

# Jewish Bankers Back Coughlin Fascist Drive

**THE AMERICAN JEWISH COMMITTEE**  
171 MADISON AVENUE  
NEW YORK

November 1, 1934

Dear Sir:

We have not seen in the Jewish press any reference to Father Coughlin's first radio address of the year. The enclosed excerpts reflect a gratifying state of mind on the part of the reserved positions which we believe ought to be conspicuously noted in the Jewish press, for obvious reasons.

Very sincerely yours,  
Morris F. Waldman  
Secretary

Wealthy Jews who finance the American Jewish Committee urge that Coughlin's radio address "be conspicuously noted in the Jewish press, for obvious reasons." The radio priest in speeches has called all Jews usurers.

## Capitalist Leaders of the American-Jewish Congress Urge Press to Feature Speech of Anti-Semitic, Anti-Labor Priest

This is the ninth article of the series, "Wall Street's Fascist Conspiracy," revealing how leading figures in American business and political life are backing Fascist and potential Fascist organizations. The expose to date has also revealed that leading figures in the Roosevelt administration are directly linked with the Wall Street groups organizing Fascism, with the "Liberty League" and the "Crusaders" being used as organizing centers.

By MARGUERITE YOUNG

The Rev. Charles E. Coughlin, America's No. 1 fascist demagogue, has admitted to the Daily Worker in the presence of witnesses that he favors "shop unions" instead of independent trade unions, and considers strikes "absolutely unnecessary."

He also declared flatly: "I'm not against the wealthy." This sleek radio priest who advises with financiers and manufacturers on plans to chop more out of the pay envelopes by further inflation, and at the same time poses as a champion of "Social Justice" for workers, is also the nation's No. 1 Anti-Semite.

And he is being promoted by wealthy officials of the American Jewish Committee. Through interlocking directorates, this powerful organization, led by Jewish capitalists, controls the Joint Distribution Committee, a kind of Jewish Red Cross, which is supported partly by sacrifice contributions from millions of American Jews who hate Hitlerism and are potential victims of fascism in America. But the American Jewish Committee and the J. D. C., as well as the national network of Jewish Charity Federations, are run by a handful of autocrats. They, including Felix M. Warburg of the Morgan-associated Kuhn-Loeb bank, Governor Herbert H. Lehman of New York, and Lessing Rosenwald of Chicago, have thrown the power of their organizations toward splitting the Jewish people from the ranks of the American mass fight against Fascism. Some are contributing, as individuals, to fascist activities and organizations.

## Revision Asked For 'Anti-Red' Law in Alabama

(Special to the Daily Worker)  
BIRMINGHAM, Ala., Feb. 3.—The Alabama Legislature yesterday moved to reconsider the sweeping anti-Communist bill which was passed earlier by a vote of forty-two to eighteen.

The motion for reconsideration was made by Taylor of Mobile County on the grounds that the proposed measure was clearly a violation of the bill of rights. Significantly, the bill was introduced by Street, of Talapoosa County, where the Sharecroppers' Union was first organized and where important struggles of tenant farmers have taken place.

The bill provides a sentence of one year and a fine of not more than \$1,200 for "any writing, publication, printing, cut, cartoon, utterance or conduct to make or cause any outbreak or demonstration of violence against the State or any subdivision thereof with a view to overthrowing or destroying or attempting to overthrow and destroy by force or any show or threat of force the government or any subdivision thereof, including anything that advocates or teaches the duty, necessity, propriety, or any overt act or any form of terrorism as a means of overthrowing the government and prohibits the organizing, aiding or abetting in the organization of an assembly, society, or group where any of the policies or purposes thereof are seditious as defined."

(Continued on Page 2)

## \$8,000 Still Needed for Court Plea

For three days, Jan. 31-Feb. 2 and 3, the total received by the National office of the International Labor Defense for the Scottsboro-Herndon Defense Fund was only \$211.33. The sum of \$8,342.96 more must be collected immediately.

With the appeals of Haywood Patterson and Clarence Norris, and Angelo Herndon accepted by the United States Supreme Court, and the hearings on these cases drawing nearer, the necessity for the broadest agitation becomes greater day by day, and the need for funds for the necessary expenses in these appeals becomes acute.

Hundreds of thousands of the postcards addressed to the Supreme Court, now being distributed by the I.L.D., demanding the freedom of these victims, must be mailed. Urgently needed funds for the appeals must be rushed to the national office of the I.L.D., Room 610, 80 East 11th Street, New York City.

# Daily Worker

CENTRAL ORGAN COMMUNIST PARTY U.S.A. (SECTION OF COMMUNIST INTERNATIONAL)

NATIONAL EDITION  
IN TWO SECTIONS—SECTION ONE  
(Ten Pages) Price 3 Cents

Vol. XII, No. 30 NEW YORK, MONDAY, FEBRUARY 4, 1935

# STRIKE ON AUTO CODE SPREADS

## Workers' Bill Congress Hearings Open Today

### MANY GROUPS GO TO CAPITAL TO BACK BILL

**\$3,000,000,000 Social Insurance Item in Soviet Budget**

(Special to the Daily Worker)  
MOSCOW, Feb. 3. (By wireless).—Setting aside the largest social insurance fund ever appropriated by any government, the Central Council of Trade Unions in the U. S. S. R. today approved the 6,000,000,000 rubles (three billion dollars) social insurance budget for 1935.

This represents a billion rouble advance over 1934, and almost a 100 per cent increase over 1932.

