

Congress Moves To Make Labor Pay Cost of War

Congress has launched a two-way war drive against the American people's standard of living. One thrust aims to impose the overwhelming burden of huge new taxes on the workers. The other seeks to "contain" wages while opening a breach for advancing prices.

The House and Senate are buzzing with schemes to soak the workers for most of the \$5 billion of "interim" tax increases that Truman has demanded as the first down-payment on his undeclared war in Korea and expanded militarization program.

Truman's proposals are already heavily weighted in favor of the rich and the war corporations. He has asked for \$3½ billion more in personal income taxes, with the rate of increase on the lowest incomes double that of the highest. He did not even mention excess profits taxes.

COUPON CLIPPERS FAVORED

The Senate has moved to safeguard the rich even more. The Senate Finance Committee eliminated from the proposed tax bill a section providing for a 10% withholding tax on dividends. They hold the position that it's all right to impose withholding taxes on workers' wages — but not on a main source of income for the rich. This is just a hint of the kind of tax bill the Democratic-controlled Congress has up its sleeve.

While perfecting its tax-extortion bill, Congress has also been busy trying to cook up some scheme for "price control" that can be used as a pretext for freezing wages while actually allowing prices to be "regulated" upwards.

MOVE TOO RAW

The House hastily enacted a bill to give the President power to enforce "selective" price control only after prices rise 5% above the June 15 level. This was such a raw move to safeguard current price increases that even Truman protested and the House hastily scrapped the proposal.

Now the Senate is working on a bill to give Truman personal power to dictate prices and wages. What this would mean, as past experience shows, is that Truman could and would freeze wages while prices would be "eased" higher and higher, either legally or illegally.

REUTHER DISAPPROVES VIOLENCE AT PLANTS

CIO United Auto Workers President Walter Reuther, in a letter sent Aug. 5 to all UAW locals, expressed disapproval of what he called the "walking of alleged Communist party members out of plants" and urged the local members and officers to "take every precaution to see that incidents do not occur."

The "incidents" to which he refers are a series of organized hoodlum attacks — in some instances inspired and instigated by company managements and the FBI — upon so-called "subversive" workers employed at auto plants in various parts of the country.

Last week's Militant reported the brutal beating and clubbing of four UAW members outside the gates of the Chrysler Maywood plant in Los Angeles. The self-confessed organizer of the attack was a non-unionist employed as a railroad dick. A worker in a Wisconsin plant had his back broken when he was thrown out of a window.

LANGUAGE MODERATE

Reuther's letter, which was also signed by other top officers of the UAW, stressed particularly that such "incidents" are "unlawful." He said that "walking" workers out of plants "deprives individuals of their democratic rights and is the weapon of totalitarians themselves."

In view of the fascist-like terrorism that has occurred, Reuther's letter is couched in extremely moderate language. But it is nonetheless welcome. It is good to know that these terrorist acts are opposed by the UAW leaders.

So far, however, the UAW has taken no real disciplinary measures against the hoodlums who organized and led these assaults. And it remains to be seen whether, in the absence of such measures, Reuther's directions on the matter will be carried out.

Reuther cannot evade, however, a good share of the responsibility for the outrages. His own red-baiting, super-patriotic, jingo campaign has created the atmosphere in which the most backward and reactionary elements thrive. The overt physical attacks are only an uglier aspect of the witch-hunt Reuther himself has pursued in the auto union.

What has happened, so far as Reuther is concerned, is that this witch-hunt has got "out of hand." He prefers to do things in a more

Truman himself has given the major impetus to the inflation set off by the Korean war. He has already demanded additional war appropriations of nearly \$16 billion. This will bring annual federal spending close to \$60 billion — nearly double the total federal expenditures in 1942, first year of U. S. military participation in World War II. It is this monstrous war budget — about 30% of the national income — that is fueling the inflation.

PRICE-FIXING FARCE

The pro-war union leaders are concentrating on a demand for price controls as the answer to this war-induced inflation. They claim that if the government puts on price ceilings then the workers won't need to fight for higher wages to protect their living standards.

