

# PROLETARIAN

# NEWS



WORKERS OF THE WORLD UNITE!  
YOU HAVE NOTHING TO LOSE BUT  
YOUR CHAINS! YOU HAVE A WORLD  
TO GAIN! — Karl Marx

A JOURNAL FOR THE WORKING CLASS

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## Financial 'Help' for the World The Class Conflict in America

By Christ Jelset

The war has left the world in near chaos. In Europe and Asia the war machine has destroyed the cities, blown up bridges and smashed factories. Populations have been dislocated and peacetime production disrupted. Hunger is taking the place of bombs to terrorize the masses.

Help must be extended, generously and quickly, to ease the suffering. Long-time aid must also be granted to rebuild the economic machinery and bring the world back to normal life and peaceful pursuits. All nations must do their utmost to pull through the crisis. But America, the strongest, the best equipped, and the least devastated must do most of all.

This kind of argument is met on every hand, and it sounds logical. Few Americans will refuse to do their bit once the case is presented. At least they are willing to help those who were on "our" side in the war.

As for the immediate assistance, few questions can be asked. To help diminish actual starvation is a task to which most people will respond. Yet even here questions arise as to motive. Will relief be granted strictly on the basis of need and hunger, or will it be extended with an eye to restore political stability? Can food be used to bribe people out of revolution and into counter-revolution? Perhaps some of those who plead the loudest for help have the later possibility in mind. It is well known that many people favor stopping revolution with bullets. Some might think food is more effective as well as more humane.

The immediate relief of suffering, however, is looked upon as a deed of charity. It will be given without asking for its return. Otherwise with the long term aid. To finance the rebuilding of war-devastated areas as well as to help modernize and industrialize the more backward sections of the world, loans, not gifts, are being planned. It is in this field where the "help" will be most generous, and where the benefits are to accrue to the lender as well as to the borrower. In fact this part of the program is made to look so attractive that it might be better to drop the word "help" and substitute it

with "investments."

We are told that the Soviet Union is asking for a six billion dollar loan. Great Britain wants five billion. How much can be extended to South America, China and other undeveloped regions is only conjectured.

Henry Wallace in his book, "Sixty Million Jobs" tells us that "repairing the war devastation, plus the initial steps toward industrialization in backward countries, will require from 55 to 65 billion dollars' worth of plant and equipment in the few years immediately after the war. Approximately half of this could easily come from the United States if suitable arrangements for its financing were worked out."

J. Clifford Folger, president, Investment Bankers Association of America, is a bit more modest

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The United States has always been depicted as a country free of the social turmoil that is so characteristic of other nations. But the "land of the free" has provided enough proof of the fact that America is no different. Take, for example, the recent strikes; the nation presented us with a picture, far from serene because from the east coast to the west coast labor unrest surged angrily. The significance of these strikes is that they occurred in many of the nation's basic industries such as oil, automobile, coal, lumber, textiles, shipping, etc. They involved more than 500,000 workers and caused a virtual paralysis of those industries affected. Even in those industries not considered as "basic," the strikes had a similar result. In New York City alone, the elevators strike of the building service workers almost

brought business to a complete standstill when many skyscrapers were left bereft of service. This strike began in the tallest building in the world, the Empire State building, and spread throughout the mid-town section of Manhattan, one of the busiest sections of that great metropolis. As a result thousands of workers, both white collar and those engaged in light industry, were rendered idle. Few dared to crash the picket lines of the striking workers. Others lacked in loyalty to their bosses or in energy to enable them to climb the many flights of stairs to reach offices or sweatshop lofts. The city took on a holiday aspect, with the strikers "cooperating" by providing a colorful atmosphere with their picket signs.

Just before the elevator workers' strike reached a "settlement" there occurred the strike of the longshoremen. New York City's shipping was almost completely tied up when these 60,000 dock workers refused to load or unload the ships. This was a vigorous rank-and-file protest of their union, the International Longshoremen's Association, the strikers even refusing to heed the pleas of J. P. Ryan, the president of their union, for them to return to work. In an attempt to break the strike, the government used troops to unload the cargoes. Soldiers unloading the Queen Elizabeth were hissed and booed by the striking longshoremen.

And so the nation writhed in

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## International Notes

### France Goes Left

In the French national election on October 21st the Communist Party emerged in first place with 152 representatives elected to the assembly. They will have the support of 11 others, in all 163. The Socialist Party came next with 142 and 19 others in support, 161 in all.

It was not expected that the Communists would be in the lead, but the biggest surprise was the strength of a new party, the Mouvement Republicain Populaire, with 141. This MRP, or Popular Republican Movement, is being referred to as the Christian socialists, or the Catholic liberal party.

All three major parties favor the formation of a new constitution. The Socialist Party and the MRP favored the De Gaulle policies being maintained for a period of seven months, while the new constitution is being drafted. This carried. The Communist Party was opposed to this plan, charging that it would make DeGaulle virtually a dictator during that period. They advocated that the newly elected parliament be vested with full and immediate authority.

The MRP advocated a two-chamber form of parliament. The Communists and Socialists favored a single chamber only, no Senate. This latter proposal carried.

In the field of economic reforms all three parties are said to favor nationalization of certain industries. The Communists want immediate and sweeping action. The Socialists advocate gradualism, while the MRP would move still more cautiously. The international policies of the MRP favor the formation of a western block of nations in Europe. The Communists are opposed and the Socialists may divide on this issue. There will be bitter debate and stormy sessions when those conflicting ideas come into contact.

During the election campaign, speakers of the various parties spoke to overflow audiences in schools, churches, halls and public squares. -For the first time in a French national election, women had the franchise and made up considerably more than half of the electorate. Some 30 parties with over 2,700 candidates, 258 of whom were women, contested for

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## FINANCIAL 'HELP' FOR THE WORLD

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but he too sees the opportunity for foreign investments and thinks that "private money going into foreign bonds might top \$9,000,000,000 within 10 years." according to a Chicago Sun report. Mr. Folger also thinks that "the Bretton Woods bank may become the second largest borrower in this country, exceeded only by the U. S. government." The Export-Import Bank and some of the large commercial banks were also mentioned by him as "avenues of American dollars to travel abroad."

Both Wallace and Folger think that prudence must be practiced. "We must be sympathetic but sensible" said Folger, "otherwise Uncle Sam will start out as Uncle Bountiful and winds up as Uncle Sap." Says Wallace: "But many thorny questions must be settled before the restoration job abroad can get fully under way. What industries will post-war Germany be permitted to operate? And Japan? How self-sufficient will eastern Europe and the Soviet Union be—and how much interchange will they have with the rest of the world? Who will finance and operate the restored railways, airlines and communications of central and western Europe—a United Nations authority, or the occupation authorities? These are but typical of the many problems . . . but they must be faced openly and answered promptly, so that the way can be cleared for financial industrial, and agricultural operations based on definite understandings."

These two men do not stand alone in their estimates of foreign investment opportunities. They express but the general outlook of big business. Loaded down with surplus capital the foreign field is the only one to which they can turn. The one thing that has changed during the war is that now some of the former rival investors have been exhausted by the war, while the American ones are stronger than ever. Foreign investment rivalry was one of the leading causes of the war. Can American investors now adopt a policy that will be appreciated and approved by the rest? Even if Germany and Japan could be held in check indefinitely will there be no comeback by the British, the French, the Dutch and others? Why have they trouble coming to agreement about ocean shipping, about aviation?

