

Some Whys and Wherefores
On the Subsidies Question

By GERTRUDE SHAW

"It is clear that we cannot hold the wage line if the Congress deprives us of the means necessary to hold the cost of living line."

How many people who have regarded the President's veto of the anti-subsidy bill—sustained by Congress—as a "great victory" for labor, are aware of the meaning implicit in that sentence from the President's veto message?

If words have any reliable meaning at all, then the above quoted sentence signifies that in the opinion of the President the subsidy payments have held the cost of living line. This is obviously false—for the simple reason that the cost of living line has not been held.

IMPRESSIVE BUT MISLEADING

It was very impressive when the President enumerated how prices would rise if subsidy payments to the food profiteers were discontinued. Butter, he said, would go up ten cents a pound, cheese eight cents, hamburger four cents, bread one cent, flour seven cents on a ten-pound bag. The President mentioned one or two other commodities on which the prices would go up if subsidies were discontinued.

We know, however, that the cost of most of these commodities had gone up by leaps and bounds before the food profiteers were bribed with \$1,250,000,000 subsidies to stop them from pushing still higher the prices of this very insignificant number of the total list making up the necessities of life.

But what about the cost of living as a whole—what about that long list of other commodities making up the wherewithal of life?

It has been authentically proved by the labor representatives on the President's Cost of Living Committee that prices have gone up 43.5 per cent since 1941. The President's clever oratory and ability to turn a few figures into false shapes should fool nobody.

This is exactly what the subsidy issue at this time was designed to do. By vetoing the anti-subsidy bill, by Congress sustaining the veto, by food subsidy payments continuing, one is supposed to conclude that the President now has "the means necessary to hold the cost of living line."

So, now what is expected to happen? Why, labor is supposed to "HOLD THE WAGE LINE."

"PSYCHOLOGICAL CONSIDERATIONS"

Very revealing on this subject is a letter written by Chester Bowles, OPA Administrator, in the New York Times of February 11. He points out that the \$1,250,000,000 paid out in food subsidies meant a direct saving to consumers of only \$378,000,000. "This \$378,000,000 savings would not in itself justify the use of these subsidies." But Mr. Bowles goes on to say: "However, there are other considerations, some of them psychological..."

What are the psychological considerations which Mr. Bowles and also his chief in the White House have in mind?

"Today, some labor groups feel that wages should be allowed to go higher..." Mr. Bowles reminds the editor of the New York Times.

Just as the President intends to play subsidies for all they are worth against wage demands, so also does Mr. Bowles regard the "psychological considerations" involved here as most important.

Without regard for facts, Mr. Bowles speaks about "the present balance between wages and prices (imperfect though it may seem to the various groups concerned)." A very mild word indeed is "imperfect" to describe the 28.5 per cent gap between the fifteen per cent of the Little Steel formula and the 43.5 per cent increase in prices.

A DRUNKARD'S BALANCE

The demands of steel, rubber, auto, packinghouse and many other workers for wages commensurate with the present cost of living bothers the political as well as the industrial bosses. It is clear that subsidies have been kept mainly as a weapon against higher wages.

That is why "the present balance between wages and prices (imperfect though it may seem to various groups concerned)" was not disturbed by discontinuing the subsidy payments. With the important case of the United Steel Workers now before the War Labor Board, it is hardly the psychological moment for the political bosses to add even another small argument to the already well-sustained case for higher wages.

The fact that the political bosses did not discontinue the subsidy payments at this time makes the representatives of big business on the WLB a bit more authoritative in their assertion that the "board has no authority whatever to hear any arguments in favor of changing the wage stabilization policy." For did not the President's veto of the anti-subsidy bill, forsooth, "hold the wage line" by continuing "to hold the cost of living line"?

Such flim-flam will not influence the rank and file of labor in its wage demands. But you may be sure that the labor leaders who have been so very amenable to the wiles of the White House will have their ears dinned full of the most specious arguments in best Rooseveltian style.

They will be admonished to "hold the wage line" since— isn't it true?—the President is holding the price line. They will be warned that the demon of inflation will get them if they disturb Mr. Bowles's non-existing "present balance between wages and prices."

However, the rank and file of labor are more influenced by the bread-and-butter considerations behind their demands for wage increases than with the "psychological considerations" of the politicians. Also, they are tired of the way in which their leaders accommodate themselves to the nuances of White House policy at the expense of the pressing needs of the working man.

"Psychological considerations" won't be a substitute for burying the Little Steel formula, whose carcass hangs like lead around labor's neck.

LABOR ACTION

MARCH 6, 1944

A PAPER IN THE INTERESTS OF LABOR

ONE CENT

A Job For Labor, Housewives and Farmers -- DESTROY BLACK MARKET!

Brewster Local Must Get Fired Stewards Back On Their Jobs

NEW YORK CITY—The Brewster Aeronautical Corporation, now "under new management" of Henry J. Kaiser, is rapidly proving itself as anxious to offer the workers the same union-busting service that former managements have constantly tried.

This week they proved themselves, following a dispute that arose out of an attempt to transfer a large section of day-shift workers in the wing department to the night shift. This request was made by the company because it found itself with an undermanned night shift after two huge layoffs since Christmas. Then men in the wing department felt that it was the job of the company to rehire those men who were laid off to secure sufficient personnel to man the night shift, rather than force any transfer.

Four Stewards Fired

The upshot of the whole affair ended in the firing by the company of Chief Steward Al Nash of the wing department and the firing of three other stewards, Tom Garrah, Ray Guistino and Al Rae, in that department.

The firing of these stewards is actually the culmination of a series of blows that have been struck against Local 365, UAW, by anti-union forces throughout the country who saw in this local a progressiveness and a militancy which they could not tolerate.

Starting with the attack on the local by the Vinson Committee and running through penalties imposed on the local by the WLB, with continued attacks on the local by reactionaries in the halls of Congress, and with the attacks by the boss anti-union press throughout the country, these forces have combined to compel the union to give up some of the splendid gains that it has won for the membership.

The men in the wing department felt that the company was violating the contract they had with the union in requesting the transfer. Meetings were held during lunch hour in the

(Continued on page 2)

Roosevelt-Barkley Tax Fight

By JOHN BERNE

Political Aspects

President Roosevelt knew exactly what he was doing when he vetoed the tax bill and accused Congress of passing "not a tax bill but a tax relief bill providing relief not for the needy but for the greedy."

Having in mind the elementary fact that to make the 1944 election he must re-establish himself in the good graces of labor and the little people, whose dissatisfaction he has justifiably aroused, he once more put himself astride his crusader-steed as the champion of the "people" against privilege.

His trick worked to the extent of once more rallying his labor lieutenants behind him. Judging by the reaction in the labor press as a whole and by the enthusiastic approval of Murray and other leaders, they will do yeoman's service for him once more—trying again to corral the labor vote for a capitalist politician.

So did Senator Alban W. Barkley know what he was doing in refusing "to take this unjustifiable assault lying down"—in resigning as majority leader and in accepting the job again as a heroic battler for the "dignity" of not only the Democrats in Congress but for Congress as a whole. Remembering the shameful antics of Congress regarding the soldier vote, one wonders what dignity Barkley was talking about. But this is just by the way.

Barkley knew what he was doing. Just as his Democratic chief was mending his political fences, Barkley was doing likewise. In the first place, coming from Kentucky, where the Republicans are lately gaining ground, Barkley knew that stoozing the President in Congress might mean his political Waterloo. In the second place, as presidential whip in Congress, he was losing his real leadership of the majority, because of the large contingent of anti-Roosevelt Democrats.

Now he has made it clear, in most dramatic fashion, that Alban W. Barkley is nobody's tool and nobody's fool—but a fighter of the first water, even against the President if need be. He has thus appealed to anti-Roosevelt sentiment in Kentucky and strengthened his hold in the Senate.

Knowing what they wanted and having accomplished their purposes respectively, the time came to proffer the olive branch. So the President telegraphed to "Dear Alben" that he "did not mean it." And Barkley wrote back that he is "happy to feel, as you have indicated, that you have no such purpose in mind" and that "my heart has gone out to you."

The leader of the Democratic Party in the White House and the party leader in the Senate—each knowing the other's game and both wanting their party to win in 1944—will now engage in mutually beneficial give-and-take.

"Washington Memo" in the New York Post aptly summarized the situation: "...the statements that the furor of the past three days marked a decisive and final break between the President and his party in Congress just aren't true. The nearer we get to Election Day, the more the Democrats will be found closing ranks behind the President."

In a word, the working people have been treated to a choice example of political flinching by expert flinchers.

Bread-Butter Aspects

Congress, of course, passed the tax bill over the President's veto. That means that the tax relief for the "needy" contained in the bill has become law and the added tax burdens on the "needy" have also become law.

The President did not make any objections to the added tax burdens that the "needy" will bear as the result of the excise features of the bill. In fact, he recommended that this section of the bill be passed as a separate measure.

Yet it is a fact that beginning March 1 taxes on a list of items will go up from 50 to 600 per cent. For instance, the tax on electric bulbs will be 20 per cent instead of 5 per cent—on Woolworth jewelry that the "needy" can afford, the tax will be 20 per cent instead of 10 per cent—on bowling, the recreation of the lowly, a new 20 per cent tax has been imposed—to mention a few of the items.

While all the special privileges to favored groups, augmented by loopholes through which the war profiteers can sneak their take, remain in the bill as passed, there also remains in it the Victory Tax that stretches into the pocket of the \$12-a-week workers.