Schvernik, secretary of the Soviet Trade Union, announced that more than one million workers had received free trips to rest homes, and that every Soviet worker had received at least two weeks vacation with full pay during the year.

By Seymour Waldman  
(Daily Worker Washington Bureau)

WASHINGTON, D. C., Feb. 3.—"If Congress is to adopt social security legislation, it is time that we established the needs and the wants of those in whose interest such legislation is presumably enacted," Representative Matthew Dunn, chairman of the Sub-Committee of the House Labor Committee appointed to hold public hearings on the Workers' Unemployment, Old Age and Social Insurance Bill H. R. 2827 declared tonight in an official statement announcing the opening of the hearings tomorrow morning.

The hearings are expected to last ten days and will be held daily in the Caucus Room of the Old House Office Building.

Congressman Dunn (Democrat, Pennsylvania) has established a political precedent by inviting the worker, farmer, professional and other groups most vitally concerned in unemployment and social legislation, rather than the usual big business mouthpieces, to present their suggestions for the enactment of "practical legislation."

**Workers' Groups to Testify**

"It is our intention to encourage representatives of the unemployed, of the workers in the various industries, of farmers, professional and other interested groups to testify in these hearings on conditions as they know them from their own experience and observation," Dunn's announcement said.

"At the same time we also will hear the experts, social workers, actuaries and others who can suggest how the needs revealed in the testimony of rank-and-file workers can be met by practical legislation."

The Workers' Bill, H. R. 2827, which was initiated by the Communist Party and introduced in the House of Representatives by Ernest Lundeen, Farmer-Laborite of Minnesota, said Dunn, "has received the support of many thousands of organizations and millions of persons throughout the country. These hearings will enable those organizations that so desire to send a spokesman to state their position and the reasons for their support of this as against other measures."

**Hathaway Raps Wagner Bill**

The lines are being more clearly drawn between the Workers' Bill and the Roosevelt Administration's Wagner-Lewis Bill, a big business measure which denies the principle of national and genuine unemployment.

(Continued on Page 2)

### DOCK MEN TO SUPPORT TEAMSTERS

**Machinists and Hackies Also Rally Behind Truck Drivers**

With the expected signing of the injunction against the teamsters and longshoremen by Justice Humphrey today, more trade unions have declared their intention of supporting the teamsters, who have announced they will strike if the writ is signed. The Taxi Drivers Brotherhood and the Machinists District Council head the list.

Groups of teamsters in a number of large garages are reported to have met over the week-end and elected representatives to see Thomas Smith, chairman of the strike committee which called the strike last Monday, to demand representation on the strike committee.

The Rank and File Committee of the International Longshoremen's Association reports meetings of groups from important docks taking measures for organizing longshoremen in support of the teamsters.

**Ryan Against Strike**

Meanwhile Joseph P. Ryan, president of the I. L. A., has again issued a statement advising the workers not to come out on strike even if the injunction is signed.

"Even after the decision I feel things will remain peaceful and the men will wait for the outcome of the appeal," Ryan declared Saturday. "I feel they will take my advice except where these outside influences may succeed in making trouble."

Following a visit to Washington by Michael J. Cashal, vice-president of the Brotherhood of Teamsters, a Federal mediator, P. W. Chappell, was sent here to try to avert a strike.

Justice Burt Jay Humphrey has reiterated his decision to sign the injunction "some time this week."

Following adoption of a resolution by Local 447 of the International Association of Machinists for full support to the teamsters and longshoremen, District Council 15, on receipt of the local's recommendation, went on record similarly.

The A. F. of L. Trade Union Committee for Unemployment and Social Insurance, representing many locals and groups in A. F. of L. unions, declaring its wholehearted endorsement of a strike, calls for support to the teamsters.

**Urges Action**  
The Teamsters and Longshoremen's unions must demand weekly local union meetings; the election of large action committees in the garages and docks; they must demand a conference of every workers' organization in order to build a solid support for any action against possible unfavorable action, the A. F. of L. Committee statement said.

**Shoe Workers on Strike in Haverhill Plant**

Haverhill, Mass., Feb. 3.—One hundred and ten turnworkmen of the Bowdoin Shoe Company, are on strike, in answer to a lock-out last Wednesday, when they refused to accept a 12½ per cent wage cut.

### ACCUSES HIS ACCUSERS



Matthias Rakosi, Hungarian Communist leader, has turned his "trial" for his acts as leader of the Hungarian Soviets into a burning indictment of the Hungarian fascist state. He is pictured here in Budapest court, an armed gendarme seated beside him.

## SOVIET DEBT RAKOSI TAKEN BASIS UPHELD TO TORTURE

**Principle Worked Out While in the U. S., Litvinov Says**

Today's Daily Worker carries a special cable supplement of four full pages on the Seventh All-Union Congress of Soviets of the U.S.S.R. The supplement contains the speech of the Soviet Premier, Vyacheslav Molotov, and the discussion to date on his report. Further material from the Congress on the progress toward Socialism in the Soviet Union will be carried daily in the Daily Worker. Very rarely has such complete cable reports been carried by any newspaper.

(Special to the Daily Worker)  
MOSCOW, Feb. 3. (By Wireless).—Responding in explicit terms to the recent speech made by Secretary of State Hull, Maxim Litvinov, Soviet Foreign Minister, declared that "the basic principles in the agreement on the liquidation of the Soviet American mutual money claims were worked out in my personal negotiations with President Roosevelt about a year ago."