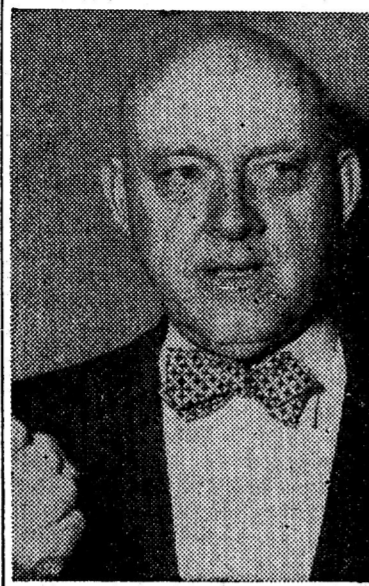
But what assurance do the workers have that prices will be controlled any more now than during the last war, when wages were frozen and prices kept right on climbing? If anything, all the evidence points to an even bigger farce of price control now, if it is left up to the Truman administration.

SLIDING SCALE GUARANTEE

The only assurance the workers can have of maintaining their real wages in this period of inflation is through the sliding scale of wages. This is the cost-of-living escalator clause in union contracts that provides for automatic wage increases, above the basic wage scale, for all rises in the cost of living.

Those who really believe that government price controls will effectively halt price rises have no reason to oppose the sliding scale of wages. If, as they claim, price controls work, then the escalator clause remains inoperative. But suppose they are wrong — as they were wrong during the last war? Then the escalator clause will be the one immediate means to protect the workers' wages. Only those who preach price control as a pretext for freezing wages have reason to fear the escalator wage clause.

Racial Bigot



Representative Henderson Lanham, Georgia Democrat (above), called William L. Patterson, Executive Director of the Civil Rights Congress, a "black son of a bitch" and had to be restrained from assaulting Patterson after the latter described to a House committee the brutal oppression of Negroes in Georgia. (See editorial, Page 3.)

SWP Completes Petition Quota in 45 N. Y. Counties

By Ben Stone
New York SWP Campaign Manager

NEW YORK, Aug. 10 — The campaign to put the Socialist Workers Party on the ballot in this state moved into high gear as upstate crews reported that petition work had been completed in 45 counties and almost finished in nine others. (50 signatures in each of the state's 61 counties and a minimum of 12,000 signatures is legally required to validate the SWP petitions.)

In New York City, a total of 2,800 signatures have been obtained, about 35% of the goal set. City-wide petition rallies are being held twice a week.

Reports from the upstate petition workers reveal that reactionary forces are using illegal and extra-legal methods in violation of the Bill of Rights to intimidate minority parties and deprive them of the right of petition. In most cases these forces, composed of small town business men, vigilante types and hoodlums, are being led and inspired by local authorities and the police.

ORDERED TO LEAVE

In the town of Herkimer, the petition crew was soliciting signatures outside a factory gate. The response from the workers was excellent. Suddenly a motorcycle cop roared up and compelled the captain of the crew to

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WALLACE DESERTION EXPOSES STALINISTS

The self-styled "Gideon" has formally deserted his "Gideon's Army." Henry A. Wallace on Aug. 8 sent a letter of resignation to the Progressive Party. This has been expected since he declared on July 15 that he supports American imperialist intervention in Korea and opposes the position adopted by the party's National Committee.

Wallace's letter of resignation stated that "I am convinced I can more effectively serve the cause of peace by resigning from the national committee and the executive committee of the Progressive party. You will, therefore, take this letter as my formal resignation from the party."

DEATH BLOW TO PARTY

The defection of Wallace has dealt the coup de grace to the Progressive Party as an influence in any real sense in national politics. The party was built around him as its outstanding public figure. He ran as its presidential candidate in 1948. He constituted the party's main attractive power.

What is left of the Progressive Party is mainly a top apparatus completely controlled by the Stalinists. Most of its non-Stalinist figures have departed or are in process of making the break. Its membership, fallen off tremendously since its poor showing in the 1948 election, can be expected to dwindle down to a hard core of Stalinists and their sympathizers.