What will happen to the backward countries once they are on the road to industrial development? Will they have no trouble with overproduction and shut-downs, with default on interest payments, with native political development?

They talk about being "sensible" in their investment policy, about finding quick answers to immediate problems. They forget, or they

have never learned, that the present problems have sprung out of the system of exploitation which is at the basis of any and all investment policies.

In the few weeks since the war ended things are happening with growing rapidity, things which seem to complicate rather than solve the problems which needed attention. The Soviet Union, that sturdy ally during the war, seems to take a more independent stand regarding post-war problems. The western allies' schemes for restoration of peace and investment safety seems to meet opposition both from the Soviet Union and in the different European nations.

A huge extension of credit to the Soviet Union might have been all right if that nation would in turn help to restore kings and capitalists in its zone of occupation. It doesn't seem to work out that way. Some begin to think that all of eastern Europe might as well be written off as far as any western influence is concerned. Even western Europe, under American and British occupation, is turning "left of center" in its political trend. If the Soviet Union should begin to show any inclination to help the movement further on its way toward working class rule, then it might be necessary for American investors to withhold their dollars from that field.

On the proposed loan to Great Britain, other troubles emerge. The British seem to think that they must have the loan on very easy terms, preferably with no demand for repayment. And what is the loan to be used for? To rebuild British industries in a hurry so that Britain can again go out into the world markets with her goods, even before America is ready to come in as a competitor. This is not so very attractive either, but Great Britain is a very much needed ally and a good deal must be done both to keep her strong and friendly. Such a loan, however, does not look very profitable from the investor's point of view, and it must be handled through the government. At present it seems that Congress is more interested in tax reductions, than in making loans that are in the nature of grants. As a U. S. News writer puts it: "The experts problem is to hit upon an arrangement that will look like a grant to parliament and a loan to Congress."

China is a backward enough nation to be in line for new productive equipment. But here too there is lack of political stability. Once the Japs are disposed of it becomes a big question whether the masses of China will stay with the present Koumintang government or turn to the Communist cause. If the latter, there will be little room for American investor's dollars. The huge British, French and Dutch colonies around the

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## The Class Conflict in America

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industrial turmoil. Even the motion picture industry was not immune. In Hollywood, California, at the Warner Brothers' Burbank studio, it reached violent proportions. Scabs attempting to break through striking picket lines caused a melee resulting in casualties on both sides which were rushed to hospitals.

Jerked out of its self-complacency by these labor disputes, the nation was subjected to a barrage of questions. Who is to blame for these strikes? What is their basic cause? Can "management" and labor get together and settle their differences peacefully? These are the burning questions of the day.

The daily press, weekly and monthly periodicals, in addition to regaling the public with details of the strikes, also attempt to provide the answers as to their cause. They even propounded "solutions" but not to labor's satisfaction for most of them concluded that labor's demands were "unreasonable" and therefore the main obstacle toward a peaceful solution.

The government was also subjected to much criticism for its inability to either prevent these strikes or settle them when they do occur. For example, Samuel Grafton, the New York Post columnist (Oct. 11) stated that:

"The republic is going through a troubled period, and it is a characteristic of troubled periods that strange theories arise during them. Some of the strangest came out of the odd press conference conducted by the President on the banks of the Mississippi this week."

Someone asked Mr. Truman about strikes, and he replied that strikes were merely the result of a popular let-down after the war, that there were such let-downs after all wars, and that since this had been a big war, we were now seeing a let-down. The theory that a strike is a let-down is surely a peculiar one; most strikes seem more like rise-ups than let-downs; and this new presidential approach, of ascribing strikes to the dim workings of some obscure natural law, seems like a kind of abdication on the problem."

Grafton, furthermore, pointed out that a few weeks ago, the President asked "Congress to improve the labor picture by providing additional federal unemployment compensation, and by passing a full employment act; but how can he now go before Congress and fight for these measures when he has committed himself to the theory that the strike wave is an automatic phenomenon, something like the changing of the seasons? He (the President) indicated that if we are patient enough, the let-down will pass. Congress will

gladly subscribe to his theory, since patience does not require an appropriation bill."

In analyzing the foregoing we agree with Grafton in that the strikes are not caused by the "workings of some obscure natural law," but we wish to point out to him that they are "workings"—the direct result—of the exploitative nature of the capitalist system. And in speaking of these "let-downs," one must admit that as far as labor is concerned it certainly was a big let-down that it received. There is nothing "obscure" about that. Let us briefly examine this "let-down."

During the war, labor had been praised quite eloquently by both the government and "management" for its contribution to the war effort. It was labor that made possible the production of 189 billions of dollars' worth of munitions of war. It was also mainly from the ranks of the working class that an army was recruited to do the fighting. In the interest of "unity," labor had given up its right to strike, via the no-strike pledge. It had also submitted to having its wages "frozen" together with the "freezing" of the worker to his job. It was not easy for the workers to submit to all this. It meant long hours of sweat and toil, of trying to catch up with the high cost of living, of mourning over their fellow workers (the soldiers) slaughtered and maimed at the battlefronts. It was a great sacrifice. The workers were very patient and submitted, hoping that when peace came there would be a better world for them to live in. Their hopes, moreover, were buoyed up with promises of job security in the post-war period on the part of government and "management." Peace finally arrived but the better world is still "a-coming," only no one knows when. In fact, labor's economic conditions are worse than during the war, what with unemployment and working at reduced wages. Yes, it's a big let-down that the workers received and they reacted in a very "natural" way, by striking.

There is an old saying that, "a poor man's hopes are a rich man's security." One of the methods of keeping the poor men (the workers) hoping is to feed them with promises. They have been told that America is a land of equal opportunity where everyone has a chance to become rich. But it so happens that not a few workers soon discover that it's anything but the truth. Inadvertently the rich man supplies them with this information through the financial pages of the subsidized press. Here they soon discover that everyone has a chance to become rich except those that work

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## The Class Conflict in America

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for their living. A "new" saying arises, to wit: "The rich get richer, while the poor get poorer."

The growing perception on the part of the vast majority that all they can expect to get out of the capitalist system is just a bare existence, is causing the capitalist class no little apprehension. Hence "peculiar" theories are advanced which are of course only peculiar to capitalism, i. e., part and parcel of capitalism. Grafton, the New York Post columnist, criticizes Truman for committing himself "to the theory that the strike wave is an automatic phenomenon, something like the changing seasons." And yet, Grafton notwithstanding, the President simply expressed the "natural" way in which the capitalist system functions. We must point out that it's not only in post-war periods that "rise-ups" (strikes) occur but also in pre-war periods and not a few even during the war. Strikes are therefore a "natural" phenomenon of the system of "free enterprise" (capitalism). It's a problem, however, that neither the "patience" that Truman recommends can solve nor by the passing of appropriation bills by Congress, as Grafton recommends.