"These principles," Litvinov stated, "corresponded fully with the repeated statements of the Soviet Government that it is prepared to discuss the question of old debts only on the condition that it recognizes its counter-claims and affords money loans. I, therefore, left Washington fully convinced that further negotiations would only refer to details in the agreement and will therefore, not cause any difficulty."

Continuing, Litvinov declared: "Unfortunately, in subsequent negotiations which began in Moscow with me by Bullitt, American Ambassador to the Soviet Union, and later continued with the State Department by Troyanovsky, one of the fundamental points in the agreement reached in Washington, namely, regarding loans, was put in doubt. The proposals of the Soviet representatives kept strictly within the boundaries of this agreement, carrying concessions to the limit beyond which must begin a new offer."

**Strikers Force Relief in Philadelphia**

PHILADELPHIA, Feb. 3.—Supported by members of the Unemployment Council, the LaSalle Hat Company strikers are forcing County Relief Board officials to put them on the relief rolls despite efforts of company officials to keep them off.

The LaSalle workers are now in the fourth week of their strike.

## MURRAY BODY PLANT PICKETING BEGINS; FISHER MEN VOTING

**Flint, Cleveland, Detroit Strike May Spread to Entire Industry, McWeeney Says**

By Sandor Voros  
(Daily Worker Ohio Bureau)

CLEVELAND, Ohio, Feb. 3.—Auto workers are so dissatisfied following Roosevelt's extension of the anti-labor auto code, and sentiment for militant action is so strong there is no way of holding them back now, McWeeney, President of the Metal Trades Council commented today. Referring to last year's Fisher Body strike, led by him, he admitted it was a great mistake to submit the grievances to the Auto Labor Board, instead of fighting it out then.

While no official action was taken as yet the meeting of all auto local representatives had been called for Tuesday by Lehman, Labor Representative on the Cleveland Auto Board, to discuss further action. McWeeney stated:

"The situation is so explosive that only a spark is needed to set it off. The strike may break out at any minute in any of the plants and envelop the entire auto industry throughout the country. The sentiment of the auto workers is for action, as is shown in their conference in Detroit and in other places and there is no way of holding them back."

**Urges United Action**  
The only way to make progress is by united action in the entire auto and auto parts industry, stated W. Mortimer, President of the White Motors Federal Local (A. F. of L.), the largest Cleveland Auto Local with a membership of three thousand.

"The N.R.A. and Labor Codes have run us into a blind alley and we will have to ignore them entirely," Mortimer said. There is strong sentiment for a general strike if it is properly organized and with proper leadership.

**See Militant Leadership.**  
The leadership for united strike action must come from the rank and file, said John Soltis, vice chairman of the Hupmobile Federal Local (A. F. of L.). William Green and other top officials are talking militant because they are forced to do so, he said. "They see the handwriting on the wall. The workers know that leadership will not come from them. Roosevelt's decision did not surprise us. Our Executive Board voted unanimously at last Wednesday's meeting not to recognize the Auto Labor Board anymore."

"If the Flint Fisher Body workers votes for a strike they can count on our one hundred per cent moral support," stated an official of the Cleveland Fisher Body Local, who refused to give his name and was very reluctant in giving information to the Daily Worker. He refused to give his opinion, stating he would await further information from Green. Asked whether they would support the Flint Fisher Body workers also in other ways and join them in a strike or refuse to work on Flint shipments, he refused to commit himself but referred it back to Green again.

When told about the deep dissatisfaction of the Fisher Body workers and the strong sentiment for a strike he admitted that the sentiment of these three thousand

(Continued on Page 2)

## Coal Miners Set For Strike in Wilkesbarre

(Special to the Daily Worker)  
WILKESBARRE, Pa., Feb. 3.—A strike call has been issued by the Anthracite Miners' Union of Pennsylvania to tie up all mines of the Glen Alden Coal Company, one of the largest coal producers in Luzerne County.

The strike call was issued by the general grievance body in opposition to officials of the United Mine Workers of America, who tried to drive the miners into their own union by strong arm tactics at the Woodward and South Wilkes-Barre collieries of the Glen Alden Company.

For the past three days pitched battles have taken place as a result of the effort of the United Mine Workers officials to herd the men into the union under their domination.

The strike call is to be effective Monday morning as a show of the new union's strength in the county. The demands of the strike will include demands raised in former strikes which were not satisfactorily settled. These will include restoration of the wage-cut to patchers, against additional eight-inch sidings on cars, and against discriminations.

**HUGE BRITISH AIR PROGRAM**  
LONDON, Feb. 3.—Lord Londonderry, Minister for Air, will move to strengthen Britain's army and navy air forces, according to the Sunday Chronicle. He will introduce a measure asking for a special appropriation of \$2,500,000 which would be used for construction of planes capable of flying at 300 miles per hour, the newspaper said. It had learned. Several airdromes would be erected and the coastal war bases strengthened.

# Only Strike Action Will Defeat the Injunction Against the Teamsters

AN EDITORIAL

JUSTICE HUMPHREY, it is expected, will sign his union-smashing injunction today. He has repeatedly asserted that his opinion is fixed, and he will sign it.

Forty thousand teamsters have declared that the minute the open shop judge puts his signature on the injunction a general walkout will be called. The longshoremen have declared that no freight trucked by scab drivers will be touched at the piers. The one-day strike of over 20,000 last Monday showed that the workers mean what they say.

The workers realize that the injunction aims at the very existence of their union, and will increase unemployment and cut wages drastically. It opens the way for the company union. They see that the forces behind the injunction are the Chamber of Commerce, the New York Board of Trade, the Merchants' Association, shipping and trucking companies, and as yet hidden behind them, the shipowners—all their worst enemies.