But bad as the tax situation now is for the working people, the handwriting on the wall indicates worse to come.

We must bear in mind that neither the Treasury Department nor the President nor Congress has given up the original request for \$10,500,000,000 in additional taxes, for which the two billion-odd dollars raised by the new tax bill is no substitute. Remember also with what acclaim Wendell Willkie's proposal for \$16,000,000,000 in additional taxes was met by the capitalist press.

Undoubtedly an enormous additional tax burden lies tied up and ready to be loaded on the backs of the working people—after the election.

The New York Times is a pretty good barometer of what is in the minds of the ruling class. It has been hammering away for a "general consumption tax" instead of additional individual and corporation taxes. One day the editor calls it a "general consumption tax"—then to break the monotony he writes: "The chief additional source of new tax revenues is a general retail sales tax."

Because it is election year, Congress did not dare impose the sales tax now—all it did was to indicate very clearly that the rich have been taxed "enough."

It is significant also that Chairman Doughton of the House Ways and Means Committee, since the tussle between Roosevelt and Barkley, has promised a simplified tax law RETAINING THE SAME LEVELS OF PAYMENT. In this is implied that the threat that the additional revenue the government wants to raise will be procured by a sales tax—of course, after the election.

What should the worker do about all this?
1. Let go of the coattails of the political flinchers. Form an independent class party to fight on the political field for labor and the masses.
2. Put as one of the foremost planks in the platform of an Independent Labor Party demands to soak the rich instead of the poor—by confiscating all war profits—by limiting individual income to \$25,000—by taxing the fortunes of the monopolists of American wealth.

Billion-Dollar Scandal Revealed by OPA Head

By SUSAN GREEN

It is one thing to acknowledge the existence of an evil and quite another to have a program for removing the evil.

Informative it is indeed to get the figures of Chester Bowles, OPA head, that the black market in food alone costs the housewives of the country \$1,200,000,000 annually.

As individual consumers we have all known that the black market reduces our dollars and our standard of living. It is interesting indeed to be told the extent of the black market squeeze on a nation-wide scale.

But what is to be done about it? That's the question.

Mr. Bowles gave a long talk on black market machinations at a panel discussion on "The Black Market vs. the American Housewife," sponsored by the New York Times.

A few days before Mr. Bowles' speech the Bureau of Labor Statistics of the United States Department of Labor asserted that the figures of the CIO and AFL that the cost of living had gone up 43.5 per cent since January 1, 1943, are "absolutely wrong."

Government vs. Housewife

However, the statistics of the report on the cost of living are "based on evidence from hundreds of American housewives." In a joint statement, Meany, secretary-treasurer of the American Federation of Labor, and Thomas, president of the United Automobile Workers, CIO, added that "No group of government bureaucrats have ever before had the audacity to insult millions of American housewives by telling them that their experiences are all wrong and that they should instead try to live on Bureau of Labor Statistics statistics."

(Continued on page 2)

First Detailed Report To Appear In This Country

Conditions of Labor in "Liberated" Italy--

Coming "Kerensky" Government--Split in Italian Communist Party--Italian Revolutionary Socialists (Trotskyists) and Their Political Views

Naples, Italy, December 6, 1943.

The initiation of a revolutionary period in Italy awaits only a major military development of a decisive character. Twenty years of fascism and war, two foreign occupations, and now the continuation of the war and its destruction on Italian soil, have effected conditions of such extreme misery and poverty that the status quo cannot be maintained much longer.

The complete destruction of Italian industry, plus a dangerous shortage of food, have together brought the people to the very edge of starvation. The factories are a mass of ruins and for the workers there is only the prospect of continued unemployment, with food nowhere to be found, with the prolongation of the war, the working class of Naples is living on a diet consisting mainly of chestnuts and a little fruit; the black market flourishes wide open despite all efforts of the Allied Military Government to check it, and today it completely dominates the economy.

STARVATION PRICES

Below is a list of necessities, with the pre-war prices, the official prices, and the black market prices. The official prices are absolutely meaningless because there is practically nothing to be had except on the black market. The exchange value of the lira at this writing is roughly 120 to the American dollar, but the significance to the Italian worker is much different because the official wage of the best paid employees of the Allied Military Government is fifty lire per day, or half the price of a loaf of bread on the black market.

Commodity (per kg.)	Pre-War Price (Lire, 1935-40)	Official Price	Black Market
Bread	1.65	4.00	90 to 120
Macaroni	3.05	3.15	150 to 200
Beans	3.05	0.00	85 to 100
Meat	12.50	45.00	120
Potatoes	0.30	0.00	18 to 20

Letter to National Secretary of Workers Party

Dear Comrade Shachtman:

You will recall our last meeting in Paris and my position as well as that of the French Party on the world crisis of our movement and the solutions I espoused on these problems. Today I still believe that only after comprehensive and deep-going discussions on all our problems can we arrive at solutions appropriate to the present times. Only in this way can we give the Fourth Internationalist movement a strong organizational structure and theoretical political armament capable of accomplishing our tasks in Europe and the world.

I hope that this letter will get to you and that our rela-

tions can be regular, because of the importance they might have in this dramatic hour of our political work, and the importance to Italy as well as to Europe in the coming struggles.

We attach great importance to the need of regulating our relations so that you may intervene on our side. We think that the principal task of the American workers is that of intervening with all means and strength at their disposal in the struggle that we are here engaged in; it is really to the vanguard in America that we turn in these times for the formulation of an international political line to follow in Europe and, for help that will permit our provisional center to conduct the work.

I have many things to tell you, but it is enough that I tell you in a few words that to give life to political activity it is important to publish our draft program for discussion. The Provisional National Center of the Internationalist Communist Party of Italy lacks the necessary funds to accomplish this in the actual circumstances. This retards and complicates our work among the masses of workers.

You will understand that after finishing four years of prison and concentration camps, and with the tremendous bombing destruction, with masses of workers without work, with industries totally destroyed, transportation disrupted, etc., workers starved and hammered by

bombings and with a Stalinist political reformism—you will understand, I say, what disorientation exists in the workers' movement and the difficulty of our work at present.

But despite all this, we do our socialist work indomitably. We shall send our reports regularly about the projected program for discussion, about the building of the PCI in Italy as well as the European movement of the Fourth International. We will also send you a general political report on the Italian situation and on all important problems.

Awaiting your reply, accept our best revolutionary greetings.

A. C.

Naples, Dec. 6, 1943.

Rice	2.00	3.15	130	Butter	15.00	20.00	200
Sugar	6.00	12.00	90 to 100	Olive Oil	7.00	17.00	200
Coffee	32.00	0.00	700				

It is impossible to give a price for clothing because it is seldom

(Continued on page 4)

NEWS AND VIEWS FROM THE LABOR FRONT

UAW Board Issues Anti-Strike Ukase

By DAVID COOLIDGE

Cringing before the anti-labor blows of a Congress dominated as always by its big capitalist masters, the international board of the United Automobile Workers lashed out last week against its own locals and membership.

The New York Times tells the story in exultant mood in a two-column head: "UAW Adopts Drastic Strike Ban; Provocation No Excuse for Men." And then: "International Board Orders Penalties in All Unauthorized Stoppages—Needs of Invasion Are Cited."

The New Ukase

In the new statement of policy the board says: "This union is determined to fully meet its responsibilities in the prosecution of the war—responsibilities which are all the greater by reason of the employment of our members in the critical war plants of the country."

"The constitution of our international union is clear that there shall be no strikes or work stoppages except upon authorization of the international executive board or the international president. The convention...held in Buffalo in October, 1943, resolved...to reaffirm its no-strike pledge without any qualification."

"The considerations which prompted the action of the convention are even more compelling at the present time... The overwhelming majority of our membership has scrupulously complied with the constitution of the union, its no-strike pledge and its policy... However, an extremely small minority of our members have ignored their solemn pledge and have indulged in work stoppages..."

The international board then painfully and almost apologetically admits that "an increasing number of corporations have taken advantage of the patriotic resolve of our membership and have deliberately pursued a course intended to deny them their rights under their contracts and to provoke them into engaging in work stoppages, the object being to discredit their union in the eyes of the public, to demoralize the union membership, to inspire repressive legislation against unions, and ultimately to destroy the organized labor movement."

"Difficult as is the situation thus created, the winning of the war nevertheless remains the all-important objective of labor; and the resort to work stoppages in response to the provocative acts of management not only had the effect of impeding the war effort, but plays into the hands of these corporations and provides them with the ammunition which they seek in pursuit of their invidious objectives."

Let Us Consider the Above

Before we go on to discuss the penalties which the international board plans to take against UAW members who go on strike, we want to discuss the motivations of the board as expressed in the quoted parts above.

In the first place, the question is not whether or not the board has the right and duty to administer the affairs of the international union, to exercise control over the actions of members and locals and to exercise the veto power when deemed proper and correct, in the case of strikes or proposed strikes, as provided in the constitution and the decisions of the several conventions of the international. The authority of the international board is unquestioned and at times it is imperatively necessary that such authority be exercised against individual members and locals. We can think of two important cases immediately.

On the basis of the decision of the last UAW convention to disapprove of incentive pay schemes it becomes the duty of the international board to proceed against any officer or member who advocates or attempts to install such piecework schemes in any UAW contract. Or, again, the international board would certainly

be expected to take drastic action against any local which discriminated against Negroes or other groups in any way whatsoever.