Hope in solving this problem is expressed on the part of some capitalists through full-page advertisements in the daily press. In the New York World Telegram (Oct. 2) there appeared an advertisement with a sensational headline: "Labor and Management Meet—For Peace or Civil War." This was a paid advertisement by the McGraw-Hill Publishing Co., one of New York City's largest publishing houses. It basis its hopes on the Labor-Management Conference scheduled to take place in November. Too long to quote in full, we can only cite some of its concluding remarks: "Neither management nor labor can afford to lend anything less than their best intelligence and effort to an attempt to arrive at common understanding. Success will mean that we have a genuine chance of reaching new levels of economic well-being. Failure will mean industrial civil war, in which the casualties will be high. One almost certain casualty of such a war will be the principle of collective bargaining since the Government can scarcely refrain from establishing compulsory arbitration if sufficient breakdown occurs."

"It is to the vital interest of both management and labor to demonstrate that they can responsibly control themselves."

Here again is expressed the hope of capital and labor arriving at "common understanding." Undoubtedly the official "heads" of the labor unions (the CIO and

AFL., etc.) will be more than willing to sit at the same table with the big shots of the Chamber of Commerce and Manufacturers' Association in an effort to "iron out the differences." Regardless of the results of this proposed conference, however, the class conflict will not be resolved but will continue. Class collaboration will not abolish the class struggle. No "common understanding" can be arrived at between exploiters and the exploited because their interests are not identical.

What then is the solution to the strikes? When we delve into the basic cause of all strikes we also discover the answer. First of all the strikes are conflicts between capital and labor over the wealth produced. When the workers struggle in an effort to increase their wages, it's an attempt on their part to keep the living standard from being lowered. But the more money they receive in wages the less the capitalists receive in the form of surplus value (profits). This may not be very clear to some of the workers but it is very obvious to the capitalist class. It is very "natural" then for the capitalists, who are the owners of industries, to resist these attempts on the part of the workers to increase their wages. It is not, of course, from "evil intent" that the capitalists attempt to break strikes but primarily because strikes interfere with profit making. The capitalist is interested in maintaining his luxurious standard of living and increasing his wealth. Even during the war he did not forego his profits. In fact, multimillionaires became billionaires. That poverty exists in the "land of equal opportunity," well—he considers that a "necessary evil" and consoles himself with the thought that "the poor, we have always with us."

It so happens, however, that the "poor" are the vast majority, the working class. It is they who produce the wealth of the nation, a meager portion of which the workers receive in wages. This mere pittance is the price that is paid to them for their ability to work, that is, for their labor-power. In order to get a better price for their labor-power some workers organized into labor unions which now number over 14 million members, a record in the history of the American labor movement. Thus organized labor is in a better position now than ever before to "bargain collectively" with "management." But the unions are finding it difficult to realize their demands. Unemployment is on the increase, creating a surplus of labor-power, and, therefore, "management" can afford to mark time in the hopes that labor will become more "reasonable" and accept what the capitalist class has to

## International Notes

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the 586 seats. Thirty-one women were elected. Fourteen of them were Communists and six of them were socialists.

Meantime, in Paris, and throughout the country in general, there is a great shortage of essential supplies of all sorts. For instance, in Paris, it is reported, electric power is greatly reduced, curtailing traffic and lighting. Even candles are reported to be at a premium.

To this general shortage, nature also seems to have contributed in the form of a drought which has greatly reduced the water supply. The temper of the people is rising and very drastic action is expected, and before long. The people have expressed their desire for real change, and if sweeping reforms are not enacted there will be riots this winter.

It is claimed that the success of the new party, the MRP, is in a large measure due to the more conservatives realizing that their old parties were doomed and they deliberately chose the lesser of three evils, and to try retard the swing to the extreme left.

Speculation is ripe as to whether the Socialists, finding themselves in the middle of the major parties, will compromise with the Communists, or turn to the right and ally with the new party.

This intense interest in political affairs is not likely to subside, so long as privation and want stares the French proletariat in the face. Reform measures, no matter how

offer.

In this whole situation, the capitalist class can well afford to cultivate the quality of "patience." It owns the entire industry; the mines, factories, railroads, banks, etc., are in the possession of the wealthy minority. The government also, from the President down to the dog-catcher, is controlled by this wealthy minority. Of course, the "patience" of the workers may reach its limits, the strikes may become more widespread, particularly when they become convinced that the government is "not on their side" but is a political institution that serves the interests of the capitalist class. In such a case "compulsory arbitration" will, without doubt, be attempted by the government.

The real solution to this class conflict can only be brought about by the working class when it takes possession under collective ownership of the entire means of production. But in order to abolish the capitalist system, the workers will have to establish their own, working class form of government. This is the only way in which they will be able to rid themselves of their exploiters, abolish poverty, and bring forth the new classless society.

Al Wysocki.

extensive, will not solve the workers' problems. The situation calls for a complete social revolution, the entire abolition of class privilege and exploitation. Such an outcome may not be so far off. One thing is certain, the working people of France are due for further awakening, in the immediate future.

\* \* \*

### The Big Three Fail to Agree

The rift between Britain and America on the one hand and the Soviet Union on the other is growing wider. While all three had mutual and powerful enemies they could compromise on differences which arose. Now that those enemies have been liquidated, basic and opposing policies come into open conflict. From now on differences will be settled on the basis of economic, political and military power. In Rumania, Bulgaria, Hungary and Eastern Germany, where the Red Army is in occupation, the chains of "free enterprise" will not be allowed to stand in the way of progress. In Greece, Italy and western Germany, the British and American policy will be to maintain and uphold the sacredness of private property in the means of production. These policies are in direct opposition to each other. There is no middle ground.

America has an ace in the hole in being able to supply or withhold finances. The Soviet Union could use American goods in great quantities if long-term credits were extended. America at present is not faced with any great surplus of commodities and is inclined to be cold toward granting large credits. This situation may change in the near future as the need for markets increases. The Soviet Union's ace in the hole is the fact that where Soviet influence dominates there the economic and political problems tend to decrease in magnitude. For Britain and America, both at home and abroad, the situation is just the reverse. There, economic and political problems constantly increase and are insoluble.

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### Revolt in Indonesia

The defeat of the Japanese imperialists resulted in a break-down of governmental control in their conquered territories. This gave the leaders of the Indonesian independence movement a chance to assert themselves. Java, with a population of some fifty millions, has become the center of this movement. There the native people have been called upon to wage a holy war against the return of the Dutch "supported by their Japanese allies." The natives are to use every weapon at their command—arms seized from the Japanese, poisoned darts, snakes and sabotage.

Although such weapons cannot

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## Some of the Post-War Developments

When the guns ceased to bark, when Japan accepted unconditional surrender and the "global war" was proclaimed at an end, there was great rejoicing in the camp of the victorious "democracies." Many of the boys are already home and many more are on the way. Now the problems of "peace" arise to take the place of the problems of war.

When we look around us today we find turmoil on the home front. The class war, which was somewhat repressed during the big shooting, is now flaring up and reports of strikes, and threats of strikes, take the place of war news in the headlines of the newspapers. In the field of international relations, the United Nations are not just so "united." Differences are arising which are not easy to resolve.

If we would fully comprehend what is taking place in the post-war world, we must not for a moment forget what sort of world it is. The larger nations are capitalist imperialist powers although fewer of them are now *great powers*. All of them, with the exception of the Soviet Union, are based upon the exploitation of labor by the capitalist owners of the means of production.