The teamsters and longshoremen had confidence in the courts, in the La Guardia-Norris Anti-In-

junction Act, in such attorneys as Senator Wheeler, and especially in Mayor LaGuardia, co-author of the anti-injunction act.

But now they find that the courts are at the service of the open shop employers. Mayor La Guardia during the week has assumed the role of general marshal for all the strikebreaking forces, under the pretext that the movement of food, fuel, and the strikebreaking capitalist newspapers must be guaranteed. These plans, as disclosed in the Daily Worker, were made at a secret conference called by the Mayor.

But not only La Guardia and the boss associations are trying to kill the strike. The employers are assisted by Joseph P. Ryan, president of the International Longshoremen's Association, Michael J. Cashal, vice-president of the Brotherhood of Teamsters, and other high officials in the unions. Ryan has already given his suggestions. He said: "The only thing that might save the situation in the event the injunction is signed would be if it carried the right to appeal and a stay pending the determination of the appeal."

This is again to lay all hopes on the courts. It is to give the open shoppers time to recruit scabs, to continue cutting wages and to fire thousands.

Cashal has gone to Washington to get the intervention of the employer-controlled National Labor Relations Board. But the case of the automobile workers is an excellent example to show what the workers could expect from the Roosevelt government; only efforts to trick the workers into giving up a strike.

The teamsters acted last Monday, despite the efforts of these officials. They should now strike if the injunction is signed.

A strike will stop the wage-outs, long hours, and firing of union men. It will force the higher courts immediately to reverse the injunction.

Local after local of the A. F. of L. is following. Labor is accepting the challenge. But leaders such as Ryan are trying to hold the workers back.

**The rank and file fighting spirit which has taken hold of the teamsters and longshoremen must be kept alive.**

**Garages, docks and locals should elect representatives to a large strike committee.**

**The workers must know and have a right to decide who their leaders shall be.**

**A strict check on all trucks coming to the piers should be maintained, and scab trucks should be kept away.**

The fight must be a united struggle of all forces, irrespective of political, union or any other affiliation. The "Red scare" raised by Ryan and other officials must be repudiated, as it is directed at the best fighters and designed to split the ranks.

All unions, all workers' organizations, should make emergency preparations to give full backing to the fight against the injunction—full support to a strike in answer to the open shop forces.

# Coughlin, in Interview, Admits Favoring Boss Unions

## JEWISH FINANCIERS SEEK TO PARALYZE FIGHT ON FASCISM

### Leaders of American Jewish Committee Hail Radio Priest—'I'm Not Against Wealthy,' Father Coughlin Tells Daily Worker

(Continued from Page 1)

who increase mass misery in their effort to make their workers pay for the capitalist crisis. The growth of anti-Semitism is one of the menacing marks of the advance of the fascist offensive.

As Banker von Schroeder introduced anti-Semitic Adolf Hitler to von Papen and secured financing for the Brown Battalions in Germany, Banker Warburg, Merchant Rosenwald and Banker Lehman's Jewish Committee stands up for Anti-Semitic Coughlin in the United States. Thus, placing class interests above racial considerations, and using racial feelings to further class interests, they execute the anti-working class policies of their more powerful "Aryan" financial associates, with whose wealth their merges. Even when this means sponsoring anti-Semitism.

### Coughlin Is Jew-Hater

Father Coughlin is the primary mass-teacher of anti-Semitism in the United States. The form letter reproduced with this article, urging the Jewish press to display a Coughlin speech "conspicuously," is on the letterhead of the American Jewish Committee. It bears the names of the executive committee of the organization, including Irving Lehman, brother of the Governor, and the others named above. The Governor was on the executive committee of the American Jewish Committee until his election required that he sever his formal connection. He is known to be still closely associated with the committee. The letter is signed by Morris D. Waldman, secretary of the committee. It is recognized that the committee's policies are supervised in detail by the Warburgs, Lehmans and Rosenwalds.

Coughlin further identified himself with fascism by declaring to the Daily Worker that Hitler and Mussolini—whom Coughlin has attacked indirectly to mislead anti-fascist listeners—"did a good thing for their countries insofar as they saved them from Bolshevism." This attitude is coming to be the trademark of both conscious and unconscious fascists. Coughlin is deliberately trying to deceive the American masses, to keep them quiet while the preliminary steps toward fascism are executed, although he is on record as having known long ago that Wall Street financiers were already trying to build a fascist army.

### Plots More Inflation

Just about a year ago, Senator Elmer Thomas of Oklahoma told me in his office in Washington that he, Coughlin, and the "Committee for the Nation" backers, such as Banker Frank A. Vanderlip and Industrialist James H. Rand, Jr., were "all working together." In the same office two weeks ago Father Coughlin sat for an interview with the Washington press. Coughlin spent the day before this in secret conference in the Willard Hotel with Thomas and a number of leaders of big-farmer, veterans', and middle class home owners' organizations, drawing up a "monetary reform" program which boils down to another big dose of inflation.

The Daily Worker correspondent asked Coughlin to state his attitude toward the workers' right to strike. "Strikes are absolutely unnecessary," the priest intoned. After a pause, he added: "That is, provided the United States Government through the Department of Labor will guarantee a just and living wage to all those willing to work. In the event the government endeavors to settle disputes on a basis other than a just and living wage, there is only one recourse left to the working man, and that is to strike."