After a day's delay, the Daily Worker found just six inches of space in a buried corner under a tiny headline to report Wallace's resignation. The Communist Party, which heralded Wallace as the great "peace" leader and anti-war fighter, is naturally not anxious to put any stress on his resignation. The Stalinists would like to pretend that this is no great concern of theirs.

BUILT UP WALLACE

But it is they built up Wallace as the man who would lead the nation to "peace." They hailed him as "Gideon" and pushed his program of "progressive capitalism." Wallace himself, of course, had stated back in April 1948 that "if and when American imperialism went to war again, he would support that war despite any differences he might have with Washington over foreign policy."

The Stalinists now call Wallace a "betrayor." But they knew he would desert at the first gunshot. Nevertheless, they misrepresented him as a trustworthy fighter against war and called on the American people to put their faith in him and his party.

The Progressive Party was an ill-founded adventure from the start. It could not become a great party because it had no base in the union movement. It was an attempt to set up a third capitalist party, built around a coalition of a section of the liberals and the Stalinists. It served as an

Truman Urges New Step to Police State

Center of UN Conflict



Jacob Malik, Kremlin's delegate to the United Nations Security Council, presides over a meeting. UN Secretary-General Trygve Lie looks on. The Soviet delegation, returning after a walk-out 7 months ago over the body's refusal to seat the Mao Tse-tung government in China, is waging a propaganda struggle with the U.S. delegation over Far Eastern developments. (See article, Page 3.)

STALIN'S HANGMEN HOLD 2 CZECH TROTSKYISTS

Veteran working class revolutionists are being ruthlessly hounded and murdered by Stalin's hangmen in Czechoslovakia. Appealing to the international labor movement to intervene and save the lives of these victims, the International Secretariat of the Fourth International has issued the following statement:

"The trial and execution of Zavis Kalandra has drawn the attention of world labor to the fate now being suffered in Czechoslovakia by working class militants who defend the interests of their class against the oppressive regime set up by Stalinism."

"The case of Dimitri Dimitrovich, president of the Yugoslav People's Front in Czechoslovakia, who was savagely tortured to death by the Stalinist executioners, demonstrates that this anti-working class terror is being applied against all tendencies of the revolutionary movement."

"The International Secretariat

Mundt Says White House Bill Like Own

The conspiracy of ruling capitalist circles to destroy all democratic liberties in this country and to bury the Bill of Rights received a powerful impetus with the issuance of Truman's special message to Congress on Aug. 8.

Praising the long code of police state legislation—from the Smith Act to the "loyalty" purge rulings — Truman urged that "defects" be remedied. He proposed to effect a compromise with legislation already pending in Congress such as the Hobbs Bill, the Mundt-Nixon Bill and others which have aroused a storm of protest by the labor movement, the Negro people and liberal circles.

MUNDT APPROVES

Every rabid reactionary in the House and Senate was elated over Truman's message. Senator Mundt announced that he "welcomed" it, even though it "was somewhat belated," and demonstrated point by point that it contained the gist of his and Senator Ferguson's bill. So did Senator Wherry, leader of the Republican minority in the Senate. Senator McCarran, Democratic Chairman of the Senate Judiciary Committee, commented that the "message contained nothing new."

And they have every reason to gloat. For it is a fact that Truman's proposals differ in form but not in substance from those of a Hobbs or a Mundt, notwithstanding Truman's own hypocritical criticism of such legislation as "so broad and vague as to endanger the freedoms of speech, press and assembly."

TRUMAN'S 'COMPROMISE'

For example, where the Hobbs bill proposes to institute concentration camps for the foreign-born and empowers the Attorney General to arrest them without even a public hearing, let alone a trial, Truman proposes legislation "permitting the Attorney General to exercise supervision over aliens . . . and requiring them to report their whereabouts and activities at regular intervals."

Where the Mundt-Nixon bill compels "registration" of all "subversives," Truman proposes the registration of "persons who have received instruction from a foreign government or political party in espionage or subversive tactics. . . ." A formula which for its "vagueness and broadness" matches anything yet proposed!

