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MILITARIZATION OF THE USA AND THE
TASKS OF THE SOCIALIST WORKERS PARTY

Page 1

By the Political Committee

RESOLUTION ON INDEPENDENT PROGRESSIVE PARTY
AND SOUTHEAST COMMITTEE FOR LABOR CANDIDATES
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MILITARIZATION OF THE U.S.A.
AND THE TASKS OF THE SOCIALIST WORKERS PARTY

1. U.S. Imperialism Three Years After World War II

American capitalism emerged from World War II victorious not only over its rivals, Germany and Japan, but also over all its "democratic" Allies. No power has ever enjoyed such overwhelming preponderance in all spheres. Its monopoly of the atom bomb underscores its supremacy in industry, finance, diplomacy and military affairs. But in the third postwar year, American capitalism is still far from having attained the imperialist objective it seeks.

The Far Eastern markets, richest potential area of exploitation, offer less favorable opportunities for industrial and financial investment than was the case three years ago. Civil war continues in China; Chiang-Kai-Shek's regime staggers from one military and economic disaster to another; and China has become a bottomless drain on Washington instead of the expected reservoir of super profits. Indo-China and Indonesia are still striving to free themselves from French and Dutch imperialism. In the rest of the Far East similar conditions of instability prevent American capital from fully exploiting their markets and natural resources.

Moreover, American imperialism collides here, as in the Near East and Europe itself, not only with the insurgent masses but also with the power of the Kremlin and all its agencies.

Although capitalist rule has been reinforced in Western Europe, thanks to Washington's large-scale intervention and the Kremlin's counter-revolutionary services, most of the countries there are either bankrupt or approaching insolvency. Despite the modest successes of capitalist reconstruction, despite almost \$20 billion in American grants and loans since V-E Day, inflation continues to rage in Western Europe, slashing deeply into the peoples' living standards. The partition of Europe into Anglo-American and Soviet spheres of influence obstructs the capitalist rehabilitation of Western Europe and generates the sharpest conflicts in almost every sphere between Washington and Moscow.

This relation of world economic and political forces is growing more and more intolerable for U.S. imperialism. Toward the close of the third year after the war, it is unable to maintain even those previous postwar levels of exploiting the world market and world resources. Clearest proof of this is the steady decline in U.S. foreign exports and investments since 1947.

Since last November, U.S. export trade has dropped twenty percent and more. In the export of capital the situation is more critical. Foreign investments, which had been flowing out at the annual rate of \$8 billion, by the first quarter of 1948 dropped one-half, that is, to an annual rate of \$4 billion.

Coupled with this deterioration in foreign trade and foreign investments are the political paroxysms which further upset the highly unstable world economy and postpone prospects of stability. As the Colombian upheaval indicates, these break out not alone in Europe and Asia but within the closed preserve of Latin America itself.

The economic provisions of the Marshall Plan, rebaptized as the

European Co-operation Act (ECA), are specifically designed to:

- (1) Avert the bankruptcy of Western European capitalism;
- (2) Sustain sagging U.S. exports;
- (3) Stimulate the export of capital by government underwriting of an increasing share of foreign investments.

To what extent can these three aims be achieved by dumping these ECA billions of dollars into Europe? They can undoubtedly postpone for a limited time the total collapse of European capitalism and provide it with an additional breathing spell. But they cannot restore to capitalist Europe either health or any prolonged equilibrium.

The ECA can artificially stimulate U.S. foreign trade. But even Washington spokesmen have acknowledged that the highest postwar levels will not be regained.

The ECA can step up foreign investments. But there are far narrower limits to dumping agricultural surpluses abroad than to placing foreign loans and investments. Even with the ECA, Wall Street has little hope of resuming the \$8 billion annual rate of foreign investments.

The Marshall Plan can no more overcome the basic economic difficulties of American and European capitalism than the billions of dollars already poured out.

The efforts of American monopolists to operate and stabilize capitalist economy on a "peacetime" basis have proved fruitless not only in Western Europe but also at home. Since V-J Day the postwar boom had to be propped up by one major inflationary measure after another.

Most important among these have been the scores of billions of dollars spent for direct military purposes and for foreign loans and grants. The "peacetime" military establishment has been the largest single business in the country, diverting vast quantities of raw materials and necessities into arms production and aggravating all shortages resulting from the war. Prior to the ECA, billions of dollars in grants and loans supplied the greatest single foreign outlet for industry, agriculture and finance.

Despite these and many other inflationary measures, within less than three years the output of civilian production sufficed to saturate foreign and domestic markets. Industry has kept operating at boom levels primarily through speculation. Consequently, inventories are approaching \$45 billion, an all-time record; credit and installment buying have doubled and trebled, while private debts, commercial and agricultural loans, home and farm mortgages, etc., have likewise multiplied manifold. All these are preconditions for a colossal crash.

The deepening crisis of European capitalism, the international economic difficulties of Wall Street, and fears of the oncoming depression -- these are the main factors which more and more exclude continued operation of U.S. economy on its previous "peacetime" basis. These are the compelling international and internal economic forces behind the

launching of the Marshall Plan and the new armament program.