The Essence of the Question

The formal right of the board and its duty to carry out the decisions of the UAW constitution is not, as stated above, the real essence of the situation which the board is attempting to deal with in the matter of strikes. The matter goes far deeper than any formal right to restrictive action or punitive procedure.

Workers are forced to strike because of real grievances—which the leaders cannot hocus-pocus out of existence by giving a no-strike pledge.

President Thomas and his associates on the board will discover this in the days to come when they find themselves faced with the problem of lifting a few charters or of expelling some of the most loyal, competent and militant of the UAW membership because they have refused to submit to the attacks of the Fords, du Ponts and Chryslers.

Thomas and the board say that the considerations which prompted the no-strike pledge are more compelling today than at the time of the last UAW convention. And what is the reason for this? The Allied nations are poised for the invasion of continental Europe. But the very fact that the actual invasion is being arranged means that the Army is already supplied with the necessary materials, and that more material is on the way. This shows that labor has not hampered the conduct of the war in any way. Nobody has had the "brass" to make such a statement, not even bone-headed Atherton who heads the American Legion.

On the Subject of Production

According to reports which leak out, the country is piled over with tanks, munitions, guns and planes. It is only common sense to assume that the British Isles are strewn from end to end with English and American war materials. Thousands of

Of Course, Bosses "Take Advantage"

It is good to read, however, that the UAW board recognized that their members have some grievances and that the recent strikes may have had some distant connection with these grievances. The corporations have taken advantage of the no-strike pledge, says the board. Of course they have. The employers are only looking out for themselves, their business enterprises and their profits. That's what they are in business for. Many workers must wonder at times what Murray, Thomas and Green are in business for.

And what is this claptrap about corporations taking "advantage of the patriotic resolve of our members...?" The corporations and their government are using the no-strike pledge given by the labor leaders behind the backs "of our members" in order to kill the unions and strengthen the system of capitalism and private profit. The corporations don't give a damn about the "patriotic resolve of our members." And why should they?

Capitalist corporations are run for profit and wartime is only a season for making those profits bigger than ever. If Thomas and Murray haven't learned this yet, they should return to welding and coal digging and start up through the ranks again.

A Peculiar Conclusion

After the UAW board admits the workers have a few grievances, they come to the conclusion which must spread joy in the breast of every capitalist employer and every government bureau: No matter what the grievance, no matter what the provocation of the employer, labor must lie flat on its back and permit the heavy boot of the employers and the government to knock its teeth in. And why?

The answer, according to the UAW board, is that the winning of the war "remains the all-important objective of labor." This statement, of course, is in line with the usual infantile thinking of Thomas and other leaders. Thomas said at the Buffalo con-

ternational boards think they can stop strikes and dam up the militancy of tax-burdened, exploited and sorely harassed labor by such fool pronouncements as this one of the UAW? They know better. They have witnessed the failure of their babbling and moaning and wailing. Their boot-licking of Roosevelt has produced only a demand from Roosevelt, Congress and the employers that they bend a little lower, eat a little more dust and do a little more licking. They oblige the employers, Roosevelt and Congress by preparing for a crack-down on the UAW locals and "our members."

The Cause of Labor Discontent

The UAW board doesn't concern itself with the cause of the discontent: low wages, profiteer and monopoly prices, long hours, grinding taxes, money out for war bonds, anti-labor bills, the insolence of management and its hirelings, etc.

They ignore the fact that labor has become disillusioned with Roosevelt. At last the working class is finding him out.

The UAW board and other labor leaders also seem not to understand that labor is beginning to catch on to what the employers are up to, with the aid of Roosevelt, Congress and the government bureaucrats. Labor reads about the agreements existing between du Pont, General Electric and other firms in the United States with Nazi corporations to control prices. The workers learn that these agreements are in effect right now while the war is going on. They read about the Rockefeller Chase Bank being indicted for helping the Nazis—not ten years ago, but right now. They read about the powerful Anaconda Copper Co. sending "our boys" defective wire to use against the Nazis.

In the face of all this, here comes the board of the UAW talking about the main objective of labor remaining the winning of the war.

The Ax Will Fall

Despite all this, despite all the "provocations," the UAW locals and members will feel the ax if there are any more "unauthorized" strikes. Whenever members are identified as the persons who advocated or caused strikes, "all services to such members and any intervention in their behalf in the even of disciplinary action against them by the management" shall be withheld by the international and its officers. In such cases the local union is instructed to file charges and prosecute such members. If the local fails to do so, the local may be summoned to appear and show cause why its charter should not be lifted.

The statement of the board also provides that whenever management is caught provoking a work stoppage, this fact shall be reported to the international board by the local involved. We presume that when the corporation heads read this part of the statement they will be frightened into reforming their ways and that they will sin no more.

All this decision does is to place the UAW international and local officers in the position of being cops for the employers and the government. It is an attempt of the leadership of the UAW to enforce a pledge given to Roosevelt and a pledge which the overwhelming majority of the UAW and of the labor movement is opposed to.

The workers have demonstrated that they are opposed to this no-strike pledge. They have had to violate it. Neither the government nor the trade union officials have left them any alternative. They have none now, and the recent order of the UAW board will not change the situation one bit, except to create disorder, disgust and resentment in the international.

We can assure Messrs. Thomas, Adde, Reuther and Frankenstein that their latest piece of pro-war whimpering will benefit no one but the capitalist exploiters of "our members." This is, if "our members" submit—which we seriously doubt.

Correct union procedure dictates a different course of action. Rumors around the shop have us believe that there were many who disagreed with these fight these stewards were conducting. Even if this is true, it is the job of the members and stewards of the local to thrash out their problem at a membership meeting. If these stewards had done anything to harm the union—and we doubt this very much—then it is up to the

Here's How Union Men and Women Can Start Working For An Independent Labor Party

LABOR ACTION is untiring in its efforts to teach the American working class the urgent need for the organization of an independent class party. As long as labor delays taking this step, so long does it put off not only its own progress as a class, but also endangers the whole future of society. This is true because only the working class, independently taking the lead, can save the country from the forces of reaction and from brutal fascism.

More and more do workers begin to agree with the point of view of LABOR ACTION on the question of independent class politics. The most recent illustration is a resolution passed by Rochester Lodge No. 99, Brotherhood of Locomotive Firement & Enginemen, which we displayed on page one of last week's issue. For a statement of the political facts as they concern labor, that resolution is clear-cut and factual.

It points to the obvious class character of both the Democratic and Republican Parties, and to the impossibility for labor to have its basic social problems solved by either of the two old parties.

It takes note of the fact that workers become discouraged with elections and with political action in general because of disillusionment with "friends of labor" who are only tools of the industrial lords.

This resolution of Rochester Lodge No. 99 shows the awareness of its members that the present era is one in which labor will engage in a life and death struggle for its very existence, and that it cannot afford to lose ground, as has been the case in the last period.

From these correct premises the resolution calls for the organization of labor's own political party, an Independent Labor Party based on the unions and cooperating with all other groups whose salvation lies along labor's progressive road.

To the many union men and women who read LABOR ACTION we recommend that they re-read this resolution printed in last week's issue. We urge upon them that they submit it for endorsement by their own union locals.

This is a good way in which labor's need for an Independent Labor Party will be pushed into the forefront of union thought and discussion—for action without delay.

LABOR ACTION will be glad to supply copies of the resolution of Rochester Lodge No. 99 upon request.

The point is to get going toward the goal of an Independent Labor Party of the working class.

Serious Situation at Brewster--

(Continued from page 1)

department where strenuous objection to the transfers were voiced. The stewards were fired on the testimony of FOREMEN that the stewards urged the men to quit work after eight hours and not to put in overtime hours on one particular day.

Dangerous Precedent

Unless the union puts up a real fight for the reinstatement of these four stewards, a dangerous anti-union precedent will have been set. Stewards fighting for men in their department, and unionists—either in the shop talking to their fellow workers or at a union meeting—will be constantly put on the spot for advocating action to protect the men and in defense of the union.

Even if the charge of the foremen were true (and it has only been the testimony of foremen), there is nothing in either the contract or in law which prohibits the advocacy of such action.

Local 365 and the entire labor movement have been fighting the WLB for penalizing workers who actually went out on strike. They have denounced any such move as an attempt to enslave labor. That is why Local 365 in the past has urged the trade union movement as a whole to give up its "no-strike pledge," and to struggle to repeal the Smith-Connally bill. Incidents such as these are caused by the fact that the labor movement as a whole has not united its ranks against the no-strike pledge.

Thus far, we regret to say, the union has not handled the situation as it should be handled. They have permitted the firing of these men and have failed to put up a fight on the issue. A request on the part of the union to take the question to arbitration has, up to this writing, been denied. The shop committee has given the impression to these stewards that the case is closed as far as they are concerned, and they want nothing more to do with it. They are permitting the testimony of the foremen to go unchallenged, testimony upon which are firings are based.

What to Do

Correct union procedure dictates a different course of action. Rumors around the shop have us believe that there were many who disagreed with these fight these stewards were conducting. Even if this is true, it is the job of the members and stewards of the local to thrash out their problem at a membership meeting. If these stewards had done anything to harm the union—and we doubt this very much—then it is up to the

membership to say so.

In this case everyone must agree that despite differences as to the best method of union procedure, these four stewards were fighting for the men in the shop and are being penalized by the company for putting up that fight.

There is only one course of action open to the union. It must wage an all-out fight to see to it that the four stewards are reinstated. This means reopening the whole question with the company and likewise means

utilizing every possibility without closing the door on any.