PIECEMEAL APPROACH

The most that can be said for these sweeping proposals is that they do not go as far as the Hobbs-Mundt-Ferguson legislation. In other words, Truman proposes a "piecemeal approach," a piecemeal enactment of laws to destroy the Bill of Rights. He needs this to allay the opposition of organized labor, or more accurately, to make it easier for the official labor leaders to deceive the workers about his anti-labor and anti-democratic proposals.

Meanwhile, all the enemies of labor and civil rights in Congress have seized on his message as a green light to go full-speed ahead and jam through the Hobbs bill, the Mundt-Nixon bill and all other measures for the installation of the police state.

Labor Leaders Protest Against Senate Vote for Loan to Franco

By John G. Wright

Top CIO officials are now screaming against the passage of the \$100,000,000 loan to butcher Francisco Franco. The CIO News calls the Senate action a "shocking performance." But it is more agitated that Stalin has been handed "new ideological weapons" than that new chains have been forged for the Spanish workers.

The only explanation the editorial can find for the "shocking performance" of CIO-supported Truman Democrats—not Republicans or Dixiecrats—is that "the majority of our Senators simply do not understand ideological warfare." Needless to say, the indignation of the editorial doesn't go to the lengths of calling for the defeat of Franco's friends in the Senate in the next election.

THE REAL STORY

The real story of what happened in the Senate, which is completely absent from the CIO News, refutes all of its sickly alibis. A powerful and reactionary lobby, ranging from the corporations and the Pentagon gang to the Catholic hierarchy, put on the heat for the loan. The Senators who spoke and voted for it did so not out of mistaken intentions but out

of genuine affinity for totalitarianism, thus exposing how hollow are Washington's claims to "democracy."

Their vote did more than prop up the dictator in Madrid and reaction all over the world. It was the green light to all the anti-labor forces and would-be Franco's in this country. The Senators who voted against the loan were so intimidated by Franco's American friends that they could not utter more than a few feeble words of apologetic opposition.

But let the story speak for itself.

THE 'DISCUSSION'

In every sense there was a steamroller operating. The discussion was limited for both sides to one hour and a half. Supporters of the loan dominated the floor, while its opponents first absented themselves and later were strangely reluctant to speak. Senator McKellar, who is in favor of the loan but who nevertheless restricted speaking time for the opponents of the loan, repeatedly taunted: "I have made diligent search and inquiry for any Senator who is opposed to this amendment. I find none at all."

And nobody challenged him. In the midst of the "discussion" the Senate interrupted its proceedings to recess and then to hear an address by Prime Minister Menzies of Australia; next the floor was yielded to witch-hunter McCarthy for another of his attacks on Owen Lattimore; then some routine business was transacted, and finally McKellar announced that he would yield the floor for "5 minutes to the Senator from Oregon (Mr. Morse), and after that I should like to yield to the Senator from Connecticut (Mr. Benton)."

As it turned out Senator Morse was the only one who spoke formally against the loan. He himself entitled his half-apologetic speech "A Wrestle With One's Conscience." Senator Benton, who later took the floor, incorporated his oppositional remarks gingerly in the context of laudatory comments on the speech of Australia's Premier Menzies. Senator Lehman of N. Y. took the floor for three minutes to do exactly the same thing.

The other 12 Senators who voted against the loan for the record, notably such "friends of labor" and champions of "liberalism" as Humphrey of Minnesota and

Douglas of Illinois, did not utter a mumbled word.

Was the atmosphere such that they were actually afraid to speak? It appears so. In his remarks Senator Morse darkly hinted that "there is a powerful lobby supporting this loan," and blurted out that he would continue to oppose it "irrespective of political consequences."

Who composed this "powerful lobby," if not the omnipotent coalition of billionaire corporations, the Big Brass, the Catholic hierarchy, plus all the other fascist-minded elements in the ruling capitalist circles? Who was it that threatened Morse — and the others — with "political consequences"? On all this there was silence. The same silence is beginning to pervade Capitol Hill as it does any totalitarian regime under the sun.

VOICE OF REACTION

But the voice of reaction was loud and unashamed. Senator McCarran taunted his opponents with the bludge of the regime of Dictator Salazar. "We loaned to Portugal \$27,500,000," he gloated. "If there is a dictatorship anywhere in Europe or if there is a

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Workers of the World, Unite!

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