What primarily accounts for the sudden speeding up of Wall Street's preparation for World War III is its inability to find other means to improve the position in which American capitalism finds itself on the world arena and at home.

2. The Shift to War Economy

The drive of American capitalism toward war, which is issuing from the foregoing conditions, becomes more and more dominant not only in world political relations but also in the domestic economic situation.

At present American economy is in transition from its postwar "peacetime" boom to a war economy.

This new and sudden development requires a revision in our estimate of the position and prospects of U.S. capitalism as set forth in the resolution, "From A Propaganda Group to A Party of Mass Action," adopted by the November 1946 SWP Convention.

Two years ago, we predicted a collapse of American economy and foresaw "growing unemployment and declining production" as the "real prospects directly ahead."

These predictions have failed to materialize. In place of the anticipated economic crash, American imperialism is plunging into a new arms boom. Instead of deflation and unemployment, the masses at home and abroad are confronted by a war crisis, with all its consequences.

Two years ago, we did envisage that the world and domestic contradictions of American imperialism could and would pass over into a war crisis. This variant was discussed in a special section, "Preparations for World War III," which remains valid today. What we then failed to foresee was the speed with which the drive to war would tend to combine with the maturing of the international and internal economic crisis. We underestimated how greatly the contradictions of American and world capitalism had been aggravated, how quickly they acquire extremely virulent forms, and how explosively they erupt.

The postwar "peacetime" economy has been heading for the anticipated crash, and contains ever-present possibilities for collapse. However, the beginnings of the shift to a war economy now cut across "peacetime" economy.

To the degree that this shift to war economy becomes accentuated, the threat of an immediate depression becomes more remote, and economic factors of a different order come to the fore. A capitalist war economy functions in a different manner from "peacetime" economy. The government war machine becomes not only the largest, but the sole, customer for goods and services in one field after another, and thereby takes care "for the duration" of the problems of foreign and domestic outlets for industry, agriculture and finance.

On the other hand, to the degree that the change-over to a full-fledged war economy is halted or delayed for any considerable interval, the American monopolists would then face an even worse economic depression than the one they are now seeking so desperately to avert.

Even in its initial stages the new armament program has become a major economic force, and tends to alter existing economic conditions, as well as the plans and prospects of the capitalist class.

For example, it has already alleviated the economic threat of huge inventories; the prospect of new war shortages induces industry to operate at full "peacetime" capacity, before its war reconversion; it has already spurred speculation in the Stock Exchange, and so on.

While it is too early to estimate how quickly the shift to war economy will be completed, a whole series of economic, political, military and diplomatic factors will serve to accelerate the push of American capitalism toward a full-scale war economy.

There is the Marshall Military Program for rearming Western Europe, which must shortly supplement the Marshall "Aid" Program.

There are the additional billions of dollars in appropriations for the expanded war machine and the conscript armed forces which will far surpass the sums already allocated for the 70-group Air Force.

The limitations of the ECA leave open the possibility of an abrupt worsening of the economic situation both in Western Europe and in the Western Hemisphere. Such a turn in world economy would speed up total war reconversion.

Meanwhile the flow of goods in the debilitated world market must more and more tend to be diverted from "normal" channels into feeding the military machines of Wall Street as well as of the Kremlin. Increasing billions of foreign capital will likewise flow into war speculation.

No major capitalist country has ever attempted to pass from peacetime industrial operation back to a war-footing so soon after a major war.

No major country has ever launched a huge rearmament program without first introducing rigid controls (controlling credit and currency, "regulating" prices, rationing raw materials and basic necessities, freezing wages, and so on).

Inflation has grown in every country since the termination of hostilities. World inflation is bound to be aggravated in the extreme as Wall Street's rearmament program gathers momentum.

On the eve of rearmament for World War II, U.S. economy had ample room for expansion both in industry and agriculture; prices were low; an army of 10 million unemployed provided ample labor reserves. Today, with industry and agriculture operating at their peaks, expansion of armaments can occur primarily only at the expense of one civilian sector after another. Prices are at all-time highs and moving still higher. Labor shortages, despite signs of lagging employment, must become acute as the armament program gathers headway.

The country's fiscal and credit structure was deflated on the eve of World War II. Moreover, the initial strains were relieved by huge armament orders which England, France, and other countries were able to pay for. Today the domestic fiscal and credit structure is highly

inflated. Deficit government spending looms directly ahead, providing the most powerful stimulus for further fiscal and credit inflation.

On the eve of World War II, American agriculture could be permitted to expand to the maximum. Today American agricultural surpluses are no longer being absorbed by foreign outlets. Washington is confronted with the choice of permitting the agricultural price structure to collapse, or of sustaining it by huge subsidies. The former course would destroy the existing balance between agriculture and industry; the latter course would greatly increase deficit government spending.

Domestic civilian consumption must contract in direct proportion to the diversion of industry into war production.