If Local 365 does not put up a fight for these stewards, it will be a setback in the attempt to have the labor movement end its retreat before the forces of reaction.

A victory in getting the four stewards rehired will mean a renewal of faith of the membership in the local and will give the men confidence that their local leadership will protect their interests and lead them to new and greater gains.

What Soldier Vote?

After two weeks of deadlock the Senate and House conferees abruptly decided on a so-called compromise on the issue of the soldier vote.

However, the "compromise" is of a very peculiar nature.

According to Senator Green, co-author of the Green-Lucas bill, which originally provided for federal balloting, the new arrangement would not permit as many servicemen to vote as could vote under the existing soldier voting law of 1942—which Congress was supposed to amend and IMPROVE!

Representative Ellsworth of Oregon said of the "compromise":

"I would not write that kind of a bill and would not make a speech for it, but we were in a jam and had to do something, and this, I am convinced, removes the constitutional questions which have been raised." However, even this insult to the men and women in the armed forces is still not passed. It goes before the Congress for action—and you-know-Rankin says "The fight has just begun."

The threat of disfranchisement for the soldiers in the 1944 election is real. Labor must protest with all its might against this travesty of "democracy."

A Correction, But No Change

LABOR ACTION recently printed a story based upon public reports that Kenneth Walsh, author of a scurrilous attack on American labor, was not really a Navy man nor aboard a warship at the time he issued his attack. It has now been announced that he actually is a sailor. We are therefore making this correction of fact.

But we still say that his attack on American labor was dirty, as is revealed by the fact that big business and labor-haters in general are making extensive use of his letter. Everything contained in our reply to Seaman Walsh holds to the letter and we do not change a single line or word of it.

LABOR ACTION

Turns the Spotlight on

- WAGE FREEZING
- INCENTIVE PAY
- WAR PROFITS
- JIM CROW
- RIISING LIVING COSTS
- "PHONY FRIENDS" OF LABOR
- NATIVE FASCISTS
- WORKERS' POLITICS

Get Your Copy of

"America's Leading Labor Newspaper"

EVERY WEEK

BY SUBSCRIBING NOW!

Special Introductory Offer—Only 25 Cents for Six Months

Clip and Mail with 25 Cents for Your Special Sub TODAY

LABOR ACTION
114 West 14th Street
New York 11, N. Y.

Please enter my six-month subscription at the SPECIAL INTRODUCTORY RATE.

I enclose 25 cents to cover full cost.

Name _____

Address _____

City _____ State _____

If you are a subscriber, why not help a friend or fellow worker get LABOR ACTION regularly by sending in his subscription on this blank?

Labor Can Lead Fight On Black Market--

(Continued from page 1)

What conclusions must we draw from the above? Mustn't we conclude the obvious, that not only is the Black Market vs. the American Housewife, but that Government vs. Housewife is also a fact?

What housewife who knows her onions, and most of them do, does not laugh out of the other side of her mouth at the "statistics" of the Bureau of Labor Statistics that the cost of living has gone up only 23.4 per cent in the past three years!

If all the facts presented by Mr. Bowles on the operation of the black market were included in the cost of living—which even the Meany-Thomson report did not do—that is no doubt that Mr. Bowles himself would be supporting the CIO-AFL contentions on the cost of living rather than those of the BLS.

The OPA head spoke not only of the food black market but of over-

charges for clothing, tires, gasoline, furniture, second-hand refrigerators and other home equipment—whose effect can be only roughly estimated.

And the question is still: What is going to be done about it?

Mr. Bowles talked about public understanding, about some arrests, about checking done on wholesalers, about the honesty of most merchants—and about his own very good intentions.

We Have Our Doubts

Can the American housewife rely on this same old palaver? We doubt it.

We doubt it for exceptionally good reasons. The reasons are:

First, as indicated in the so-called statistics of the Department of Labor, the government itself does not face the facts of the cost of living—but minimizes it. In this case it minimizes it by no small figure. For the

difference between the report of the CIO-AFL and the government is a slice-down from 43.5 per cent to 23.4 per cent.

Second, the government agencies in charge of production and price regulation are honeycombed with dollar-a-year men, whose concern is primarily with their corporations' war profits and whose outlook on the whole situation is not too far removed from that of the black market, namely, profits at any price.

It is all right for Mr. Bowles to reveal the function of "the man named Gus" who "simply stops in for a talk before an order is delivered and says that on payment to him of \$100 the order will be delivered on schedule and at the ceiling price."

This individual black market stuff is, after all, comparatively small-time as compared with the "legitimate" take of individual war profiteering with Washington connections.

A Working Class Problem

Let no American housewife be lulled into inaction by speeches like those of Mr. Bowles. As stated at the beginning of this article, giving information is one thing—acting on the information to remedy the evil is quite another.

The whole question of the high cost of living, involving the black market, ceiling violations, ration violations, unnecessary shortages, can be handled to relieve the working people only by working people.

I'll Have One, Too

In the great "democracy" across the sea, the British government can't see its way clear to allowing coal miners more than twenty dollars a week for underground mining and eighteen dollars for surface work. But Lord Beaverbrook walks out and buys the whole village of North Lincolnshire of Swinhope, plunking down about \$100,000 as nonchalantly as you put a penny in a chewing gum slot. I'll have one of those villages, too.

A Reader Wrote In On Subject Of Congress

By RUTH PHILIPS

A reader of LABOR ACTION recently wrote a letter to the editor suggesting that the Workers Party write up its post-war program in the form of a congressional bill and have it introduced by some congressman.

Most people think of Congress as a popular, democratic assembly, and of congressmen as the representatives of the people. After all, aren't congressmen elected by the democratic vote of the whole people?

On the surface this idea about Congress seems true. But, in fact, Congress, far from being a representative body of the American people, is a CLASS INSTITUTION. It is the instrument of big business, of the "Sixty Families," who own and control the decisive section of the productive resources of this country.

A BIG MOUTHFUL

We could begin to prove this statement, which may seem like a mighty big mouthful to some people, by pointing out that millions of people are disfranchised by the poll-tax, so that in many states the "representatives of the people" are elected by a small minority of the population.

We could point to the further fact that the powerful Senate is composed of two senators from each state regardless of its population, so that Nevada, with a population of 150,000, has the same representation as New York, with 11,000,000.

We could show that the Founding Fathers arranged a careful system of "checks and balances" with the avowed aim of protecting property rights, whereby the Supreme Court, an appointed body, can overrule acts of Congress.

But these undemocratic realities of American political life merely constitute additional safeguards for the political power of big business. Big business could dispense with them because it has the decisive card up its sleeve.

THE TRUMP CARD

Congress is made up, in its overwhelming majority, of members of the Republican and Democratic Parties. From top to bottom, these parties are subsidized by the capitalists and are run and controlled by them or their representatives. Fundamentally, these parties are both pledged to the protection of profits and the perpetuation of capitalism, no matter how much they embroider their election-time programs with talk about the "common man."

Yes, there are differences between the two parties. Each party has its own program for running the government more effectively for big business. Big business knows this, even if a lot of working people don't. That is why it is careful to hand out its money to BOTH parties for election campaigns. It bets on both horses, although different capitalist groups bet more heavily on one or the other horse.

By controlling the two major political parties, the capitalist class controls Congress. If a congressman should step out of line, there'll be no money to subsidize his next campaign for election. Every congressman is responsible to his party and local political machine, which in turn is responsible to those who control the purse strings.

Big business further insures its rule through its ownership of every means of propaganda and publicity—the newspapers, the radio, the movies. Small minority parties have all sorts of legal and technical difficulties put in their way to prevent them from getting on the ballot. They are systematically denied access to a wide public hearing.

Through the present political set-up, the working people of this country just throw away their political power by voting for one or the other of the two capitalist parties. Every time a worker votes in this way he guarantees a longer lease on life for the domination of big business.

THE PROOF OF THE PUDDING

The final proof of the pudding is in the eating. Since the consolidation of the political and economic power of the big corporate interests after the Civil War, Congress had made a record of legislation designed to bolster capitalism and to enhance profits. This is not the place to go into a long historical survey. The columns of LABOR ACTION every week show the pro-big business nature of current congressional legislation.

It is true that there has been legislation of a restricted kind in the interests of the working people. Under the pressure of the organized labor movement, Congress throws the proverbial bone to the "underdog." But pressure campaigns on the part of labor aimed at getting favors from the old capitalist parties are at best inadequate weapons. This is above all true today, when the war has put reaction in the saddle.

THE IDEA OF THE WORKERS PARTY

The working people can and must be more than a pressure group. They can and must cease to be voting cattle for the Republican and Democratic Parties. Based on their unions, the workers can organize an independent political party of labor, a party financed and controlled by the workers themselves.

Such a party could mobilize not only the organized workers, but also the millions of unorganized, the poor farmers, the white collar workers and professional people. Such a party could become the mightiest political force in America.

The Workers Party would work to get the Independent Labor Party to adopt its program for the war and post-war period by showing that this is the only program for labor. Only when there is a bloc of Independent Labor Party congressmen to do it will the Workers Party attempt to get its proposals or similar ones introduced into Congress in the form of a congressional bill.

The job before us now, the job to which the Workers Party and LABOR ACTION will give their best efforts, is the creation of an independent class party of labor in America.