"In view of the record of the government during the last year of strikes, do you think there is any prospect of the Labor Department guaranteeing a 'just and living wage'?"

"Any prospect?" Coughlin spat for time. "I certainly hope there is."

Coughlin must know very well on what an open shop, subsistence-standard basis the Roosevelt government settles strikes and strike threats, especially in Detroit, where the automobile workers' budding general strike was sold out by American Federation of Labor leaders and President Roosevelt in his infamous auto agreement. Just a few days after Coughlin made this statement, President Roosevelt blandly renewed the auto code, against which the workers organized to strike in the first place.

### Favors "Shop" Unions

"Are you for or against the 'employees' representation' or company union plan?" Coughlin was asked. "I'm in favor of unions, shop unions. I believe every man should join a union."

Here was a typical example of the Coughlin demagog. He put himself on record for fascist "shop unions," but deliberately used the word "unions," without the qualification, both before and after the telltale admission. "Why do you regularly employ popular phraseology to adorn and disguise the most reactionary projects?"

The Daily Worker correspondent called attention to the fact that Coughlin himself refused to employ union labor for the construction of his \$1,000,000 church at Royal Oak,

Mich., and still refuses to have his propaganda printed by union labor, with the result that A. F. of L. locals have adopted resolutions formally censuring him.

"I paid more than the union rate and I gave work to people in my district," the priest tried to excuse himself. "I'm willing to go along with the A. F. of L., but it doesn't go far enough."

He was asked whether he thought the employees representation plan for shop unions would go far enough—in view of the testimony, produced to show the oppressiveness of this scheme, before a special N.R. A. Board, in his own city of Detroit. "I don't know anything about it," Father Coughlin begged off.

"It was reported in the press of the whole country," he was reminded, "especially in the Detroit press."

He repeated, "I don't know anything about it."

Neither did Coughlin "know anything at all about" the Wagner labor disputes' bill which proposes a form of compulsory arbitration. He did know enough about the Workers' Unemployment, Old Age and Social Insurance Bill H. R. 2827 to endorse it, gain under the demagogic slogan, "Its only a stop-gap."

"Would you vote for it if you were a member of Congress?"

"I'd enlarge it."

"What would you add to it?"

"Oh well," Father Coughlin characteristically fell back upon missing a hard word to conceal his attitude. "I don't know if I can go into that in specie form today."

This nonsensical statement had been equalled by the holy demagogue earlier during the day. He counseled some of the "monetary reform" group to adopt a "national, general, philosophic resolution, and try to avoid becoming too specific." I was able to ask Father Coughlin a few questions while the meeting was getting under way. I was sitting at the press table. Hastening to make himself available for publicity even before any reporter approached him, the priest came right over to the press table and plumped his well-fed bulk into a chair at my elbow. He bowed unctuously. The interview had just started when the news photographers arrived, and Coughlin quickly excused himself to be available for pictures. I caught him later in the crowded marble hallway, however, as he bent lingeringly over the white kid glove of Mrs. Robert L. Owen, wife of the wealthy former Senator from Colorado who is both a buddy of Father Coughlin and a leading inflation propagandist.

"You made a disparaging reference to Hitlerism in there, Father Coughlin," I said when at last he was free. "Are you opposed to Hitler?"

The Holy Man looked aggrieved. He answered "I said I was opposed to Hitlerism for this country. Why do you have to ask me that question in that way?"

"You ask the question, then, any way you like—I'm interested in your answer."

"Well, I'd say I am opposed to Hitlerism in this country. What we need here is more democracy, and this monetary movement of ours is trying to achieve it."

"But your monetary program is the program of big bankers such as Mr. Frank A. Vanderlip," I said, thinking of Thomas' statement that he and Vanderlip and Coughlin were "all working together." He pointed out that the program is nothing but inflation, which would benefit mainly the Rockefeller and Vanderlips.

"I know that," Father Coughlin replied simply. "That's true. I'm not against the wealthy. It is the distribution of wealth I'm interested in—the concentration of wealth in the hands of the few."

"Are you opposed to the concentration of wealth in the hands of the Rockefeller?"

"Oh, Rockefeller isn't much of a banker," he dropped casually.

### "In the Mind of the People"

"He isn't?" I gasped. "You know the Rockefeller's Chase National Bank is one of the biggest if not the biggest in the world!"

"Yes"—Coughlin admitted, then reflected, and continued, "—but in the minds of the people it is not associated that way."

Then I asked Coughlin whether he thought, as many wealthy men think, that Hitler and Mussolini served their countries by "saving" them from Bolshevism.

"Yes," he answered, "insofar as they saved their countries from Bolshevism, they certainly did a good thing."

"Are you opposed to Mussolini?" Again annoyed, he protested against the question put in that way, and finally answered: "I'll say I'm opposed to Hitlerism and to Mussolini's dictatorship for this country, but of course, the Italians and Germans have a different point of view, and if they want a dictatorship, it's all right."

"If it came to a choice, in this country, between fascist dictatorship and working-class dictatorship, which would you stand?"

"Why do you make me choose?" Coughlin eyed me with a trace of suspicion. I was just ready to answer him when another listener interposed, "Don't you think a choice is likely to be imperative?"

"No—er—" the priest hemmed and added, "Not in our generation, anyway."