These and other new conditions, surrounding the launching of the new armaments boom, will introduce grave complications into the process of war reconversion. The war-reconversion of 1939-41, when the arms boom took up the slack in the domestic market and propelled industry to new heights, was effected under far easier and more favorable conditions than loom ahead in 1948. American monopolists will hardly be able to duplicate in the next period what happened on the eve of U.S. entry into World War II.

The new arms boom will enormously speed up the inflationary spiral which began with the preparations for World War II, climbed throughout the war years, and soared to record peaks during the post-war boom.

Sooner or later, as the war boom intensifies, the government will be obliged to institute economic controls for the benefit of the capitalists which will deal harder and harder blows to the workers' living standards; laws and decrees will freeze wages while inflation wages beneath a blanket of fictitious price regulations.

3. Wall Street's War Drive

Our warning two years ago about U.S. imperialist preparations for World War III is today the terrible reality.

The continued existence of the Soviet Union and its role as the second world power represents an insurmountable obstacle to Wall Street's unrestricted exploitation of the world market and its resources, despite any assistance the Kremlin may offer to Washington in return for another agreement.

Washington has taken the conquest of the Soviet Union as its strategic aim. Like the German imperialists, they believe that by crushing the USSR they can entrench their power and infuse decaying capitalism with new vigor. The date for the attack, its precise form, as well as possible temporary pacts with the Kremlin, are questions of a tactical order. Such agreements may delay but cannot avert war any more than did Hitler's pact with Stalin.

If conditions appear unfavorable, Washington will delay the full-scale assault. But, given propitious circumstances, they can launch an early attack.

With the institution of a huge standing "peacetime" army and the mushrooming of the brass hat bureaucracy, militarism, as Trotsky warned years ago, has become a permanent feature of American life.

In the past militarism and dictatorial regimes appeared peculiar to Europe. Today it is evident that the U.S. is not immune to these evils. Indeed, U.S. militarism may well surpass its European precursors.

The military caste is already entrenched as a key faction in Washington's bi-partisan coalition. The brass hats honeycomb the Washington bureaucracy, infiltrating Congress, surrounding the White House, and dominating the State Department. Foreign policy is being directed by the former Army Chief of Staff. The military men, mobilizing enormous pressure, intervene in the passage of legislation vitally affecting labor's welfare. In occupied territories American Generals rule in the style of Roman proconsuls or Hitler's Gauleiters. The promotion of MacArthur and Eisenhower for the presidency discloses the sweep of this trend to saddle the country with a militarist regime.

In the hands of these labor-hating militarists, a vast standing army constitutes a deadly menace to the trade unions. For the first time in its history, American labor sees the looming peril of military dictatorship.

These developments have placed the struggle against capitalist militarism in the forefront of labor's tasks.

4. Party Tasks in the Fight Against the Warmakers

The analysis made and the slogans raised in Sections 2, 3 and 4 of our 1946 resolution are completely applicable today in the fight against the warmakers.

Our program of anti-war struggle will receive in the coming days a readier hearing among the masses of workers and farmers, the Negroes and other minorities, the youth and the women who hate and fear the prospect of a new war. The anti-war sentiment pervading the populace has not yet broken through the surface only for the lack of proper political leadership and organization.

The Democratic and Republican parties are conscious war parties, preparing and mobilizing the country for the coming conflict. The top official union leaders act as their assistants and willing tools.

Exploiting the widespread anti-war feelings of the masses, Wallace and his "peace" party are seeking to divert them from a genuine struggle against the warmakers. Wallace confines his "peace movement" within capitalist channels and limits it to demands for another deal between Washington and Moscow. Wallace has already served notice in the press that he will drop even his present

pretense of opposition once war is declared. Thus Wallace duplicates the role of similar petty-bourgeois "peace" movements of the past which, at the most critical moment, betrayed the anti-war struggle and joined the war-mongers' chorus.

When the Stalinists picture the Wallace movement as the answer to the need for an effective anti-war party, they are deliberately deceiving the workers. In line with the policy of the Kremlin, the Communist Party is using the Wallace party as a means of pressuring Washington into another pact with Stalin. Militant workers can place no confidence whatsoever in a "peace party" headed by the millionaire Wallace.

Nor can they trust the caricature Socialist Party of Norman Thomas who, after a brief show of verbal opposition, endorsed Wall Street's entry into World War II just as he is ready to support the next war.

The struggle against war is inseparable from a political struggle against all these parties and the war-breeding capitalist system they support. The anti-war struggle is inseparable from the struggle to replace capitalism by the planned economy of socialism.

With the drive toward war and military dictatorship, our program and slogans against capitalist militarism acquire exceptional timeliness. Events themselves will help teach the workers that they must set as their goal the acquisition of independent skill and power in the military as well as in the political field.

American capitalism calls for a conscript army. The workers should oppose this. To Wall Street's proposals for military conscription of the youth, labor should reply with the demand for control over military training by the trade unions. This will prevent fascist-minded officers from indoctrinating the minds of the youth with hatred for organized labor.

