and the New Deal, "state socialism." Yet both Roosevelt and Wallace categorically affirmed and reaffirmed their staunch fealty to capitalism and the system of free enterprise (private property).

The concept of liberalism itself has undergone an evolutionary process. In the formative period of capitalism or its ascendency it was the manufacturing or industrial bourgeois that carried the torch of liberalism. It was they who stood for things progressive, for broadening of economic and political rights. In relation to backward feudalism they represented a higher form of society. They stood for the freeing, advancing and expanding of the productive forces. Once securely saddled in power, the industrial bourgeoisie turned into a conservative force anxious to retain and conserve that which they conquered. Liberalism then passed over into other hands. In the economic struggle of competition small business felt the impact of concentrated wealth, big business monopoly and trusts. Against this oversized octopus it organized from time to time, reform movements attempting to politically curb its power through reforms. To bust the trusts and large-scale production, to alter the economic structure so as to return to the "good old days" where everyone (i.e. business) will have a fair show in competition was the extent of its progressivism. Such liberalism was in effect the opposite of progress. More, it was reactionary, since its aim was to stay the development of the production forces, put a stop to economic evolution, in fact to revert to the simple method of small-scale production. But the inexorable law of economic progress precluded such return. The hand of the clock of history was not to be artificially turned back in that manner. Today, in the period of capitalist imperialism, the dying out stage of capitalism, liberalism has undergone a still further change. It is associated or linked up with the fight for state capitalism. In its class structure it is a cross between a dying out petit-bourgeoi-

sie and a bourgeoisie as a whole that is losing control of its own productive forces or capacities. Engels in his "Socialism, Utopian and Scientific" tracing the development of the production forces under capitalism says: "In any case, with trusts or without, the official representative of capitalist society—the state—will ultimately have to undertake the direction of production." in an important footnote he adds: "I say 'have to.' For only when the means of production and distribution have AC-TUALLY outgrown the form of management by joint-stock companies, and when, therefore, the taking them over by the state has become ECONOMICALLY inevitable, only then-even if it is the state of today that effects this—is there an economic advance, the attainment of another step preliminary to the taking over of all productive forces by society itself."

In what sense is state capitalism progressive? In the sense that in attempting to save capitalism it becomes "economically inevitable" to centralize the means of production in the hands of the state, "preliminary to the taking over of all productive forces by society itself." In this sense it is a progressive step. And yet it is conservative at the same time, since the very objective of state capitalism; its raison d'etre, is to prevent its otherwise certain demise. The liberalism of today is both progressive and conservative at the same time. In attempting to conserve the system they are forced or forcing the issue progressively to a head. And whatever progressive measures it advances is done in the interests of conserving free enterprise.

President Roosevelt dialectically observed (perhaps not consciously) the relation between a liberal and a conservative. Wallace is equally correct when he charges the Jones crowd with "fighting against the survival of capitalism and free enterprise" for which he himself, stands.

It must also be added that whatever the outcome of this fight, and it is not unlikely that Wallace will be confirmed (even though with curtailed powers), the trend definitely is in the direction of state capitalism. Nonetheless small business and its liberal spokesmen must be reminded of perhaps some unpleasant surprises a w a it in g them along with some small benefits. State capitalism in the period of finance imperialism cannot escape the general economic and political influence of big business.

The whole structure of modern industry is on a large scale and can only be handled and conducted in a big way. That fact cannot be escaped. Already tendencies towards the "right" can be noticed in the New Deal appointments to the State Department. All or most are reliable, experienced men from "good" rich families.

The historic case of Hitler is an object lesson. The middle classes in Germany formed the backbone of the Nazi movement in its rise to power. All sorts of promises were made to them. Hitler raved against capitalism, the bankers, etc. He promised to break up the big department stores, the large estates. He also used socialist slogans and terminology to fool the workers. But when small business called for concrete action in 1934 under the leadership of Rhoem and others, Hitler gave them a purge, instead. Already previous to 1934 big business of Germany had recognized in Hitler a willing and useful tool to carry out the imperialist ambitions of the industrialists and financiers.

The Jones crowd, those diehard, conservative big business men will yet see the light-only it will be a red light. The coming post-war crisis, now only visualized in part, will, we are sure, have an awakening as well as a stunning effect. Confronted with a condition of shut-down factories, mills, mines and profitable sources of investment; faced with hungry millions of threatening, uncontrollable idle workers they will leap mighty quickly into the hands of that very government control they now so bitterly opose. They will easily recognize the class affinity and loyalty of the government towards big business interests.

As for labor it is meddling in some one elses affairs. This is a fight from which, no matter who wins, it is not the gainer. State or private capitalism, the workers lot is one of job dependency and insecurity. The "ditch" is there waiting for him, with or without the pick. It is time he came to realize the need for ditching the whole works which rests on the exploitation of labor.

The productive capacity is here, by everybody's admission. The problem over the profitable disposition of the goods labor produces is an intercapitalist one. Labor is not in on that. The property owners are now stuck or soon will be. That is their headache. Capitalism is in a bad way fighting how to make it survive. Labor is the greatest sufferer under that system of production. It has no real interest in attempting to make it live on. Labor's job is not to support a gang of many petty thieves as against a smaller clique of huge thieves, in exchange for a few promised crumbs. Not when it can have the whole loaf that it alone is responsible for producing. It's task is clear. It must take the means of production into its own hands and run it for the benefit of all useful productive members of society. Labor alone stands today as the only progressive force in society in relation to which all other elements, big or small business are reactionary.

#### ······

# GET A BOOK FREE

If you send Fifty Cents for a year's subscription to PROLETARIAN NEWS (1545 Larrabee Street, Chicago, Ill.) you can have any one of the following books free, \$1.00 for a two years' subscription entitles you to pamphlets to the value of 35 cents. Postage paid.

WAGE-LABOR AND CAPITAL, by Karl Marx	10c
MARXISM AND DARWINISM, by Anton Pannekoek	10c
CLASS STRUGGLES IN AMERICA, by A. M. Simons	10c
CRIME, ITS CAUSES AND CONSEQUENCES, by John Keracher	10c
ECONOMICS FOR BEGINNERS, by John Keracher	10c
THE HEAD-FIXING INDUSTRY, by John Keracher	10c

Also send the book (or books) which I have marked.

Subscriber's name .....

.....

R. Daniels.