United States Employment Service--

How It Serves the Boss--Not the Worker

By JOE LEONARD

The United States Employment Service (USES) functions in behalf of management and against the interests of labor.

The USES, operating under the authority of the War Manpower Commission, actually carries out the policies of the employer. If the employer, for reasons of his own, does not give a man a release from his job, the USES will probably not give it to him either—first, because the USES is against workers changing jobs on principle, and second, because it will unhesitatingly take the employer's word against the employees' on all disputed matters.

USES Discriminates

The USES even carries out the discrimination policies of the employer, if he so wishes. If he requests only gentiles, or only whites, the USES will weed out the applicants accordingly.

If a worker is forced to quit for union activity, the employer need only conceal the real reason (the

usual procedure) and the USES will do everything in its power to keep the man from getting another job. If the man is fired outright, the USES will not concern itself with getting the man his rights.

If a working man has a run-in with his employer, or gets a "bad" record working at his job, the USES is there to see that he does not escape this record in other jobs. The USES is an employers' hiring hall and serves as a clearing house for THEIR use and information. Prospective employees, on the other hand, are never given the labor turnover or union record of a company.

USES Hampers Workers

Every worker knows that in order to advance himself, he usually has to quit and apply for another job, claiming a higher classification in a previous job. That is, he must claim previous experience. The USES prevents any such maneuver. It sees the "truth" from behind the desk of the personnel manager only, not

from the employee's viewpoint.

The USES has recourse to the files of the Social Security Board. It can check a worker's statements on employment service and on wages, although an individual personnel manager cannot. Thus here again the USES acts to weaken the bargaining position of the working man and to strengthen that of the employer.

On the form an applicant must fill out there is a blank for him to state his union affiliation. Why? Can it possibly be that the USES wants this information to determine what jobs to send a man out for? If not, why ask the question? Here again, the employer's bias is regarded as sacred.

The USES destroys most of what little is left of the dignity of bargaining with a company and becoming a part of their organization. You are a name in the USES file, and the job is in another file. It has as much personality as you have. You are sent up for the company's inspection and, if approved, your name and the job notation are transferred to dif-

ferent files. The USES drives just one more wedge between the jobs with a future, and just jobs.

The USES is connected with the unemployment insurance set-up. Thus if a man is unemployed because he was a union man in an open shop, the USES blocks his unemployment benefits. Clever people.

If you are a worker in an essential industry, the "statement of availability" the USES furnishes you says: "This worker may not accept employment except upon referral or arrangement with the USES office." How's that for the "land of the free"?

The shipping industry, particularly on the Pacific Coast, has had its experiences with fink hiring halls run by the government. Every union seaman knows how the government's "free employment agency" helped the owners in their anti-union drive.

The USES is trying to get all companies to do their hiring through them. It tries to pass itself off as a social service, just an agency that helps people get jobs without charging a fee. Workers know better.

No Freedom of Expression in Army

By STAN LEPETT

LONDON, Feb. 1—A cloud of censorship has descended upon American military opinion abroad. Orders have been received from Washington forbidding publication of direct quotations from American soldiers on pending legislation or controversial topics.

There has been a ruling of this sort for a long while, but it has not been enforced. Heretofore even army publications (e.g., "Stars and Stripes") have had front-page articles strongly criticizing congressional

action and quoting extensively from soldiers by name.

However, this is now a thing of the past. The long dormant order is being enforced with great vigor. While American military leaders continue to pay lip service to free speech in the name of "democracy," they effectively gag free expression and communication of ideas on the part of American soldiers.

The situation was exposed when Chicago Sun Correspondent John W. Mecklin visited a U. S. Army hospital in England, where three hundred U. S. soldiers are stationed. Mecklin

interviewed a number of troops. He found some resentful, others bitter.

U. S. Army censorship, reported to be acting on War Department orders, suppressed Mecklin's interview with the soldiers, many of whom claimed that they were "pretty sore."

It has been made clear that newspaper men will be allowed to give their impression of WHAT THEY BELIEVE to be the attitude of our troops, but the soldiers themselves will be prohibited from expressing their views in print.

What this means in effect is that

American soldiers will not be able to disclose first-hand what they see happening in Europe. They will have to keep mum about such events as demonstrations by the people pointing to socialist revolutions or the occupation of factories by workers (as in Milan and Turin, where an unsuccessful attempt to stifle that news, was made).

American soldiers will also not be allowed to bring to the attention of the American public discontent with their own situation nor what they are thinking about important issues at home and on the war fronts.

Bilbo's 'Plan' for Negro 'Freedom'

In the past few months the press has given considerable publicity to the subject of post-war planning. We are supposed to believe that the hardships caused by the present war will be followed by an era of good will and plenty.

For the Negroes of America, however, the chairman of the Senate District of Columbia Committee, Senator Bilbo, has a little plan of his own. The worthy senator stated in an interview that at the close of the war he will resume his fight to have all Negroes shipped to Africa.

Bilbo feels that the present conditions of discrimination under which the Negroes work, live and fight will continue. Their only hope for security, equality and a decent life is in a wholesale migration to Liberia!

Someone should remind the senator that there are over 500,000 Negroes in the armed forces. These men left their jobs and families to serve in a Jim Crow army. They are risking their lives on the battle fronts along with their fellow soldiers of white skin. Can it be possible that all the senator has to offer these men when they return from their "fight for democracy" is "continued oppression" here or "freedom in Africa"?

The Negroes will not be shoved aside so easily. They do not want security in Liberia. They want it here in America, in the country they are supposed to be fighting for. The senator is wise indeed to wait until "after the war" before beginning his monstrous campaign.

Shachtman in Buffalo

BUFFALO—Max Shachtman, national secretary of the Workers Party, addressed a meeting of about thirty people here on Friday, February 24. The majority of those who attended the meeting were militant and progressive trade unionists active in the plants in this city.

The speaker urged them to come out in their shops and on their union floors and take a strong stand for an Independent Labor Party. He stated that a break with the old capitalist Democratic and Republican Parties was one of the most important steps of the day in combatting the anti-labor, reactionary government.

Shachtman stated that an Independent Labor Party based exclusively on the trade unions, presenting its own candidates for office, was

another step in the direction of achieving a labor government. He also said that the most disinherited of all, the Negro worker, would rally around the political party that truly offered them a future.

The speaker also added that the Independent Labor Party was a real weapon that could be offered the returning soldiers against the fascist demagogues and fascist organizations seeking to make capital of soldiers' disillusionment. "We must offer them the party of hope, instead of despair," said Shachtman.

A stimulating discussion period followed the speech. The audience was enthusiastic over the ideas expressed by the speaker and greeted the speech with spontaneous applause.

Of Special Interest to Women

By Susan Green

To say that there is a war on and that this is why there are shortages of vital commodities is really not explaining anything.

Take the scarcity of meats, for example. Most of us visualize cargo ships going to foreign ports laden with meats for the overseas forces and for lend-lease as the reason for the wide-open spaces in the butcher's icebox.

But Lewis J. Clark, president of the United Packinghouse Workers of America, CIO, has another story to tell about the critical meat situation.

"Hundreds of thousands of livestock are cluttering the stockyards of the nation, with slaughtering and packing facilities lying idle because the industry's low wage policy and bad working conditions drive people to other jobs," says Mr. Clark.

This is something every housewife should know. Furthermore, packinghouse workers are putting in seventy, eighty and ninety hours a week—in some cases even as many as 120 hours. The strain on the workers is terrific, and all because the low wage policy of the rich companies drives skilled men into other industries where wages and hours may be better.

At the present times the packinghouse workers are demanding a modest ten-cent-per-hour wage increase, but Armour & Co. and the other meat packers are fighting this reasonable demand tooth and nail.

"The meat packers claim," says Mr. Clark, that they can't raise wages unless they are allowed to raise prices to the consumer. This claim is false. THE MEAT PACKERS ARE MAKING TRIPLE THE PROFITS THEY MADE BEFORE THE WAR, AND THEY WEREN'T EXACTLY STARVING THEN. They can pay decent wages without gouging the consumer any further."

This is something to know when you regard the clean stretches of white enamel in the butcher shop—unbroken by sight or sign of red meat:

With war profits triple the ample profits of pre-war days, the profiteers would rather deepen the meat crisis than cough up a paltry raise so their workers can hold their own against prices that have risen by 43.5 per cent since 1941.

And while on the subject of war profits, here's another tidbit worth stopping over:

All winter woollens have been as dear as diamonds. Most of us have been compromising on all sorts of shoddy substitutes that have neither the warmth nor the durability of woollens, but do have the same prices that formerly bought woollens.

Now if we trace this situation back to the manufacturers, it means of course that they are sell-

ing less woolen goods to the civilian population, which can't afford the prices.

The American Woolen Co., one of the giant concerns of the industry, as a matter of fact reports that its sales in the year 1943 actually fell \$7,676,325 below the year before.

But before weeping in sympathy with the American Woolen Co., consider this additional fact: In spite of the fall in gross sales, the net profits of the company ROSE BY SEVENTEEN PER CENT over the net profits of 1942.

So why should big business worry about high prices? Their gross sales may fall because prices are so high that you and I cannot afford to buy many necessities—but their profits still continue upward.

What irony that the dollar-a-year men of big business are in Washington supposedly to "hold the price line" for you and me!

As the war proceeds all talk of equality of sacrifice becomes more and more nauseating because of its blatant hypocrisy.

To workers whose wages have been frozen at the 1941 level while prices have gone up 43.5 per cent, the ten per cent out of wages to buy war bonds really means a sacrifice that hurts.