Within the armed forces themselves they must insist upon the right of the rank and file to participate in politics and public life, to elect their own officers, to organize along union lines and engage in collective bargaining. They must demand an end to segregation in the armed forces and oppose the imposition of a Prussian military system upon the United States.

The American monopolists are attempting to push through Congress new savage measures like the Mundt-Nixon Bill ostensibly directed against the Communist Party but actually aimed against the unions and fundamental democratic rights of the people. The unions must take the lead in fighting all such fascist-minded legislation.

Washington's war preparations and plans cover the entire globe. The ECA is simply a part of U.S. imperialist economic, diplomatic, and military intervention abroad. Blood-soaked Greece furnishes a preview of what is in store for other countries through such strengthening of capitalist reaction by U.S. imperialism,

The Marshall Plan is the extension to the foreign field of the same policy that the monopolists are applying against labor at home in the shape of the Mundt Bill and Taft-Hartley Slave Labor Law. The Marshall Plan is designed to prop up the most reactionary capitalist regimes and to suppress the revolutionary masses abroad, just as Taft-Hartleyism aims to crush labor at home.

American workers must oppose the Marshall Plan no less vigorously than the Taft-Hartley Law. Support of the Marshall Plan would only strengthen the monopolists in their onslaught on American labor and their march to war.

On the other hand, every victory of the masses elsewhere against the native agents of American imperialism weakens the latter and strengthens labor's positions in this country. Thus both class solidarity and self-interest call for unreserved support by American workers of every mass struggle against native tyranny and Wall Street's intervention.

The main enemy of the American people and the principal imperialist threat to the peoples of the entire globe is right here in the United States. The name of that enemy is Wall Street imperialism. To guarantee enduring peace, the masses must mobilize to supplant the capitalist government with a workers' and Farmers' Government.

Our 1946 Convention adopted three resolutions on the fight against inflation and the struggle to defend workers' living standards: Section 7 of the main political and economic resolution, "From a Propaganda Group to A Party of Mass Action;" a special resolution on "Wages, Prices, Profits and the Struggle Against Inflation;" and a Supplementary Resolution.

The program and slogans set forth in these documents remain completely applicable for the next period.

Our central slogan -- THE SLIDING SCALE OF WAGES -- must be put forward today even more vigorously as labor's most effective weapon against the consequences of inflation. Tomorrow it will provide the answer to the false claims of all the agencies of the capitalist government and the top union bureaucrats that government controls will hold down prices.

If in their strike actions from 1946 to 1948 the unions had included and won the demand for a cost-of-living bonus adjusted automatically to the rising costs of living, the workers could have protested their living standards and even improved them.

The union officials however opposed or misrepresented this demand for a sliding scale of wages wherever it was raised. They permitted the unions to be pushed into fiercely fought and long-drawn out strikes for straight hourly wage increases which were insufficient to compensate for increased living costs and were rapidly wiped out by further price boosts. This false wage-policy demoralized and exhausted the workers, permitted the steady decline in their living standards, encouraged the employers in attacks, and weakened

the positions of the unions.

Regardless of when government controls are imposed -- as they must be sooner or later under the war boom -- the masses now directly confront a fearsome worsening of their living and working conditions. Patriotic shouting and red-baiting demagoguery will not hide the harsh realities of Wall Street's war program on its economic side nor cover up the bankruptcy and treachery of the official union leadership.

To defend its living and working conditions, labor will find itself more and more compelled to assume the offensive on the economic field. Uncoordinated and purely defensive struggles like those of early 1948 would doom the workers to one defeat after another.

No less imperative will be the need for labor to take the lead in organizing mass consumer committees to regulate prices effectively, institute methods of equitable rationing, and fight the price-gougers. This will be the best means of combatting profiteering speculators and black marketeers. Government controls through another swindling OPA setup cannot be depended upon to hold down prices. The main aim of new controls will be to freeze wages even more rigidly than during the last war.

With the shift to a full-fledged armaments program, new construction and remodeling of old houses will drag to a halt. The housing shortage will become even more serious and acute. To protect the tenants from the rent-hogs and real estate sharks, tenants committees must be organized around a program of militant action.

Congress, together with the state and local legislatures, will try to place the burden of the enormous military budgets and inflation upon the people through new and higher taxes. The struggle against the growing burden of taxation will become more urgent as the war program unfolds.

The experiences of the past few years have driven home the lesson that every vital economic problem of the workers such as wages, working conditions, housing, prices, taxes, becomes a political problem, requiring political means and agencies for its solution. The economic prospects of American labor therefore depend in large measure upon their political prospects, and even more upon their political actions.

6. Disintegration of the Two-Party System and the Political Road for the Labor Movement

Symptomatic of the maturing social crisis of U.S. capitalism is the undermining of its two-party system. This was predicted in our 1946 resolution, which pointed out:

"The breakup of the camp of 'national unity' following V-J Day has unloosed political tendencies cut short and repressed by the war. The Democratic Party, which has governed the country since 1933, is rapidly disintegrating."