## THE PROGRAM OF AN ARCH-DEMAGOGUE

### Preamble and Principles of the NATIONAL UNION FOR SOCIAL JUSTICE

Establishing my principles upon this preamble, namely, that we are all creatures of a beneficent God, made to love and serve Him in this world and to enjoy Him forever in the next; and that all this world's wealth of field and forest, of mine and river has been bestowed upon us by a kind Father, therefore, I believe that we should know it originates from the natural resources and from the labor which the sons of God expend upon these resources. It is all ours except for the harsh, cruel and grasping ways of wicked men who first concentrated wealth into the hands of a few, then dominated states and finally concentrated to pit state against state in the frightful catastrophes of commercial warfare.

With this as a preamble, then, the following shall be the principles of social justice towards whose realization we must strive.

1. I believe in the right of liberty of conscience and liberty of education, not permitting the state to dictate either my worship to my God or my chosen social life.
2. I believe that every citizen willing to work and capable of working shall receive a just and living annual wage which will enable him to maintain and educate his family according to the standards of American decency.
3. I believe in nationalizing those public necessities which by their very nature are too important to be held in the control of private individuals. By these I mean banking, credit and currency, power, light, oil and natural gas and our God-given natural resources.
4. I believe in private ownership of all other property.
5. I believe in upholding the right to private property yet of controlling it for the public good.
6. I believe in the abolition of the privately owned Federal Reserve Banking system and in the establishing of a Government owned Central Bank.
7. I believe in rescuing from the hands of private owners the right to coin and regulate the value of money which right must be restored to Congress where it belongs.
8. I believe that one of the chief duties of this government owned Central Bank is to maintain the cost of living on an even keel and the repayment of dollar debts with equal value dollars.
9. I believe in the cost of production plus a fair profit for the farmer.
10. I believe not only in the right of the laboring man to organize in unions but also in the duty of the Government which that laboring man supports to facilitate and to protect these organizations against the vested interests of wealth and power.
11. I believe in the recall of all non-productive bonds and thereby in the alleviation of taxation.
12. I believe in the abolition of tax-exempt bonds.
13. I believe in the broadening of the base of taxation founded upon the ownership of wealth and the capacity to pay.
14. I believe in the simplification of government, and the further lifting of crushing taxation from the slender revenues of the laboring class.
15. I believe that in the event of a war for the defense of our nation and its liberties, there shall be a conscription of wealth as well as a conscription of men.
16. I believe in preferring the sanctity of human rights to the sanctity of property rights. I believe that the chief concern of government shall be for the welfare of the citizen, and that the rich have ample means of their own to care for themselves.

These are my beliefs. These are the fundamentals of the organization which I present to you under the name of the NATIONAL UNION FOR SOCIAL JUSTICE. It is your privilege to reject or accept my beliefs; to follow me or repudiate me.

*Charles E. Coughlin*

Preamble and Principles of Father Coughlin's "National Union for Social Justice" which is analyzed in today's installment of "Wall Street's Fascist Conspiracy."

This interview occurred on last January 16.

For months, repeatedly, Coughlin had tied his campaign for monetization of silver to Anti-Semitism, declaring, "Silver is Gentle." Less than a week after this interview, he hurled a blistering attack upon the Jewish people in the temple chapel next to his shrine. Speaking of the "conflict" between "Christ and chaos," he declares: "We've got to say that we're either Christians in this country or not. Who established this country? Mary and Joseph was founded by the Catholics, Massachusetts by the Puritans, Pennsylvania by the Lutherans—Christians. We are not going to be so damn liberal as to compromise on Christianity. Remember that when it comes to law, when it comes to representatives in Congress, don't forget this is a Christianity. Let's not overwork democracy."

Yet on November 1, 1934, the Secretary of the American Jewish Committee, on official stationery, urged the Jewish press to note "unspicuously" the "gratifying state of mind on the part of the reverend gentleman, Coughlin." The only "climax" ever raised was a spontaneous campaign to boycott Hitler goods (an act) many labor unions endorsed, finally bringing endorsement of it twice by the A. F. of L. convention. Coughlin's speech, pushed by the American Jewish Committee, said: "I admire the majority of our Jewish people for withholding their support from the Jewish Jew who clamored for the renunciation of Germany where Protestant and Catholic citizens are suffering at the hands of a Hitler a religious persecution surpassed only by the Communists of Russia and Mexico."

### Why It Was "Gratifying"

It was this lying attack upon the boycott and upon Communists that the American Jewish Committee leaders considered "gratifying"! They themselves have continually opposed the boycott. And their chief contributions to the defense of the Jewish masses against Hitler's bloodcurdling campaign to annihilate the Jewish people consisted of: (1) a "survey" to show that the majority of the Communists in the United States are not Jewish; (2) direct support of the bankers' policy, executed by President Roosevelt, of refraining from even the customary half-hearted capitalist government "protest" to the government of Germany against physical violence to American citizens in Germany; (3) the mailing of "confidential" letters to their contributors, telling them privately about this or that quietly printed pamphlet describing the anti-Semitic atrocities of the Hitler regime; and registering a delicate protest against Congressman McFadden's anti-Semitism speeches in Congress.

Officials of the American Jewish Committee actually are involved in many ways in advancing Fascism in America.

### Capitalists are Leaders

On the executive committee of the American Jewish Committee, there is former Judge Joseph M. Proskauer, a founder of the Liberty

League. There is Lessing J. Rosenwald, charter member of the Committee for the Nation, a "monetary reform" group including among its top leadership Dr. Edward A. Rumley, exposed Nazi contact. Proskauer, former Appellate Court Judge in New York, is close to Tammany Hall and the Red-baiting, unopposing William Randolph Hearst organization. He has been associated closely in many legal deals with former Ambassador James W. Gerard, famous Anti-Semite; and with Bainbridge Colby, former Secretary of State, who is now actively aiding the new Hearst Red-Hunt.