To the capitalist class whose war profits accrued at the rate of \$8,600,000,000 for 1943 and will be over \$10,000,000,000 for 1944, buying war bonds is not only a lucrative investment—because their wealth permits them to buy the bonds in great bulk—but is also a source of ribald pleasure.

It ticks like gall in the throat to read about the swanky parties where the "four hundred" make whoopee while performing their "pay-trifling" duty buying bonds.

Bejeweled on every part of the anatomy available for the purpose—including the ankles in some cases—and bedecked in gowns perhaps coming from the salons of Nazi-occupied Paris, Park Avenue dowagers playfully bid up their bond purchases by the tens of thousands in competition with each other for such a prize as maybe a live pig. The males of the species amuse themselves bidding in bonds for maybe a bottle of rare scotch or perhaps a pedigreed dog.

All this "sacrificing" goes on in the gleeful surroundings of a hot night club or private party. You can be sure that not one of the female "sacrificers" has to give up a single diamond tiara, bracelet or anklet—because of war bond purchases. Nor does any of the male "sacrificers" have to give up even as little as his private cigar humidor rented at Dunhill's to keep his favorite "weeds" at just the right moisture.

The other day Mrs. Roosevelt quoted in her

International Finagling By the Capitalists

By EUGENE VAUGHN

There has recently burst forth in the pages of the bourgeois press a story about the Bank of International Settlement of Basle, Switzerland, a story from which workers can learn much about the ethics of the capitalist class.

Whereas the working class is called upon to fight a "crusader's war" against the despicable Nazis, the capitalists themselves are not above dealing with the Nazis, if only it serves their financial and industrial ambitions.

The battlefields are strewn with the bloody remains of working class soldiers of both sides, and the big bankers and industrialists of both sides gather together to plan super-deals. If in addition to panning profits, there is also an opportunity to nip in the bud a possible workers' revolution, then the consummation of a deal is a lead pipe cinch.

HOW THEY GOT TOGETHER

The Bank of International Settlement, a veritable League of Nations of high finance, was founded in 1930 incidental to the Young Plan for reparations. Reparation payments have been discontinued, but the bank has continued to exist and function as an instrument of cartel arrangements, and of the international movement of capital. The bank has become the instrument of Nazi Germany in contact foreign industrialists and bankers.

On the board of directors of the bank are to be found men in leading positions of finance and industry in both the Allied and Axis Nations. According to charges made in the British and American press, the directors have been meeting annually every June, even since the inception of the war.

"GOOD NEIGHBORS"

The president of the bank is an American, Thomas H. McKittrick. His permanent staff in Basle is composed largely of Axis followers. Dr. Herman Schwartz, president of I. G. Farben, is also a director of the BIS. Leon Fraser, a former president of the BIS, and now president of the First National Bank, is now a member of the board of directors. Karl Freiberg von Schroeder of Cologne, a promoter of Hitler and the Nazi Party, who also has banking connections with the Schroeder banking interests of England, is also a director of the BIS. He is also a director of a dozen big iron and steel firms and of numerous railroads.

It is through the directors of the BIS that the Schacht peace plan was offered to the rulers of the Allied nations by Dr. Hjalmar Schacht, also a former member of the board of directors.

Under this "peace" plan, British and American industrial and financial groups would gain joint ownership of German industry with the present owners, and the German industrialists would get a free hand in choosing the political leaders of post-war Germany and the right to maintain an armed police force to keep "order." For a period of five years a German armed police force ranging from 400,000 to 500,000 men, collaborating with the Allies, would insure that neither the Red armies nor internal revolutions threaten the stability of the new regime or the ownership of Germany industry or finance.

Such a plan could be a triple blessing to the capitalist hypocrites. It assures the retention of a substantial measure of economic power by the German capitalist class; it would give the Allied capitalists additional economic power; and above all it would insure all the capitalists concerned against a possibly successful workers' revolution in Germany after the war.

NOT THE FIRST TIME

If this plan were to go through, it would not be the first time that the ruling classes of two warring nations have united to fight against their common class enemy, the working class.

The classic example of this phenomenon was described by Karl Marx in his "Paris Commune." The Paris Commune of 1870 was suppressed by the united action of the Prussian Bismarck and the French Thiers, who were supposedly at war with each other. When the people of Paris organized themselves into a socialist commune, all the hate which the Prussian and French ruling classes had for each other dissolved into nothingness. The only hate that remained was their common hate for the revolutionary working class of Paris. The capitalist classes of different nations undoubtedly have rivalries, but their enmity toward the working class of all countries they possess in common. The struggle which they continuously carry on against the working class supersedes any struggle they might carry on between themselves.

The American working class can learn a moral from this story of the BIS and the Schacht "peace" plan. The class solidarity of the ruling class is international. How much more reason then for unity between the working classes of all nations! The working classes of both the Allied and Axis nations suffer together as a result of capitalist imperialism. Together they must end it.

PLENTY FOR ALL

The Meaning of Socialism

By Ernest Lund

IT TELLS YOU:

Why This Is an Age of Plenty
Why There Is Poverty in This Age of Plenty
Why Who Controls the Wealth Labor Produces
Why There Are Rich and Poor
What an Equitable Society Is
How It Can Be Achieved
Socialism as the Hope of Humanity

ORDER YOUR COPY NOW

Sixty Pages

Ten Cents per Copy

Published by:
THE WORKERS PARTY
114 West 14th Street
New York 11, N. Y.

Name _____
Address _____
City _____ State _____

LABOR ACTION

A Paper in the Interests of Labor

Published Weekly by the

LABOR ACTION PUBLISHING ASSN.
114 West 14th Street New York 11, N. Y.
(3rd Floor)

Vol. 8, No. 10 March 6, 1944

ALBERT GATES, Editor
GERTRUDE SHAW, Managing Editor

Subscription Rate: 60 Cents a Year
75 Cents for Canada, New York and Foreign

Re-entered as second-class matter May 24, 1940,
at the Post Office at New York, N. Y., under the
Act of March 3, 1879.

Editorials

What Fascism Is, Is No Mystery

Vice-President Wallace, in a recent speech on the West Coast, explained his conception of an American fascist. He said that American fascists are "those who believe that Wall Street comes first and the country second and who are willing to go to any length through press, radio and demagogue to keep Wall Street safely sitting on top of the country."

Instantly, Eric Johnston, president of the United States Chamber of Commerce, answering the attack on big business by a government official, retorted that "if there is a threat of fascism it is not to be found in big business but in big government."

Jumping in on Johnston's side, Joseph W. Martin, Jr., Republican leader of the House of Representatives, declared that the present Administration is "state fascism."

And Alf M. Landon, erstwhile Republican candidate for the presidency, made his contribution with the assertion that "fascism is here in America, and its name is the New Deal."

This spectacle of the pot calling the kettle black and vice versa, would be amusing if there were not involved something which is a deadly menace to the working class—namely, fascism.

What fascism is, is no mystery.

Fascism is ruthless dictatorship, based on a rabble movement nurtured on race hatred, and financed and fathered by the big industrial powers. Fascism suppresses even the kind of freedom of speech, press and assembly permitted by "democratic" capitalism. Fascism breaks up workers' organizations, demolishes labor's press and meeting places, executes its leaders, throws thousands of militant workers into jail. Fascism creates an iron-heeled regime of brutality to crush a whole people—as the last resort of the capitalist class in its attempt to maintain its power and profits.

That is fascism.

GAME OF POLITICAL NAME-CALLING

It is clear at once that Mr. Wallace is miffing the question. Wall Street has always put itself "first" and considered itself to be "the country." Wall Street has never hesitated to use "press, radio and demagogue to keep Wall Street safely sitting on top of the country." This is nothing new. This is real old-fashioned American capitalism using its power throughout society. If Mr. Wallace means something else, why doesn't he say so?

Neither do Eric Johnston, Representative Martin nor Alf Landon, on the Republican side of the verbal foray, make out a case that the present Administration is fascism—which, of course, it is not. The intervention of government in business, no matter how distasteful to big business and its political stooges, is not fascism by a long shot. And, as a matter of fact, such intervention has been developing for year under both Democratic and Republican tutelage.

What is happening is that the word fascism—so full of sinister meaning—is being bandied about loosely in a game of political name-calling.

BUT THE REAL McCOY IS DEVELOPING

While this goes on, there are actually organizing and growing in this country elements having the same perspective and aim for America as Hitler had for Germany. They fan racial hatred into a flame. They spread a poisonous union-busting psychology. They propagate the fuhrer cult.

Before the United States entered the war they were known as Coughlinites, Christian Fronters, Christian Mobilizers and by the raft of other disreputable names. Today, operating with some of the same leaders and with the same filthy purposes, they use innocent names like National Workers League, "America First, so-called mothers' organizations, and so on.

Charles E. Wilson, president of General Electric and vice-chairman of the War Production Board, before the National Association of Manufacturers' convention, openly accused sections of the capitalist class of giving financial support and other assistance to these fascist organizations and leaders. Mr. Wilson, himself a capitalist, stated the case more realistically than Mr. Wallace does, and more seriously than do the Martins and Landons. While Mr. Wallace's description can be taken as nothing more alarming than the usual brand of Wall Street dictatorship, Mr. Wilson declares that something new and definitely more reactionary has been added.

The flippant use of the word fascist by both Democrats and Republicans for purposes of political ax-grinding, should put the working class on the alert. The issue of fascism is thus being blurred and the seriousness of the danger underestimated.