With the decline of the Democratic Party, there has emerged the

Wallace third party movement and, above all, the growing sentiment for a Labor Party.

These political developments have deep roots in the disorders and difficulties of U.S. economy, the sharpening of social tensions, and the mounting discontent of huge sections of the population. In fact, the present political situation has its roots in the prolonged depression during the Thirties which profoundly shook the confidence of the American people in the capitalist system. Its most important outcome was the rise of the CIO industrial unions.

The CIO originated and is still formally constituted as an economic movement of industrial workers. But from birth, it has necessarily been far more than a trade-union organization on the old, restricted, craft-bound, conservative AFL model.

The CIO from its origin was a social movement of the working class which was obliged to contend for power with the industrial and financial overlords of America. By its reinvigoration and reorganization of unionism, by its very existence and activity, its nation-wide strike actions and sit-downs, its restrictions upon capitalist power and its tremendous uplifting of the self-confidence of the proletariat, the CIO effected a decisive change in the balance of class forces in the United States. The consequences of this shift in the relations between capital and labor have yet to unfold in their full magnitude and their revolutionary implications.

The deepening disproportion between the social power and economic organization of labor on the one hand and its political atomization and feebleness on the other reflects the most glaring contradiction in American life. Sixteen million union members and their families, the majority of the people and the producers of wealth, have no representatives of their own in Congress!

The trade union bureaucracy is responsible for the failure of organized labor to take the lead in liberating the people from the capitalist monopoly of politics. The union officialdom, including the Stalinists and the Social Democrats, have deliberately blocked the unions from independent political action in order to maintain their collaboration with the capitalist party machines. The outcome of their policy of subservience to the Democratic and Republican agents of Big Business is the present helplessness of labor in the face of savage assaults by the bi-partisan Congress and the administration on the rights of the unions and the living standards of the masses.

But the union bureaucracy is now encountering great obstacles in keeping the workers shackled to the Democratic machine and the capitalist politicians. The imperative need for capitalist unity dictated by the war plans of U.S. imperialism has welded Democrats and Republicans into a solid front against the unions and Negroes at home as well as the peoples abroad. The joint policies of the bi-partisan administration and Congress on all major foreign and domestic issues leave little room for the subsidiary sham battles of former years. More and more workers find it impossible to distinguish between a Truman and a Taft.

The emergence of the Wallace third party has further embarrassed the union leaders by exploding their pretext that it was impossible now to launch a new national political movement opposed to the Democratic-Republican monopoly of politics.

Finally, the growing resentment of the workers against the Democratic-Republican anti-labor measures has hampered the bureaucrats' ability to solicit support for the old-line capitalist parties.

Despite these difficulties, the labor bureaucracy is still striving with all its might and cunning to divert the workers from the path of independent politics. Most of the bureaucrats, subservient to the State Department, are seeking new formulas for clinging to the old-line parties and a less discredited presidential candidate than Truman to palm off on the workers.

The Stalinists, on the other hand, as agents of the Kremlin's foreign policy, are touting Wallace and his rump capitalist outfit as the answer to labor's political needs.

Despite these differences in their candidates, both the official and Stalinist brands of bureaucrats stand united in opposition to any genuinely independent forms of political action by the unions.

The demand for a Labor Party is far more deep-seated among the workers than superficial appearances indicate. The support given Wallace is a perverted sign of the widespread desire for a new political path. The urge toward independent working class politics has not yet found the opportunity or the leadership for its adequate expression. The sporadic local experiments along this line, valuable and significant as they are, have been seriously hampered by opposition and sabotage from the officialdom.

This pent-up disgust with the Democrats and Republicans cannot be dammed up indefinitely. It is bound to break through the artificial barriers set up by the officialdom. The union movement cannot protect itself or survive unless the workers consciously enter the political arena and openly contest with the capitalist parties for power.

There can be no new political movement worthy of support which is not based upon the unions and subject to the control and pressure of the membership. No Labor Party can be built over the heads or behind the backs of the established unions.

The movement for the Labor party will receive strong reinforcement from the Negroes and other doubly oppressed minorities who are disillusioned with the policies of the bi-partisan government.

This perspective of the inevitable divorce of organized labor from the two-party system and the growing demand for the Labor Party must animate our work in the unions and mass organizations. We must persevere in propaganda and agitation for independent political action by the unions and for the formation of the Labor Party. We must continue to participate in the PAC-CIO and the AFL Labor's League for Political Education for the purpose of developing the

forces for genuine class political activity. Wherever conditions permit, we must help promote local and state movements to run independent labor candidates for office.

At the present level of the Labor Party movement, our efforts in the mass organizations are largely concentrated upon convincing workers to form their own party, and force the leadership to break with the capitalist parties. But as soon as an independent campaign or organization becomes a reality, the questions of program, methods of action and the goal of the new class political movement advance to the fore. The militants must bear in mind that the Labor Party is essentially a stage in the political march of the American workers on the road to power. It is a major step that will advance the political education and heighten the independent political development of the labor movement. It is not and cannot be an end in itself, as the reformists imagine.