There is starvation in Europe, especially in the defeated Axis nations. Famine and disease are rapidly spreading in Germany. Some writers estimate that from ten to fifteen millions of people will perish in Europe this winter, unless much more food and fuel are provided by the victorious powers than has, so far, been available. Others contend that even with the greatest efforts to feed and shelter the homeless, millions are bound to die because of the devastated conditions of so many cities, and the general economic dislocation of industry and agriculture.

Observers report that the highways into Germany from the east are crowded with impoverished people, and also some going in the opposite direction. They are mostly without food supplies and are trying to subsist upon the impoverished country they pass through. They are moving on and on, some ready to go almost anywhere that promises a chance of shelter and something to eat. It seems that, for a time, some 25,000 were trying to enter Berlin daily, but later the stream of humans fell off to about 10,000 a day. Many, of course, were headed off in other directions because Berlin is already overcrowded. Large numbers, mostly women and children are wandering the highways. Many of the children are alone or traveling in small groups. In the parts of Germany and Austria which are occupied by the French, it is said that conditions are at their worst. For how can France, whose own population is underfed, take care of hungry Germans and Austrians?

According to these same reports, thousands of graves are being dug. Those doing the work being paid with food. "The New Statesman and Nation" (London, Sept. 15) says: "Burgomasters have been ordered to have mass graves dug now, because when winter comes the workers will lack the strength to dig them. In some towns, the mortality has already reached famine level. In Berlin, during the

first month of the Four-Power occupation, the figure was 61 per thousand. In that month, out of 609 infants under the age of one, 361 died."

Desperate measures are being taken to check epidemics, but it is obvious that when winter strikes it will take a heavy toll of those hungry victims of capitalist imperialist war.

Where the Soviet Union is in control, in eastern Germany where the migration is the heaviest, the greatest efforts have been made to cope with these conditions but still the problem is serious. By early recognition of the inevitability of the suffering, the occupying forces of the Red Army took steps to organize the people into work battalions, and pooled food supplies so as to ration them equitably. The people of Eastern Europe have been encouraged to work for their own welfare. Rebuilding is on the way, and many temporary shelters are being constructed under the direction of the Red Army which commandeers all available materials for the purpose, regardless of whose private property it may have been.

Even under the most efficient handling the problem of the homeless millions will continue to be difficult, but through systematic and rigid discipline the suffering will be greatly diminished, especially where the people are encouraged to cooperate and help themselves.

### Peace Planners

While most of Europe is in this deplorable condition, the representatives of the United Nations have been holding a sort of preliminary peace pow-wow in London. The conference of the foreign ministers of those nations, with their staffs, lasted for several weeks and then adjourned with the slate still practically blank. The heads of the governments, such as President Truman, and Premiers Atlee and Stalin, it is said, are now trying to bridge the gaps created by the London Conference and hang together for further negotiations.

The cloak of "unity," which had a certain cohesiveness while they faced a common desperate foe, is now beginning to rip open at every seam. This was bound to happen, only it is happening much sooner than might have been expected.

"Peacing out the pieces" was one of the main items on the London agenda. For instance, what to do with Italy's conquered colonies in Africa. On this score, Wall Street's bright boys pretended to be "generous." They suggested turning the colonies back to Italy, as "mandate" holdings. John Bull's representatives, understanding the "mandate" hoax quite well, Britain having used it so successfully in the past, were opposed to America's "generous" maneuver against their Mediterranean imperialist "life-line." They suggested that, in-as-much as the Mediterranean is practically a British sea, it would be more fitting for the former Italian colonies to be "mandated" to Britain. Thus, the two largest empires, the two greatest "free enterprisers" were divided over the disposal of the "plums." The Soviet Union representatives did not side with either. They made a suggestion that the United Nations hold the mandates jointly, or share the administration of those former Italian colonies in the way that Germany and Austria are now administered.

It goes without saying, that the capitalist empires, no matter how much they may be divided over the disposal of Italy's lost colonies, will be *united* on the issue of keeping the USSR out of the Mediterranean. Of course, the American imperialists may be just using that proposition as a club to bring the British into line for some concession desired elsewhere. However, if they are serious, and press the issue strongly enough, the British will probably agree to returning Italy's colonies rather than let the Soviet Union establish a bridgehead on the Mediterranean. However, American imperialism could be in favor of just such an outcome.

On almost all measures proposed by the Soviet delegates there was united opposition, until it came to the question of the post-war administration of Japan. Then it was America's turn to stand alone, and Mr. Byrnes had to concede, at least in principle, to the demands of others. The Soviet Union, as an anti-Axis power, was but a short time in the war against Japan when the end came (some 25 days), but still it would be entitled to take part in deciding Japan's fate, even if America did most of the fighting, just as the Red Army bore the brunt in Europe. The Soviet representatives had no objection to American military occupation of the islands, but the civil administration of Japan, during the post-war period, is quite a different matter. Britain, Australia, New Zealand and China put forth their demands for a share in the administration of Japan.

Eleven European nations will have national elections between now and February. Britain's "Labor imperialists" are doing their best, assisted by America's imperialists, to bolster the forces of reaction in eastern Europe, on the plea of democracy. The Labor government's continuation of the Churchill-Eden and Roosevelt-Truman foreign policies may have just the opposite effect. It may cause the people of those countries to move still further to the "left."

### Wages, Real and Relative

While the representatives of various nations were wrangling at London, the government found itself confronted with growing unrest at home. A strike in the oil industry became so militant that the Truman administration had to send in the armed forces to take over. The strikers then returned, saying that they were willing to work for the government, but that, as far as they were concerned, the strike against the employers was not settled, unless the government could arrange an acceptable settlement.

In Detroit a strike at the Kelsey Wheel Works shut off certain supplies for the Ford Motor Company which closed down as a consequence, or at least gave that as the reason. A mass vote of about half a million Auto workers is being taken in Detroit at this time on whether or not to strike. Hollywood, the famous "movieland," is experiencing a bitter struggle of employes against producers. Telephone workers, throughout the country are also engaged in disputes, and elevator operators in New York City skyscrapers left those great buildings without service, and dock workers there refused to load ships.

All those disputes, and others pending, are the workers' way of resisting a slash in their living standards. Strikes interfere with production. They also interfere with earnings, with wages. But what can labor do when faced with higher living costs and lower pay.

The present attitude of capital, and the government, are reminiscent of President Harding's time, with its policy of "back to normalcy," when they contended that normal business relations and commodity prices could not be restored because wages were too high.

Recently, the Chicago Tribune, the world's greatest labor-hating newspaper, gave front-page space to a cartoon, depicting a worker chasing higher wages, and followed by his shadow, labeled "Cost of Living." Again he rushes forward until he runs out of breath, and there right behind him, his shadow (cost of living), has caught up with him, and says: "That was fun, let's race some more."

The implication, if course, was plain, namely that a rise of wages would force up the cost of living, so why strike for more wages, a worker cannot run away from his own shadow, the cost of living. A very subtle piece of reactionary propaganda. Clever headfixing, but as false as most of the "Trib's" other anti-labor line.