A CALL FOR WORKING CLASS ACTION

To the working class, fascism is the greatest possible catastrophe. Labor's existence as an articulate, organized body is at stake. The progress of all society is at stake. The status of human beings as such is at stake.

Apparently the politicians of both the Democratic and Republican Parties are not too worried about the real implications of fascism if they can lightly use the word for pre-election name-calling.

What, then, is more obvious than that the workers cannot rely upon capitalist politicians to fight fascism?

The menace of American fascism, looming so ominously today, can be combated only under the leadership of labor itself. For this purpose labor needs not only the proper use of all its economic might, but the organization of its political power into a class political party of its own—an Independent Labor Party. And there is no time to lose.—G. S.

Tribute to Austrian Workers Who Fought Fascism in 1934

By SYLVIA MERRILL

On that day of March, 1933, when the newspapers declared to the world that Adolph Hitler had been appointed Chancellor, the whole labor movement felt it had been dealt a great blow. The year following the triumphant rise to power of the German fascists was a very gloomy one.

The great German socialist, communist and trade union movements had gone down before the greatest enemy of labor—without a struggle. The cowardice of the German Socialist Democratic leaders and their fanatic adherence to only legal forms of struggle, while the labor movement was being persecuted in violation of the constitution every day, and the treachery of the German Communist Party in their ultra-radical phrases which led them to refuse a united front with the most conservative sections of the labor movement, gave the fascists a clear road to victory.

Yes, they were depressing days—the great German labor movement was smashed!

Lessons Not Learned
Almost immediately after, the Austrian fascists, emboldened by the victory of their German cohorts, began to attack the Austrian labor movement. But the lessons of the German events had not been learned by the Austrian socialist leadership.

The Austrian socialist leaders, like their German leaders, gave the wrong answer to the provocations, the parades into workers' districts by the Heimwehr (Austrian Storm Troopers), the fighting, the house arrests, the breaking up of meetings and attacking of workers' headquarters, the beating up of workers. They merely pleaded with Dollfuss and Fey, heads of the government, not to violate the Constitution, and the Austrian Schutzbund (Workers' Defense Guards) were told not to be "provoked" by the outrages against the working class.

Were we to see the German events repeated on a smaller scale?

Austrian Workers Fought Back

On February 12, 1934, the first shots were fired by the workers in defense of their homes and head-

quarters. Those first shots were shots of hope and courage. Workers all over the world lifted their heads with pride and hope. The Austrian workers would not take it lying down. They would fight to protect their lives, their homes, their hard-won gains.

If their leaders had not learned how to struggle against fascism, the workers of Austria knew it was fatal to continue to swallow the insults heaped upon them and their organizations by the fascists. The workers of the city of Linz could no longer carry out the desires of their leaders "not to be provoked." They were fighting. When the news reached Vienna, the leaders had no choice but to call a general strike.

But they had waited too long. They had threatened to strike, but instead of preparing the workers for it by a period of struggles with the fascists and climaxing it with the strike, they had permitted the workers to be brow-beaten and pushed around for so long that the final step of the general strike was like a bolt out of the blue. Therefore, the struggle was carried out only by the most courageous, the most bold. It was carried out by those who understood that to permit the fascists to come to power without a struggle was to accept death without a fight.

A Heroic Defense

For seven brave days the workers defended themselves in the streets of Austria's cities. For seven brave days they fought with their rifles and home-made hand grenades against the howitzers, mortars, machine guns and other weapons of modern warfare, mustered by the government.

In Vienna the workers barricaded themselves in the model apartment houses, the Karl Marx Hof, where they defended themselves with their primitive arms. The government replied by shelling them out.

The socialist headquarters in one of the working class sections destroyed by the fascist Heimwehr was described by a New York Times correspondent as follows:

"For a parallel to the picture that the ruins of this building and the movie theater next door presented

one would have to turn to photographs of Chateau-Thierry or some other well-shelled town in the World War. The front was shot to pieces, all the windows were gone and the roof was damaged. Pieces of the building cumbered the road, together with masses of broken glass, thousands and thousands of cartridge cases and clips, both exploded and 'bad,' mimmewerfers, and every kind of debris."

Despite their vacillation, many of the leaders of the Austrian Socialist Party fought side by side with the workers on the barricades. Some were caught by the fascists and shot. Some escaped to Czechoslovakia.

The fighting, which lasted a week, were shots of hope to the international working class. Many of the workers were hunted until they took refuge in sewers, from which they continued to fight. They were defeated—but they had shown the way. They had taught a lesson—a lesson in blood. ONLY THE WORKING CLASS CAN LEAD THE STRUGGLE AGAINST FASCISM — BECAUSE FASCISM IS DIRECTED AGAINST THE WORKERS.

They Were the First

The memory of the struggle of the Austrian workers against fascism is for the working class a sad one—for the Austrian workers were defeated. But it is not mourning with bowed head and tears, but with anger and defiance that we commemorate their defeat. THEY WERE THE FIRST TO TAKE UP ARMS. All others—including the "democratic" governments of England, France and the United States—appeased the fascists and provided Dollfuss with money to support his dictatorship.

On this tenth anniversary of their gallant struggle we pay tribute to these socialist fighters—the first to raise the banner of the working class in struggle against fascism.

Workers Party School

Started Friday, February 18.
Write for Information:
114 West 14th Street
New York 11, N. Y.

Conditions of Labor in "Liberated" Italy - - -

(Continued from page 1)

The banning of political parties and political demonstrations and the postponement of free elections has meant to the people that the same conditions are to continue unchecked. The impoverished masses are demanding immediate elections, freedom of speech, press and assembly, a constitution, and a republic. These demands spring from the depths of the masses themselves and are well understood by them to be a means to an end, rather than the end itself.

WHAT THE MASSES WANT

What the masses mean by a "republic" is simply "workers' rule." Nearly everyone will say that he is a "socialist" or a "communist," meaning that he is for a society free from war and oppression. It is the feeling everywhere now that Italy "experimented" too long with the oppressing class after the last war. The working class senses that this time there must be no turning back short of a fundamental change in all society.

Nationalism no longer exists; for the Italian worker the slogan "The workers have no fatherland" has reality; he says: "Perché la patria?" or "What good is the nation... to me?" His thinking is being done on a European scale, and the idea of a "Socialist United States of Europe" is readily acceptable to him. This sentiment is widespread and cannot afford to be underestimated in grasping the currents in Italy today.

At the same time the idea of the working man is vague. He is definite about what he does NOT want; he has a general idea about what he DOES want; but the road is not clear to him. He has a lot of sympathy for Russia and cheers the victories of the Red Army, because Russia vaguely connotes a society of workers, but the dictatorship of Stalin is repellent to him; Italians are heartily sick of any form of dictatorship.

The church in Italy has negligible influence. The Italian people are essentially religious, but their religious loyalties do not include the church as a political force. The churches are deserted nowadays and very noticeable is the failure of any serious Catholic political party to materialize in the present situation.

Meanwhile, the war goes on. The main enemy remains the Nazi oppressors, whose looting, destruction and executions have earned the undying hatred of the Italian people. The war is not popular, for the people are war-weary beyond description, and they have little faith in the aims of Anglo-American imperialism. But they see no way of achieving peace short of an Allied victory, and they hope this is merely a matter of months. But they are definitely not thinking in terms of an imperialist peace. They are thinking in terms of a "workers' peace."

ALLIED OCCUPATION

Only the presence of Allied troops has forestalled the possibilities of revolution and a consequent revolutionary war against Hitler. The "unconditional surrender" terms have reduced the Italian people to the status of a colonial people, and the masses have been powerless to move. On the other hand, a peace retaining some rights for the Italian people as a nation would inevitably have precipitated a revolutionary crisis.

But, paradoxically, the further the Allied troops advance into Italy, the less power they will have to check the militancy of the working class. So far, Naples, with a working class of less than ten per cent of the population, is the only large city in Allied hands, but when Rome and the other cities of the north, with their tremendous reservoirs of working class energy, are united with the quickly maturing working class movements of Naples, there will be a tremendous uprising.

The fall of Rome will undoubtedly mark the fall of the monarchy, despite all efforts of the capitalist class to maintain it, and may well initiate the period of the "March Revolution" for Italy. And as the victorious armies march upward from Rome into the industrial north, side by side with them will march the ever-growing strength and militancy of the worker—and closer and closer will this worker come to a physical union with the workers of France and the Balkans.

DUAL POWER PREDICTED

Badoglio has already offered to resign when Rome falls. He is afraid to face the workers of Central Italy once they are no longer kept in check by the German army. The capitalist class will be forced to set up a constitutional republic, even though it may first attempt a regency.

This republic must be a dual power affair. The capitalist class

will not be able to prevent the working class from participating directly in the machinery of government. But it will be a unique form of dual power in which the Allied armies will for a while hold the balance of power. One might say that this "two-and-a-half" power regime is likely to be the historical equivalent, in the coming European Revolution, to the dual power regime of the Russian Revolution of 1917.

Any dual power regime that might be set up would be short-lived in this revolution, for, unlike Russia, the working class is a tremendous, overwhelming majority of the population in Europe and in Italy itself; but the presence of the Allied forces will enable the capitalists to put off the government of the working class for a while, and this 1944 model dual power regime may have a length of life totally out of proportion to the relationship of class forces within the country itself.