In our Labor Party work our paramount aim is to spread the ideas of revolutionary socialism, politically educate and recruit workers, and build the revolutionary party. That is the primary meaning and purpose of our 1948 Presidential campaign. In the last analysis, the rapidly maturing political crisis of American labor can be solved only through the growth of the Socialist Workers Party, the strengthening of its ties with the toilers, and its ability to lead the fight against capitalism.

7. Stalinism in the U.S.

The entire conduct of the Communist Party since Browder's expulsion two years ago confirms the characterization of its "left turn" and role in the labor movement presented in Section 9 of our 1946 resolution.

We then wrote: "The pseudo-'left' turn and the expulsion of Browder as an 'agent of monopoly capitalism' however, produced no fundamental change in the treacherous policies of the CP and only deepened the crisis (in the CP)."

"The Stalinists," we pointed out, "remain the greatest single obstacle in the labor movement to the development of the revolutionary party. Through their national apparatus and their control over a number of CIO international unions, local and central labor bodies, they act as a disorienting force, restraining the workers from independent class action, contaminating the class consciousness of the workers, and continuing under more radical phrases the same class-collaborationist policies they practised during the war."

The all-out support of the Wallace movement by the Stalinists is nothing more than the American application of the reactionary People's Front policy decreed last year by the Belgrade Bureau. It is a continuation under a new form of the previous collaboration of the Stalinists with the "liberal and democratic" elements of the American ruling class. Put forward as its main achievement by the present CP leadership, it will actually lead at the next stage to the aggravation of the crisis inside the CP.

The red-baiting drive, inspired and directed by the State Department, has had a twofold effect upon the Stalinist movement. On the

one hand, it has weakened Stalinist positions inside the unions and many of its periphery organizations. Many prominent trade union officials and public figures, both party members and fellow-travelers, have already deserted the CP and moved over to the camp of the American monopolists. As the war pressure increases, more defections of this kind can be expected.

On the other hand, the witchhunt serves to refurbish the CP in the eyes of its own members and many militants. It helps the Stalinist leadership to suppress more easily any internal opposition to its dictatorial regime and People's Front policies. It helps Foster and his associates to divert attention from their wartime and current crimes against the workers. It helps create sympathy for the Stalinists, as targets of capitalist reaction, among radical workers, the Negroes and other oppressed minorities. The Stalinists parade before the masses as the foremost anti-imperialist and anti-war party. We must expose this fraud. We must patiently explain how, under cover of radical phrases, the Stalinists really aim not to combat the imperialists or their war drive, but to reach another bargain with them for the benefit of the Kremlin.

As our 1946 resolution made clear: "Our struggle to rid the labor movement of this treacherous agency of the Kremlin has nothing in common with the campaign of the red-baiters. Our struggle against Stalinism is a component part of our revolutionary program, which is the most effective weapon against the red-baiters. In advancing this program and mobilizing the militants to oppose the red-baiters, we at the same time deal the most decisive blows to the Stalinists."

8. American Labor in the War Crisis

At the 1946 Convention we based our party orientation on (1) a rising curve of strike struggles and (2) the rapid radicalization and politicalization of American labor under the impact of the anticipated economic crisis.

Contrary to these expectations, the labor movement was subjected to a series of setbacks on both the economic and political fields. The misleadership of the top union bureaucracy, aided enormously by the Stalinists, the anti-labor offensive of the monopolies, greatly reinforced by the red-baiting campaign and the war hysteria, amid the conditions of continued industrial boom -- all these dampened the workers' militancy, disoriented them, and plunged them into passivity. This was evidenced, on the one hand, by a record decline in strike struggles during 1947; and, on the other, by widespread refusal to vote which facilitated the victory of the Republican Party. The recession in mass militancy strengthened the hands of the most conservative sections of the unions, enabled the most reactionary forces to take the offensive, and restricted the influence of our party, as well as its growth.

The temporary shift in the class relation of forces in favor of the capitalists has also tended to postpone and protract the radicalization and politicalization of the American workers. But it has not altered in the slightest the revolutionary potential of labor, or the tasks of the SWP in transforming itself from a propaganda group to a party of mass action.

The introduction of war economy, the growing inflation, and even more, the plunge into war itself will goad the workers into new struggles which will have the most profound revolutionary consequences.

The starting point for an estimate of the impending mass movements against Wall Street's war regime is provided by the social struggles which broke out during and after World War II. These past events foreshadow what will come. They are:

(1) The successful wartime strikes of the miners and the struggle against the no-strike pledge which culminated in the unparalleled strike wave of 1945-46.

(2) The Mass struggle of the Negroes against Jim Crow which began with the March-on-Washington movement of 1941 and led to subsequent explosions in Harlem, Detroit and other cities.

(3) The world-wide demonstrations of the GI's in 1946 which swept with such force through the army that the Brass Hats were compelled to yield to the "back-home" demands and revise their immediate military plans.

These sections of the American people will once again find themselves pitted against the imperialist war machine.