The cost of living, the *shadow*, frequently runs well ahead of the worker, well ahead of wages, and no way connected therewith. When wages were "frozen" during the war, the cost of living shot well ahead, the *shadow* in that case was leading. When commodities are scarce and there is a demand (regardless of whether wages have risen, fallen, or remained fixed), the prices will rise. Wages seldom precede the rise in the cost of living. It is usually the increased living costs which compel the workers to fight for an increase in wages. That is what is back of the wave of strikes at the present time.

During the war, the workers were foolish enough to enter into a no-strike arrangement with the bosses. At the time that arrangement was put over, the cost of living, the *shadow* was already a good jump ahead. There was a dispute as to how far ahead it was. The government admitted that the workers were entitled to a higher wage-rate, and finally put over the "Little Steel" Formula, recognizing an increase of 15 per cent as legitimate, provided the workers could force the bosses to pay it. Some workers got an increase, but

meantime the cost of living mounted higher. This was quite understood by the workers, still they went along. By working long hours, sometimes seven days a week, the average pay-envelope contained more dollars than formerly, but not because the wage-rate was higher but because they were taking it out of their own hides. Some workers saved money for the first time in their lives, but at best a minority. Most of them found no time to spend money, other than on necessities.

With the ending of the war, and the shutting down of munitions plants, the overtime was promptly reduced, and fulltime in many cases suspended. With the shorter work-week in vogue once more, the workers discovered that the greatly curtailed paycheck was badly overshadowed by the cost of living, which had risen, on the average, more than 30 per cent above old wage-rate (including the 15 per cent "Little Steel" Formula's increase).

The shorter work-week is welcome. The workers know that the rush of war-production is over, but their wage-rate, in relation to the cost of living, or in other words, their

"real wage" (what they can buy with their take-home pay) has fallen. Their "relative wage" (the value they have been receiving in relation to the value they have been producing), is something else again. Labor is vaguely aware of this latter. The workers know that during the war years the bosses have piled up billions, out of the sweat and toil of the workers, and that they can afford an increase of 30 per cent, at least, without cutting deeply into their vast reserve funds.

Voices of reaction are raised against labor's all to reasonable demands. The Chicago Trib's cartoon had one real truth to it, although unconscious on the part of their artless artist. No matter how vigorously the workers chase after wages, nor how "high" they succeed in forcing them, it will not solve their problem. It will not abolish poverty for the many and super-abundance for parasites. It will not prevent the return of depressions or wars. The wage system itself must be abolished. The exploitation of one class by another must be brought to an end. In war or in "peace" capitalism has outlived its usefulness.

John Keracher.

## Frederick Engels

(November 1820—August 1895)

(Continued from last issue)

Before Marx published his volume I of *Capital* he had already written this entire work, but in rough draft form. Between 1867 and the time of his death in 1883 he worked at revising and preparing the balance of his material for the volumes which were to follow, but he was unable, through illness, to whip them into final form for publication.

From 1883 to 1894 Engels worked upon the manuscripts, editing and preparing them for the publisher. Volume II made its appearance, in German, of course, in May, 1885, and Volume III in October, 1894. There was enough material left over for a fourth volume, but Engels realized he would not be able to complete it. This latter material he turned over to Karl Kautsky, then editor of *Die Neue Zeit*, and personally explained to him its substance and how it should be put into final form as Volume IV of *Capital*. Kautsky apparently was unable to carry out that request, but used the material as the basis of his work on *Theories of Surplus Value*. This latter, of course, was not published until long after the death of Engels, and is not yet translated into English.

Some people who seemingly failed to comprehend the interrelation of Marx and Engels' works have contended that Marx only wrote Volume I, that Volumes II and III were written by Frederick Engels, and that Marx only left behind a lot of incoherent notes. Such contentions are untrue and very stupid. They usually spring from faulty understanding of the contents of Volume I, and the belief that the latter volumes contradicted the thesis laid down in the first. They fail to see the continuity and completion of the thesis in the latter volumes.

Engels was too honest to write whole volumes of his own and pass them off as the work of another, even that of his closest friend. But supposing the charges were true, has any man ever lived who was more competent to write on this great science in the spirit and with the understanding of Marx's economic work?

In his preface to Volume II, after an explanation of the state in which Marx left the manuscripts, Engels writes: "I have been content to interpret these manuscripts as literally as possible, changing the style only in places where Marx would have changed it himself and interpolating explanatory sentences or connecting statements only where this was indispensable, and where the meaning was so

clear that there could be no doubt of the correctness of my interpretation. Sentences which seemed in the least ambiguous were preferably reprinted literally. The passages which I have remodeled or interpolated cover barely ten pages in print, and concern mainly matters of form." And in his preface to Volume III he makes a similar statement—"At last I have the pleasure of making public this third volume of the main work of Marx, the closing part of his economic theories. When I published the second volume in 1885, I thought that the third would probably offer only technical difficulties, with the exception of a few very important sections. This turned out to be so. But that these exceptional sections, which represent the most valuable parts of the entire work, would give me as much trouble as they did, I could not foresee at that time any more than I anticipated the other obstacles, which retarded the completion of the work to such an extent."

Not only have attempts been made to misrepresent Engels' work upon Marx's *Capital*, but also to represent him, especially in his latter years, as a sort of peaceful social-democratic parliamentary revolutionist, a social "gradualist." Engels undoubtedly erred in his judgment of the German Social Democratic party, but he never descended to its theoretical level, and, of course, he did not live to see it in its period of "revisionism," which one of his young friends, Eduard Bernstein, who as a young Marxian he had much pride in, finally helped to drag it.

Marx had spoken of the possibility of a peaceful revolution in England and some people sought to enlarge upon his statements. In his preface to the first English translation of Volume I (November, 1886), Engels writes: "Surely at such a moment, the voice ought to be heard of a man whose whole theory is the result of a life-long study of the economic history and condition of England, and whom that study led to the conclusion that, at least in Europe, England is the only country where the inevitable social revolution might be effected entirely by peaceful and legal means. He certainly never forgot to add that he hardly expected the English ruling classes to submit, without a 'pro-slavery rebellion,' to this peaceful and legal revolution."

Here Engels is pointing out that, while Marx admitted the possibility that there might be a peaceful revolution in Britain, he also believed that in such an event the ruling classes would let loose a counter-revolutionary armed struggle.

In 1891, a new edition of Marx's *Civil War*

in France was gotten out. It was the twentieth anniversary of the Paris Commune, and Engels wrote an introduction for the new edition. He concludes it with the following statements: "In reality, however, the State is nothing else than a machine for the oppression of one class by another, and indeed no less so in the democratic republic than in the monarchy. At the best it is an evil inherited by the proletariat after its victorious struggle for class supremacy and whose worst features it will have to lop off at once, as the Commune did, until such time as a new generation, reared under new, free social conditions, will be in a position to rid itself of this State rubbish in its entirety. Of late the German philistine has again been thrown into wholesome paroxysms by the expression 'Dictatorship of the Proletariat.' Well and good, gentlemen, do you want to know what this dictatorship of the proletariat looks like? Then look at the Paris Commune. That was the Dictatorship of the Proletariat."