This period is one of watchful waiting for the Italian workers. As yet they have chosen no political leadership, for party alignments are not yet clear to them, and the Italians have become very suspicious of politicians. At the same time, the trade unions, with a great pre-war membership, have been newly emancipated from their fascist affiliations and are reappearing as genuine organs of struggle for the Italian workers. Here also is a complete lack of political direction; although traces of anarchist influence remain, the anarchists as a serious movement have completely disappeared.

For the trade unions, as for the working class in general, it is a period of serious discussion, education, clarification and ever-growing militancy. The entire working class, as well as the de-classed middle class, is looking about for direction, leadership, and a program behind which it can put its tremendous strength. In short, it is looking for a party. As yet it has not been satisfied.

COMMITTEE OF LIBERATION BOYCOTTED

The Committee of Liberation, which may appear in America to be a broad popular movement, is in reality a middle class group, formed by the action of all the political parties in Italy, and has absolutely no support from the masses, who correctly regard it as a servant of Italian and Allied capitalism. The workers do not hesitate to express their contempt and opposition to it. What mass base it has is solely in the ranks of professionals, politicians and a few intellectuals. It cannot be regarded as a political force in its own right. The working class has completely boycotted it.

Of the capitalist parties (the Liberals and the Republicans) of Croce and Sforza, little need be said. They are nothing but the vassals of Anglo-American imperialism who are trying to check the militancy of the masses in order to perpetuate capitalist rule in Italy. Although Badoglio at the present time is doing his job well, the workers will inevitably force his resignation, and Sforza and Croce are being held in reserve against that moment as the new "democratic" facade.

But their interests are so violently in contradiction to the interests of the masses that they must eventually rest solely upon the presence of Allied troops in order to continue in power. For the moment, they will become more and more "leftist" in their speeches, as the pressure of the masses increases, but at the point where this "leftism" becomes dangerous to the interests of Allied capitalism they will be sharply checked and forced to appear in their real role.

As between Sforza and Croce, Sforza is by far the more capable, more "left" and more popular; it is very probable that he will be the one to play the role of Kerensky in the coming struggle. He is perfectly suited for it.

But the movements which have the greatest hold upon the sympathies of the masses are two, namely, the Communist Party and the Socialist Party.

TWO STALINIST PARTIES

The Stalinist movement in Italy has gone through some rather unique developments. During the period before the Nazi-Soviet pact, the CP was affiliated to the Committee of Liberation. However, with the pact, the party withdrew from active participation in the committee.

With the outbreak of hostilities between Russia and Germany, however, the CP, proclaiming that the issue was not socialism, but democracy, officially dissolved its organization into that of the committee itself. At the time of the crisis of fascism, which resulted in the fall of Mussolini, the Stalinists had no independent existence, no organizational structure.

With the first few weeks of Badoglio's rule, and the occupation

of Italy by the Allies, it suddenly became apparent that Anglo-American imperialism intended to rule without benefit of the Committee of Liberation. It became imperative, from Stalin's point of view, to reconstruct the Italian party as a counter to the plans of Great Britain and the United States.

However, the restlessness, militancy and revolutionary aspirations of the masses themselves had affected the majority of the communist rank and file; and even the former Stalinist bureaucracy had become infected with semi-leftism. Stalin was forced to begin from the top, and he appointed a totally new party leadership, completely middle class in character, reformist almost to the point of reaction, and with little or no connection with the masses. Immediately the OLD party bureaucracy, with its rank and file loyal to it, emerged from its semi-underground state and organized ANOTHER Communist Party.

This new group, considerably more working class in character, attacked Stalin and the other party on the ground that it was not democratically formed and raised the question of freedom of discussion within the ranks of the Stalinist movement, hinting that Stalin was attempting to meddle too much in affairs which were properly the province of Italians.

Using the cry for "democracy" as a pretext, the "Stalin Stalinists" answered that the new group was "Trotskyist." The "Stalinists Without Stalin" replied to this with a printed manifesto which said that Trotskyism was not the issue and could not be an issue, because Trotskyism was a movement NOT in opposition to the theories of Marx and Lenin, but was a purely Russian question, and therefore had no place in the present discussion, but was being used by Stalin to becloud the issue, i.e., democracy within the party. It also attacked the attempt of the "One Hundred Per Cent Stalinists" to cooperate with and enter into the government of Badoglio, on the ground that not even the entrance of the Communist Party into that government could make it genuinely democratic.

A conference was held to reunite the two opposing parties (Stalin being too far off to settle matters in his usual efficient, speedy manner), but the conference broke down completely.

There are now in Italy two different Communist Parties, both reformist, but the one completely bureaucratic and middle class in character, under the domination of Stalin; the other essentially working class in character, less bureaucratic, with a militant core which tends to push it increasingly to the left.

Whether Stalin will be able to regain control of the situation after the fall of Rome and the Northern centers of his party remains to be seen, but there is no doubt that this schism is fundamental in character and represents a progressive tendency in the Stalinist movement "from below," a tendency which may well have counterparts in the other occupied nations of Europe.

INFLUENCE OF THE SOCIALIST PARTY

Meanwhile, the Socialist Party, with its provisional center in Naples, stands further to the left than all the other organized parties, in spite of a completely confused and contradictory program, and a membership mainly middle class intellectual. It is gaining the sympathy of the most advanced section of the working class, particularly the working class youth.

Dominated by a reformist bureaucracy, but containing in its membership genuinely revolutionary elements, it may best be characterized as a "centrist organization tending to the left." There is no hope of making it a genuinely revolutionary party, but much can be done in the way of winning over militants to a real revolutionary program.

There is a very active and aggressive working class youth section, but it is a youth educated under the fascist terror, without previous political experience or any conception of the realities of socialist struggle, in spite of its genuinely revolutionary aspirations.

The SP calls for the establishment of socialism in Italy (which neither group of Stalinists has done as yet), has taken a firm position against any form of participation in the Badoglio regime, and has an attitude against any form of collaboration with the Stalinists. However, it has refused to take a position on the war, neither supporting it nor opposing it. It has no revolutionary perspective.

In spite of the oppressive poverty of its membership, and the semi-legal conditions in which it is forced to operate, it has succeeded in publishing the only radical newspaper in Italy, the weekly "Avanti." A most promising thing is the extreme animation and intelligent character of the internal life of the party.

IMPORTANCE OF TROTSKYISTS

As for the Trotskyists in "liberated" Italy, they are few in number, but not too few or too unknown to the people to be unable to play an important role in the coming period. Lacking an organization of their own, they are doing a great amount of educational work within the progressive elements of the Socialist Party, the socialist youth, both Stalinist parties, and the trade unions.

Outside and independent of all existing parties, they have organized a provisional center for the construction of the "International Communist Party of Italy," and for the construction of the Fourth International. The Trotskyists in Italy have taken a position against the war, for revolutionary opposition to the war within all nations, including the Soviet Union, and the establishment of the Soviet United States of Europe. They have a genuinely revolutionary perspective, and are talking the language of the masses themselves. With proper propaganda they may easily play an important role, if not the decisive one, in the coming Italian Revolution. At the present time they are faced with difficulties which they are powerless to surmount unassisted.

First of all is the complete isolation of the Trotskyists from the revolutionary forces of the rest of Europe and the world. They are completely without contact.

Secondly is their isolation from the other centers in Rome and the North.

Thirdly, the presence of the Allied armies has made it difficult to function.

Fourthly and most immediately is the complete lack of funds. The comrades, in the conditions of near starvation which dominate the Italian scene, are forced to devote their energies to the problems of self-preservation.

THE RESTRICTIONS OF POVERTY

There is little food or clothing, and there is no money to buy them, and no employment to get the money; there are no funds for transportation. A comrade from a town twenty miles distant must walk the twenty miles without food or a place to sleep. There is no money for printing propaganda; there is scarcely enough for paper and pencil. There is not a single typewriter in the entire Trotskyist movement of Southern Italy; when necessary, one must be borrowed from a sympathizer. How to reach the masses!

A political and theoretical document of the first importance has been written by the provisional center on the Italian situation, and also problems of the Fourth Internationalist movement, for discussion within Italy and abroad, but for three months it has proved impossible to find the funds necessary for publication.

In other words, their position cannot reach the masses in this crisis because of an utter, complete lack of finances, a lack which persists despite all sacrifices and privations of our comrades. In spite of this they work in an atmosphere of complete confidence in the approaching European Revolution, and of complete willingness to accept its responsibilities, regardless of cost.

The fateful question for them, as well as for us, is whether this difficulty can be surmounted in time to reach the working class when the revolutionary period begins. The working class is already in motion, and it is of profound importance that they be ready for it, organizationally and theoretically. There can be no question of finding the necessary revolutionary forces, for they are there, ready to express themselves with a power and militancy never before known in history. It is a question of giving them the right direction. It is a question of organizing the party.

The Italian comrades hope the comrades abroad have an awareness of the pressing nature of their problems, and also the three things which in their opinion must be accomplished immediately:

1. Unity on an international scale of all genuine revolutionary forces, groups and parties.
2. Discussion on an international scale of the theoretical problems posed by the advent of the European revolution, including the Russian question and the role of America.
3. All possible aid for the organization of a party, within the next few months, capable of fulfilling its responsibilities in the present crisis.

The American working class may well be the decisive factor in the balance of forces. If the American working class can insure the non-intervention of imperialist reaction, the victory of socialism on the continent is assured; if, on the other hand, it fails in this task, the world will enter on a period bloody beyond description.