Millions of women were first drawn into industry by World War II only to be thrown out after V-J Day. They will be herded into the plants while their husbands and sons are conscripted. They will turn upon the warmakers with bitterness and hatred.

The generations of youth, now being groomed for war, are destined to become increasingly disillusioned with capitalism and most receptive to revolutionary socialist ideas.

The illusions of security generated by the postwar boom will give way to feelings of insecurity and resentment as the youth receive in place of jobs, "careers" first as recruits in a permanent conscript army and then as fodder for atomic warfare thousands of miles from home.

The decisive force in these coming struggles will be the industrial workers. The monopolists have already worked out the pattern for placing American labor in a military strait-jacket. The red-baiting campaign, the terrorization of the militants, abetted by the union bureaucracy, coupled with the war hysteria have served to disorient and paralyze sizeable layers of the working class. But these successes of the warmongers are only temporary. The workers will not submit like serfs to the repressive measures of the capitalist war regime.

The most advanced sections of labor showed in 1947 their desire and readiness to engage in a general strike to protest against the passage of the Taft-Hartley Bill. The treachery and cowardice of the top leadership derailed this struggle.

In the period ahead, the American workers will be called upon to play a world historic role. Every major struggle on their part,

every victory they score over the monopolists will electrify the entire world and galvanize the masses in other countries into action.

9. The Socialist Workers Party and World War III

The central task of the American workers is to create a new leadership capable of guiding them in the coming struggles. The blind alley in which the labor movement finds itself today and the grave dangers confronting it are direct consequences of the incapacity, cowardice and treachery of the union bureaucracy.

Their futile attempts to halt Taft-Hartleyism and the course of their recent wage negotiations are the latest evidences of the incompetence of the incumbent leadership to protect the most elementary interests of organized labor. On top of this they are once again openly selling out the workers to the warmakers.

The increasing popularity of our slogans for the sliding scale of wages, for the organization of a left-wing movement in the unions, for the creation of the Labor Party; plus the slow but steady growth of our fractions and influence in key industrial unions, show how fertile the soil really is for the dissemination of revolutionary Marxism and the development of our party.

The effects of the current red-baiting drive and the war hysteria hamper the activity of our members in the unions and may in some cases isolate them for a time. However, the first major upsurge of the labor movement will sweep aside these temporary obstacles. One of the principal tasks of the party in the present period is to help prepare the conditions for this coming upsurge. This can best be done by expanding the political activities of the party.

From this viewpoint the 1948 presidential campaign of the Socialist Workers Party acquires exceptional importance. The first appearance of the Trotskyists on the national political arena is both a major achievement for our small party and a victory for the American working class as a whole.

The presidential campaign enables us to demarcate ourselves not only from the capitalist parties, including the Wallace movement, but also from the Stalinists and Thomas Socialists who falsely speak in the name of communism and socialism. It provides a singular opportunity for putting forward our full program of socialist revolution and pointing out to millions of workers that the only road to power is through a Workers and Farmers Government.

Our party has gained valuable experiences in the course of the last war and its aftermath. These experiences have verified the validity and attractive power of the slogans in our Transitional Program. They have demonstrated that the indispensable and still missing condition for the advancement of the labor movement is a trade union and political leadership guided by a correct program and class struggle methods. They have shown how decisive the intervention of even a small number of class-conscious militants can be in influencing the course and outcome of great class battles.

These experiences and lessons will aid the party in withstanding the blows of the enemy and tempering its revolutionary will to struggle.

Our ranks enter the new pre-war period strengthened by their indomitable stand during World War II. They will be imbued with the same conviction in the correctness of our program and the same confidence in the capacity of the American workers to rally from all temporary setbacks and move forward to new struggles and new conquests.

As the war program of American capitalism unfolds, the workers will increasingly resist militarism and respond in greater numbers to our ideas. This will open up new opportunities and perspectives for our party.

The "Theses on the American Revolution" adopted at the 1946 convention set forth the basic conceptions of American Trotskyism on the incurable crisis of American capitalism and the historic mission of the workers to replace it with their own power. The telescoping of the economic crisis, foreseen and predicted at that time, with a war crisis does not alter the revolutionary perspectives outlined in the Theses. Indeed, the possibility of such a variant was taken into account in the following section:

"In their mad drive to conquer and enslave the entire world the American monopolists are today preparing war against the Soviet Union. This war program, which may be brought to a head by a crisis or the fear of a crisis at home, will meet with incalculable obstacles and difficulties. A war will not solve the internal difficulties of American imperialism but will rather sharpen and complicate them.

"Such a war will meet with fierce resistance not only by the peoples of the USSR, but also by the European and colonial masses who do not want to be the slaves of Wall Street. At home the fiercest resistance will be generated.

"Wall Street's war drive, aggravating the social crisis, may under certain conditions actually precipitate it. In any case, another war will not cancel out the socialist alternative to capitalism but only pose it more sharply. The workers' struggle for power in the U.S. is not a perspective of a distant and hazy future but the realistic program of our epoch."