One might conclude that Engels worked night and day and without respite, but while he did work hard he also found time for enjoyment. He liked the out-of-doors, was a good horseman and a good walker, a jovial type who liked good company. At his home in Regent's Park Road he entertained his friends, usually on Sunday evenings. Then relaxation was the order of the day, with good food and drinks. It was a regular Mecca for rebels and refugees of various nationalities. Eduard Bernstein, who later abandoned Marxism for social-democratic *revisionism*, lived in England for many years during his exile from his native city of Berlin, and he tells us in his *My Life in Exile* about the many happy evenings spent in Engel's home, and of the great variety of revolutionists who were always welcome, so long as they were sincere rebels.

In 1888, Engels, along with the scientist Karl Schorlemmer of Manchester, a friend of many years' standing, and Eleanor Marx and her husband Edward Aveling, made a short visit to the United States and Canada. There was nothing formal about the visit. It was just a sightseeing trip, and to call upon some old friends, such as Frederick Sorge and George Julian Harney, who had settled on this side of the Atlantic. It was the year after the Haymarket executions. The capitalist class and the forces of reaction in general had exploited the affair, and the labor movement was badly divided and demoralized.

He still had a number of years of good work ahead of him and that time was mostly given

(Continued from page 5)

## INTERNATIONAL NOTES

(Continued from page 3)

stop tanks and planes, the situation is extremely annoying to those who would "reestablish democracy" in Indonesia. At present the British are more involved than the Dutch. They have ordered the Japanese to maintain "law and order." Failure to do so will render the officers liable to prosecution as war criminals. Troops from Holland are said to be on the way.

American officials have reported that the U. S. A. is taking a position of "benevolent neutrality" towards the Indonesian independence movement. This is just so much hypocrisy. American financiers have large investments in the Indies especially in oil and rubber. They will see that American interests are protected. British and Dutch troops may do the dirty work of suppressing the independence movement but much of their supplies and equipment will be supplied by the U. S. A.

### Zionism and the Arab League

The secretary general of the Arab League, Abdul Rahman Azam Bey, has been in London and is going to visit Washington. While in London he made some very pertinent statements. We quote the following from the Chicago Sun, Sunday, October 21:

"I want people to understand the Arab League. People are wrong if they think that I am going to America to fight the Jews. I am not anti-Semitic.

"If they told me that there are 100,000 or 1,000,000 Jews in distress and put the problem on a human basis, we Arabs would cooperate and prove to the Jews that we are their friends.

"But as long as it is a political issue, with two races fighting for domination of a place, we cannot get together.

"We Arab peoples want a footing in the world. We want to look after our own underdogs. The Jew is an underdog like ourselves and we don't want to fight him. Our mothers never told us that Jews are bad.

"But the Zionists believe that in order that they shall be up, we Arabs must be down. That's a horrible thing. We must fight Zionism as imperialism.

"If the Jews in Palestine want to be autonomous, we would make them autonomous. If they want independence, we will give it to them. But we refuse to recognize them as a master race. We fought the Christians for 2,000 years to prevent that sort of domination."

To the Jewish proletarian, Zionism means nothing. It will not solve the Jewish workers' problems. Only when capitalism is ended will this and all other race problems become a thing of the past.

### Austria

A national election is scheduled to take place in Austria on November 25. It will be well supervised, according to all indications. Russia, Britain, America and France have their zone of occupation in that small country, but since Britain and France have so recently moved to the political left, little Austria cannot be blamed for following their lead.

Three parties there, as in France, seem to have the support of the populace, the Communists, Socialists and the Volks Party. The latter is said to have the greatest support outside of Vienna and is expected to get the Catholic vote.

The C. P., it is reported, is the weakest of the three, and "as proof" attention is called to the fact that they sought an alliance with the Socialist Party, but it must not be forgotten that the C. P. did the same in France, and yet proved to be the strongest party there, when the ballots were counted.

### Poland

In Poland, where devastation and social breakdown was most severe, the new administration is making valiant efforts to restore production. The government is taking over all heavy industry. Twenty-five to thirty per cent of the machinery, especially that which the Germans had set up, has been taken by the Soviet, but the balance is left in the hands of the Poles and they are finding difficulty in getting manpower for its operation, especially technicians and other skilled workers.

The ownership of much of the

industry was no obstacle. Many of the former owners had been killed or had fled. However, the administration had adopted a policy of compensating owners, where known, and seeking their cooperation. Private operation of smaller industry and business in general is being encouraged with a view to getting production back on its feet. The administration claims that the larger industries were in such shape that only by the government taking them over could they be put into operation.

Sometime ago, it was reported that workers and peasants councils were being organized to carry on political affairs, and to help in the general plans of restoring production and the distribution of necessities. There is still much turmoil, and there will be for some time, but despite difficulties the workers and peasants are making progress, and the tendency is in the direction of centralized control and a leftward trend in politics, as is the case in Europe generally.

With so much distribution of land, especially in the new western section taken from Germany, large numbers of peasants, freed from the yoke of landlordism for the first time, are working with a will and increasing the necessary agricultural supplies. With aid from the Soviet Union, the new alignment should be able to make headway, but in the field of machine industry the Soviet Union will not be able to provide adequate assistance and it is said that the Polish government will appeal to America for a cash loan which will be mostly expended here for American machinery and transportation vehicles, and inducements will be made to technicians to go into Poland to aid in the reconstruction.

Oliver Ritchie.

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## Frederick Engels

(Concluded on page 6)

to the work on Volume III of *Capital*. During those last busy years he wrote a number of introductions to new editions of Marx's works which were appearing in different nations of Europe, besides various writings of his own. So many requests came for those introductions that it was said he was thankful he did not know more languages. Occasionally Engels had some illness, but in the main he enjoyed good health. His fatal illness did not strike until the summer of 1895. It was an internal cancer. Dr. Victor Adler, the Austrian social democrat who had on a number of occasions visited Engels in connection with the movement, and also checked on the state of his health, learned of the seriousness of the illness. He got time off from a prison sentence he was serving to visit Engels. In consultation with other physicians he soon learned that the time of his old friend and comrade was

short. He had to return two days before Engels' death, but the patient had already sunk into unconsciousness. Death occurred on August 20, 1895.

Engels had made the request that his body be cremated and his ashes thrown into the sea near his favorite holiday resort, Eastbourne. He only wanted a few close friends to attend his funeral. His wishes were carried out. Less than a hundred were present. They included Wilhelm Liebknecht, Bernstein, Bebel, Lafargue, Kautsky, Lessner and his old friend Samuel Moore, the English translator of the first volume of *Capital*. Some labor leaders, such as John Burns and Will Thorne were also present. The Avelings, Bernstein and a few others accompanied the ashes to Eastbourne.

Frederick Engels, because of his modesty and high regard for the genius of Marx, devoted his greatest efforts to getting the latter's work into print in as many languages as possible, and thus held his own work more or less in the background. But, with the passing of time, its great merit and complimentary char-

acter, has placed it side by side with, or auxiliary to, the fundamental works of Karl Marx.

At his death he left an incompleting work of a highly scientific character which has since been published under the title of *The Dialectics of Nature*.

Fifty years have passed since his death, and one hundred and twenty-five years since his birth, and today his work, like that of Marx, is more extensively circulated and appreciated than ever.