Rosenwald is chairman of Sears Roebuck & Co., the big mail order house on whose board the Lehman Brothers, \$66,000,000 investment trust owned by Governor Lehman's family, have a director. Lehman Brothers, through the board of the Hearst-influenced Marine Midland bank. They tie in with Rockefeller interests, controlling the great Western Union and Westinghouse Electric industries jointly with the Rockefeller's Chase Bank. They have large interests in Nazi Germany—interests which give them a direct economic reason to bolster the Hitler dictatorship. Sears Roebuck gave money to Harry A. Jung's Anti-Semitic, anti-radical American Vigilante Intelligence Federation of Chicago, disseminator of Anti-Semitic propaganda. More than this, the Lehman Brothers have the same tactic of denying Anti-Semitism while building it.

The only suggestion of a retraction of Coughlin's own Jew-baiting stand actually held another attack upon the "frenzied few" Jews who "clamored for embargoes against (Nazi) Germany!" In the first place this is a misstatement. The only "clamor" ever raised was a spontaneous campaign to boycott Hitler goods (an act) many labor unions endorsed, finally bringing endorsement of it twice by the A. F. of L. convention. Coughlin's speech, pushed by the American Jewish Committee, said: "I admire the majority of our Jewish people for withholding their support from the Jewish Jew who clamored for the renunciation of Germany where Protestant and Catholic citizens are suffering at the hands of a Hitler a religious persecution surpassed only by the Communists of Russia and Mexico."

Warburg Also a Crusader Above the Lehmans and Rosenwalds in control of the American Jewish Committee stands Felix M. Warburg, who has a connection with the McCormack - Dickstein Committee, which suppressed testimony in the Wall Street fascist army plot. And the Warburg's interests are strategic. James P. Warburg, of the Warburg Bank of Manhattan, was one of The Crusaders' national advisory council. The Warburgs are linked to J. P. Morgan and Company by both social and business connections. One of the partners of the Warburgs' Kuhn-Loeb is John Schiff. He married Edith Baker, daughter of George F. Baker, chairman of the First National Bank, traditional close associate of the Morgans.

Kuhn-Loeb partners cooperate with Morgan in many industrial bond transactions. For example, recently Kuhn-Loeb Partner George Bovenizer and Morgan Partner S. Parker Gilbert together became members of the "protective" committee to guard the interests of creditors of the bankrupt Missouri-Pacific Railroad. Felix Warburg is on the board of the American Securities Investing Corporation—with Morgan Partners Thomas W. Lamont and George Whitney. His interests tie in with those of the Rockefeller and Astors in the \$350,000,000 Western Union and with the duPont's \$325,000,000 U. S. Rubber Company. One of the Kuhn-Loeb partners is Sir William Wiseman, wartime head of British Intelligence in the United States.

The Warburgs' Kuhn-Loeb is an outgrowth of the Hamburg banking house of M. M. Warburg, now headed by Felix's brother, Max Warburg. This institution has enjoyed immunity in Germany while smaller-fry, including small business men, were boycotted and workers persecuted. In contrast to the expulsion, terrorization and physical injury of many Jewish technicians and artists, one of the Warburgs, a scientist, received the ironic title, "honorary Aryan."

Seek To Smother Struggle This clique of financiers and their associates have used the prestige of the American Jewish Committee, ever since the Nazis were hoisted

## Group to Make Deportation Protest Today

A delegation will visit Representative Dickstein and Secretary of Labor Francis Perkins in Washington, D. C., today with protests from over 225 organizations against the rapid deportation drive against militant foreign born workers, and to demand the withdrawal of the notorious Dies Deportation Bill and other anti-working class measures now pending before Congress.

The delegation was elected at the recent Conference for Protection of Foreign Born held in Irving Plaza Hall, New York City. It has an appointment with the Commissioner General of Immigration, Daniel W. McCormack, at 11 a.m. in the Labor Department offices. Representative Samuel Dickstein, Chairman of the House Committee on Immigration, has agreed to meet the delegation on Tuesday. Secretary of Labor Perkins has refused to meet the delegation.

The delegation will demand the release of John Ulich, Ray Carlson, Oscar Mannisto, Paul Kettunen, Christ Popoff and other workers held for deportation because their activity in the labor movement.

Hearings before the Court of Appeals in the case of Ulich have been set for today in New York City. Ulich's counsel is Carol Weiss King, member of the legal staff of the International Labor Defense.

Protests demanding the release of workers held for deportation should be sent to Frances Perkins, Secretary of Labor, Washington, D. C., to Commissioner General of Immigration Daniel W. McCormack, Washington, D. C., and to Judge Martin P. Manton, U. S. Circuit Court of Appeals, Old Post Office Building, New York City.

## 'Insurrection' Bill in Georgia Provides Death

ATLANTA, Ga., Feb. 3.—John Geer, International Labor Defense and Angelo Herndon, attorney, was refused the right to appear before the Georgia legislature to protest against the passage of the new anti-labor sedition measure, proposed by Solicitor General John Boykin, who directed the prosecution of heroic Angelo Herndon. The unprecedented demand was made that Geer post a bond of \$200 to get permission to appear before the legislature.