We live in an era of sharp and sudden turns. Periods of upsurge on the part of the masses and retreat by the capitalists as in 1945-46 are followed by a violent offensive of capitalist reaction and setbacks to labor as in 1947-48. War is followed by a short interlude of "peace" only to give way to preparations for a new war. But throughout these fluctuations the main line of development is toward the sharpening of the class struggle -- the widening and deepening of the conflicts between monopoly capital and organized labor. Within these ebbs and flows, passivity and even demoralization can seize the labor movement. Nevertheless, under the conditions of our time these periods of recession cannot be long-lasting.

Every member of the revolutionary party must keep clearly in view this dialectical course of the class struggle. We orient our activity upon the knowledge that even the strongest sector of world capitalism is torn by insecurity and instability and permanently confronts the titanic power lodged in the legions of American labor.

The American imperialists dream of an "American Century" in which they will rule the world. But they reckon without the working class and its party of the socialist revolution to whom the future really belongs.

RESOLUTION ON INDEPENDENT PROGRESSIVE PARTY AND SOUTHEAST
COMMITTEE FOR LABOR CANDIDATES

(Adopted at Los Angeles Section Membership Meeting May 31, 1948)

1. The Independent Progressive Party of California is now a part of the national third party movement for Wallace. The evaluation of the national Wallace movement by the February 1948 plenum of the SWP fully applies to the IPPC which is merely one contingent of the movement. The domination of the IPPC by Wallace and his Stalinist supporters was clearly established at the March Conference of the IPPC, where instead of a democratic discussion of the program and perspectives of the IPP by representatives of precinct clubs and unions, a rigged session of select Stalinist and IPPC officials in a closed meeting affiliated the party to the national third capitalist party movement and pledged support to Wallace.

2. The Stalinists at this conference thereby destroyed the possibility of this movement representing the working class in the 1948 elections. Subordinated to the capitalist interests and program of Wallace, the IPPC ceased to be a potential source of independent political action of the workers. The progressive aspect of the break from the old two-party system in California was nullified by the victory of the Stalinists in creating simply another capitalist machine. The break made at the March Conference of the IPPC ended a struggle of nearly eight months within that movement against the Stalinists on the question of the class character of the new party.

3. Our task now, as proposed by the plenum for our movement nationally is to combat the IPPC directly with our own political candidates. We shall then be in a position to oppose the Wallace third party trap with the greatest effectiveness and teach the workers reliance only on their own class forces for combatting the prospect of war and depression under the continued existence of capitalism.

4. The IPPC was formed at a conference of predominantly Stalinist controlled and influenced trade unions in California. Though this conference represented a minority in the labor movement it presented a development that could not be by-passed since it was the first significant break from the old boss parties in California. We welcomed this break and correctly blocked with the Stalinists against the right wing who proposed to remain the labor appendage of the Democratic Party. At the same time it was clear that the perspective of the Stalinists was merely to strengthen their bargaining power with their bourgeois allies. Therefore we participated in the trade union conference and subsequently at the State CIO Convention in order to combat the Stalinist plans to create another capitalist machine; to fight for a complete break with capitalist politics and for the democratic control of the new movement by the workers.

The first stage of our struggle against the Stalinists consisted of a campaign for placing the new party on the ballot by a registration drive instead of the Stalinist plan to keep their forces in the Democratic Party and place the IPPC on the ballot by a petition drive. The second stage followed the announcement of Wallace of his intention to run for President on a third party ticket. Our immediate public denunciation of Wallace politically prepared our break at the March Conference.

5. That we did not succeed in defeating the Stalinists in this struggle does not affect the merit of our tactic. What is important is that we did not concede the victory of the Stalinists without a struggle. We thereby made our labor party position known more concretely to a wider section of the Stalinist movement and to the labor movement as a whole through the struggle in the IPPC and at the State CIO Convention.

6. Whether our tactic would have been more effective continued through the June primaries as planned at the City Convention, or to the March Conference, as decided by the Political Committee and carried out by the California section, is still a debatable question. However, our task is now clearly to counterpose our own campaign against that of the IPPC and the Wallace movement nationally.

7. Our IPPC tactic cannot be evaluated fully without an evaluation of our tactic in the right wing of the labor movement which was conducted simultaneously. Climaxing a campaign of several years to get the CIO on the Southside to organize a political campaign of labor on a local scale, a conference of Southeast unionists, CIO, AFL and Railroad Brotherhoods, was held to select candidates for a labor slate in the non-partisan Southeast city councilmanic elections.

Through advocating, then initiating and directing the campaign of the Southeast Committee for Labor Candidates, we led the first independent political action by labor in the area, raising the prestige and influence of the party and of our comrades in the unions. While some concessions were made to our opponents in the block in the course of the campaign, on the whole the Committee served as an arena in which we fought for and succeeded in maintaining the independent and united labor character of the development. We also defeated completely the red-baiting tendencies in the block. The experience provides a concrete example of independent political action to which we can refer both the Wallaceites and the right wing of the local labor movement in our labor party agitation aimed at the Los Angeles city election next spring as well as the national scene.