This short biographical sketch is not intended as a substitute for the reading of the excellent larger books written on the life and work of this great revolutionary champion of the modern proletariat. We simply offer it as a sort of introduction with the hope that it may reach larger numbers of workers and induce them to study Marxism, and which, we here wish to emphasize, is incomplete without a thorough study of the theoretical writings of Frederick Engels.

John Keracher.

# HOME SCENE

## Labor Front

Strikes: Post-war America is anything but peaceful. Labor's no-strike pledge, plus patriotic motives and Government's war emergency machinery put a lid on the conflicting interests between labor and capital during the war.

The contending economic forces dammed up during the war are breaking through and asserting themselves. Strikes, lockouts and shutdowns are coming into their own despite the Administration's efforts to prevent such.

During the war, strikes were tabooed. "Don't you know there's a war on? Don't stab the boys in the back, etc." Now with reconversion the argument against labor continues. "Don't strike now for you'll be obstructing an orderly transition to prosperity and bring on hard times." In war or peace, "don't strike" shout the capitalists and their lackeys.

But strikes do take place. The strikes in oil, motor, coal, transport, textile industries and others are not accidental or the result of hotheads. The loss of overtime pay due to the reduction of work hours to 40 a week, the shift from a higher to lower rating in jobs with a consequent slash in pay on a take-it-or-starve basis has made it impossible for labor to keep up with the increased cost of living. The workers, rightly, are demanding and striking for higher rates of wages. Not to do so would be automatically accepting a pay cut.

Capital is balking and the government cooperating with it, is feverishly working to check labor. The numerous independent government labor agencies have been swallowed up by the Labor Dept. ostensibly for smoother functioning, but nonetheless in the interests of capital. Bigger and better conciliation service is emphasized and used. Failing that, government seizure of strike bound industries tips the scales in capital's favor. In the meantime more legal road blocks are planned. Moral, legal and physical forces are all being used against labor in the interests of the profit takers.

Some workers are of the opinion that capital is deliberately provoking strikes where layoffs are scheduled. Adding that capital welcomes strikes at this time so as to blame labor for the hard times that are sure to come. Whatever merit there is to that line of reasoning, one thing is certain, the recent strikes and the ones still in progress are essentially based on the workers need for higher wages to keep above water.

The proceeds of labor are an unending source of conflict between capital and labor under capitalism. The profit takers manage to grab the lion's share and labor is left with but a pittance. The struggle is unending as long as labor is satisfied with but a part of the whole which it, and it alone, produces.

Full Employment: The Full

Employment Bill if it ever is passed will be full of holes.

The Senate, in passing the bill, has already done quite a job on it, which the House is expected to finish. After running the gauntlet of both branches of Congress, judging by the temper of these legislators, it will look like the patchwork of a comedian's pants at a burlesque show.

The bill, as already passed by the Senate, declares that (1) all able bodied Americans seeking employment are "entitled to an opportunity" to work; (2) calls for a survey of job prospects; (3) requires the Government to act with Congressional approval to supply jobs in the event private enterprise fails. The outlay of funds to increase jobs as sponsored by the administration was absolutely rejected. It could only spend money to stimulate employment out of current taxes.

How seriously these declarations could be taken can be judged by the reactions of Senatorial comment. Senate Majority Leader Barkley, commenting on the bill passed said: "It guarantees everybody out of work the right to seek a job if he can find one." That's like the pursuit of happiness in the Declaration of Independence, which the workers have been chasing after all these years and still haven't got. Another Senator, described the bill as "a damn good New Year's resolution." Which, in any man's language, means it will be broken.

Further, it is reported that the other branch of Congress, the House, is in favor of watering down the bill even more.

Rep. Carter Manasco (D. Ala.) chairman of the Committee on Expenditures in the Executive Department, through whose hands the bill must pass, said there was "no big rush on this matter." These gentlemen are in no great hurry with their recently voted \$10,000 increase of salary. Further he said that the Budget Bureau should submit a "sample budget" along with the regular Federal budget, come January, to see what this thing would cost. It is obvious that Congress is more concerned with the money costs than with human welfare. The bill is fraught with rights but no guarantees. Empty promises and stalling.

In the meantime, unemployment continues to mount by leaps and bounds. Estimates vary but all are figured in the millions. And how fares the unemployed?

Unemployment Insurance: The bill for increasing and extending unemployment compensation has been shelved for the time being. The excuse given by the legislators is that they wanted to "get more concrete information as to what the unemployment situation is to be during reconversion."

That many workers already are pounding the concrete and millions more are due in short order

to join the army of unemployed, is only a signal, for the gentry in Congress, to study and look into the matter.

Did the Congressmen wait for the arrival of reconversion to deal with the possible curtailment of profits during this period? Oh, no. Long ago various measures were taken to insure capital against losses during this period. First the industrialists will get a flat 10 per cent rebate on their wartime excess profits taxes, which amounts to about \$2,800,000,000. Secondly, should the profit takers witness a drop below their so-called normal profit in the next two years they could draw further cash refund from the U. S. Treasury. Their refunds cannot be larger than what they put in, through the excess profits taxes, during the war. The amount they could draw from is estimated to be \$62,000,000,000.

Why didn't labor save for the rainy day? They just didn't get enough as exemplified by the steel industry. The steel industrialists emerged from the war with a net working capital of \$2 billion. Their rebate will yield them \$200 million. The 475,000 steel workers of America, according to United Steel workers, CIO, have a total of \$285,000,000 in savings or \$600 a worker. And it is well to note that the steel workers were among the better paid. In the tobacco industry, wages amounted to only \$69,000,000 to produce a product valued at over \$1,320,000,000 a fraction over 5 per cent. (Bureau of Labor Statistics).

Rebates for capital and a shower of ice water for labor. The business principle of "never give the sucker a break," is followed pretty close by the businessmen's government in Washington. The workers are just out of luck as far as business and its henchmen are concerned. They don't have to depend on "lady luck," if they but organize as a class and administer the nation's affairs themselves.

\* \* \*

## Poor Pickings

An estimated \$15,000,000 wage cut for the 50,000 cotton pickers was in the offing, with the announcement of the wage-ceiling of \$2.00 for a hundred pounds of cotton. The "wage boards" of the cotton states conducted the referendum in setting the wage-ceiling. H. L. Mitchell, head of the Southern Tenants Farmers Union, disclosed that only planters and tenant farmers were eligible to vote on this referendum. Secretary of Agriculture Anderson, true to his class interest, has taken his stand with the planters.

During "war prosperity" the cotton pickers managed to get around \$3.90 per hundred pounds. Experts in the Agricultural Department estimate that a hard-working laborer could pick from 100 to 150 pounds of cotton a day. With the slash in pay, working six days, the cotton picker will hence take home about \$15 for his back-breaking labors.

To make sure the cotton crop is

picked with a "sticking" for the workers, Mr. Anderson of the Agricultural Dept. has appealed to the War Dept. and Reconversion Director Snyder for the use of Nazi prisoners of war.

Prison labor and low wages, we were always told, were the foreign way of life. Could it be that the American business men are adopting foreign economic doctrines? No. The American capitalists, as all capitalists, the world over, know their economic interests, that lower wages means higher profits, and vice versa. The cotton workers, as all other workers, must not be satisfied with poor pickings, it is to their economic interests to resist wage-cuts and struggle for a better life.

\* \* \*

## Personal Union

A principle quite often, and successfully, employed by monopoly capitalism is that of personal union. That is a union between bankers and industrialists and these both, in turn, with government. In such manner, business exerts a strong influence on the state, by occupying important offices.

Cases in point are Andrew Mellon, billionaire head of the Aluminum Company of America, who was Secretary of the Treasury in the Hoover cabinet; Owen D. Young of General Electric, Myron C. Taylor and Stettinius of U. S. Steel, Nelson of Sears, Roebuck and Co., and others.

This union also works in reverse. Where former civil-servants (who know their way around), able to facilitate relations with the authorities, are appointed to key and lucrative positions in business.

The Ford Company has recently announced the appointment of John S. Bugas, former FBI head in Detroit, to succeed the notorious Harry H. Bennett, as the company's industrial relations director, while the latter (Bennett) has been promoted to an advisory capacity.

With an FBI background, Bugas, at the head of Ford's private police, will undoubtedly facilitate, even more, the coercive use of the big stick of government against labor in the interest of business. Hereafter the Ford workers, when striking, will receive that "personal" governmental touch, begotten by "personal union."

L. B.

"All property relations in the past have continually been subject to historical change consequent upon the change in historical conditions.

"The French Revolution, for example, abolished feudal property in favor of bourgeois property.

"The distinguishing feature of Communism is not the abolition of property generally, but the abolition of bourgeois property. But modern bourgeois private property is the final and most complete expression of the system of producing and appropriating products, that is based on class antagonism, on the exploitation of the many by the few." *Communist Manifesto*

## A 'COMMUNIST' RECANTS

Louis Budenz's resignation from the "Communist" party and the editorship of the Daily Worker, and his return to the faith of his fathers, the Catholic Church, must have left a sour taste in the mouths of the members of the party which so recently was born again.

To the church this is not a minor triumph. A return to its fold of a repentant sinner is always extolled as confirmation of its ancient "wisdom, truth and power," especially if the convert is considered to be from the ranks of the opposition.

The church's rabid attacks upon Communism can now be spiced with "inside information," whatever that may be worth. Many workers who are sympathetic to the revolutionary movement as a whole, especially those who think the "Communist" party stands for what its name implies, are astonished and bewildered. The state of mind of the party members, (not the leaders, there is not a "mind" amongst them) must be that of disgust, if not despair.

Workers may ask: "How come that a working class leader, an editor of an alleged Communist paper, and a member of the National Committee of the C. P. could make such a sudden and complete leap from what poses as the extreme left to what certainly is to the extreme right?" The answer is that Budenz never held a consistent Communist position. He never knew, anymore than the other C. P. leaders, what Marxism is. "But he edited the Daily Worker," it will be said. Quite true, but no Marxian, no genuine Communist could ever descend to that.

As for his return to Catholicism, it was an easy step to take because he had not strayed very far. He had never broken with superstition. According to his own "confession" he had "always been a Catholic." That, of course, includes the period of his C. P. membership, when he was trying to make Catholicism and "Communism" harmonize.

Far more guilty of confusion, opportunism and working class betrayal that Budenz is the "Communist" party. It's betrayal of the American workers, its sell out to capitalist politics, its appeal to national chauvinism and general distortion of Communism in order to win members and support can only result in such performances as Browder's recent mess and now Budenz. More of them will follow. The C. P. is reaping the harvest from the confusionist seed it has sown, from its class collaborationist policies, its caterings to the petty-bourgeois "intellectuals" and half-baked liberals.

Letting down the bars from what little Communism they did have in the twenties, opening the gates wide during the thirties to all and sundry, it became a hodge-podge of political opportunists, religious and social reformers and what not. In the forties it has be-

come a house divided, resting upon the flimsy foundation of temporize and compromise. And the results of such policies manifest themselves sooner or later in just such cases as that of Louis Budenz, and when some real crisis arises the contradictory elements within will fly at each other as they have in the past.

Budenz may, or may not, be a loss to the C. P. To the working class movement as a whole he doesn't matter. His performance has positive value. It again emphasizes the unreliability of the C. P. as a contender for the leadership of the American working class. It is adapted organizationally to the creation of other Budenzes. Only recently, we noticed, that another "big personality" has announced his conversion to Communism and joined the C. P. The career of Theodore Dreiser in the C. P. will bear watching too. Making a play for "big stuff," for bourgeois intellectuals, is always fraught with the dangers of abandonment and re-conversion. It is an admission of lack of faith in the revolutionary and leadership powers of the workers.

The Proletarian Party does not discourage support from intellectuals. We welcome them, but only when they have completely broken with capitalist ideology and support. But we will not yield the principles of Communism for the

## Financial 'Help' for the World

(Continued from page 2)

South China Sea could perhaps stand some future development. It is a question, however, whether the European "owners" would welcome American dollars and American development in these spheres. Besides, the natives are already beginning to grumble under foreign rule. Can they be put back into "their place" as exploited colonials, or will they continue to cause trouble?

There is one more obstacle to the smooth investment of American dollars in foreign fields. In the thirties we were all acquainted with the payment of dollars to American farmers for the purpose of curtailing production. Too many commodities were bad for the market and money had to be "invested" to slow down production. During those years of peace we also heard from Java that sugar production there had been held to one third of capacity for more than fifteen years. A similar situation prevailed with its coffee output. Now, one can understand the advantages of investing funds

sake of "big names." We have faith in the working class. It, and only it, is capable of revolutionary leadership. In the course of the class struggle, it develops true and reliable leaders of its own.

R. Daniels.

to expand production, if markets are available. But if other funds have to be invested to curtail production for the purpose of protecting the market it becomes more complicated. It also seems like it would be less profitable.

It might easily happen that other products, besides sugar and coffee, will be overproduced if investment and production should go forward peacefully. What about rubber or silk now, when the synthetic products have been developed? Overproduction might hit other areas than America and Java. In fact, overproduction will hit every place where capitalist production is carried on. Such overproduction will not be caused by the lack of consuming ability on the part of the masses but because of their lack of purchasing power.

As the world is being industrialized, by the process of capitalist expansion and investment, more and more of the population become reduced to the status of wage-workers. As such they might be allowed to consume more than they did as independent hand producers, but they cannot be allowed to consume all they produce. The investor's profit must come out of the product as well as the workers' wages. The workers can consume only to the extent of their wages. The rest of the produce belongs to the employers, the investors. This part, the surplus, becomes available for investment, but the profitable nature of such investment ceases when outside consumers can no longer be found. Labor might insist upon higher wages to help consumption. The investors are not looking for that kind of consumption, it reduces profits rather than adding to them.

This "help" that American men of money are so eager to extend to the rest of the world will not for long be a help to anyone. It will only spread and augment the ills of capitalism. It will cause more widespread overproduction and crisis, more unemployment and misery for the masses. It holds but one promise. If the masses are not ready to do away with the cause of their misery now, if once more capitalist peace and stability can be reestablished the interlude will be short. The augmented ills of capitalism will soon return with more devastating results. Finally, even if not now, the masses will be forced to act in their own behalf and do away with capitalist exploitation.

Not help from the investors, but a fight for their own emancipation is the urgent need of the world's masses.

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