The new measure is intended to "put teeth" in the already barbarous Georgia "insurrection" law, under which Herndon was railroaded to a sentence of 18 to 20 years on the chain gang for organizing Negro and white workers together to fight against unemployment and hunger. The measure is intended to halt the growing unity of white and Negro workers here, and to crush the Communist Party under whose leadership this unity is being achieved.

The measure carries a provision for the death sentence in addition to provisions for prison sentences up to 20 years. The bill is being rushed through the legislature, under pressure of the Ku Klux Klan, White Crusaders and other fascist outfits. An amendment was offered last week during discussion on the bill for the exclusion of Negro attorneys from Alabama courts, directed against International Labor Defense attorneys in the Scottsboro case.

### Introduce the Daily Worker to your fellow-students.

to power, in unsuccessful efforts to prevent the Jewish people in the United States from joining in any public protest. Just before thousands marched in united front phalanx through the streets of New York on last May 10, protesting against the Nazi boycotts, organized by Dr. Cyrus Adler, president of the committee, wrote to other Jewish organizations urging them to "postpone" action "for the sake of our sorely tried and harassed brethren in Germany." It was "entirely possible," argued Dr. Adler, that new regulations might "restore the Jews of Germany to their former status." The new regulations, in force, turned out to be new restrictions on the rights of the Jewish masses, new special privileges for the rich.

Working hand in hand with these reactionaries is B. C. Vladeck, manager of the Jewish Daily Forward, biggest Socialist Party daily in the world. Vladeck was on Warburg's executive committees of the American Jewish Committee, J. D. C. and the New York Jewish Federation of Charities until he and the leaders of the A. F. of L. unions in the garment and clothing trades formed a "Jewish labor committee," supposedly an anti-fascist labor group, last year. But Vladeck recently wrote a signed article praising the American Jewish Committee anti-Nazi fight!

Dr. Adler's brother, Max Adler, is on the board of Sears Roebuck, the mail order house whose officers founded the Committee for the Nation and gave money to Harry Jung's Vigilance Federation. And this same Harry Jung, angel of the Art Smith Khaki Shirts and long-known open-shopper, fond of fostering the use of labor spies, had another protegee way back when the Shrine of the Little Flower was only a dream, if that. That protegee was the same Father Charles Edward Coughlin. John R. Robinson, writing a sympathetic story about Father Coughlin in the magazine, "Real America," reported that Father Coughlin's first bid for attention consisted of vitriolic attacks

## Instructions to Editors On Strike Termination Confirms 'Daily' Charge

Complete confirmation of the exclusive story published in Friday's Daily Worker that Mayor LaGuardia held a secret meeting with managing editors regarding the threatening strike of truckmen and longshoremen is found in instructions received by city editors from Martin V. Kelly, executive secretary of the Publishers' Association. The instructions were relayed by the City News Association.

The release, which reveals that the strike has been "officially" called off, shows how the New York capitalist press is working hand-in-glove with LaGuardia and the union officials to prevent the strike.

The instructions to city editors follow: "To City Editor: Information."

"Martin V. Kelly, Executive Secretary of the Publishers' Association, has requested us this (Thursday) morning to send the following information, given him by E. G. Martin, chairman of the association: "The threatened strike of truckmen has been called off but newspapers are requested not to run stories to that effect until Mayor LaGuardia issues a statement confirming it. It is expected that mayor will issue the statement at about noon. The decision to call off the strike was reached, it is reported, when the truckmen learned that they would be compelled to permit food supplies and newspapers to be delivered and that they would not be able to tie deliveries up 100 per cent."

As the publishers announced, the Mayor made public that he "has confidence in the officials of the unions" and that a strike will be averted. Joseph Ryan, president of the I. L. A., and Michael Cashall, vice-president of the teamsters, have been working to avoid the strike.

## Flint, Detroit Workers Plan To Walkout To Washington

(Continued from Page 1)

workers would have to be considered. The rank and file in the Fisher Body local, when questioned, were bitter in condemning the Auto Labor Board and expressing their unambiguous desire for militant nationwide united strike action.

### Plan Amalgamation

Wm. Green made a mistake a year ago, commented John Olchon, chairman of the executive board of the Machinists' Union. Green's change in tactics is due to the strong insistence of the workers for militant action. Asked whether machinists would insist on trying to organize the tool die makers in auto plants into the Machinists Union even in case of a strike, he stated that the Cleveland Machinist Union and Metal Trades Council is for amalgamation of all metal trades on an industrial basis. He emphatically asserted the Machinists' Union would support fully any action of the auto workers.

Leaders of the rank and file movement in the A. F. of L. auto locals stated they are going ahead full steam to carry out the decision of the Detroit auto conference of A. F. of L. locals, to speed up the organization drive and for militant united action during this production season, for higher wages, minimum hours and other demands.

## Fear for Negro Worker Kidnapped in Bessemer

BIRMINGHAM, Ala., Feb. 3.—Growing alarm is felt by workers here regarding the fate of Saul Williams, militant Negro worker of Bessemer, who was lifted out of his bed by police last Sunday night and has not been heard of since. Williams' union activities have aroused the fury of officials of the Tennessee Coal and Iron and the Republic corporation and their tools, the local police.

### BULLIT IN HOSPITAL

PHILADELPHIA, Feb. 3.—William C. Bullitt, U. S. Ambassador to the Soviet Union, has entered University Hospital to receive treatment for a minor leg fracture.

Hathaway informed the Ways and Means Committee that the Wagner-Lewis Bill "is not designed to provide social security for the poor but rather for the rich." He charged that the sponsors of the administration measure hope to "quiet the masses" with a sham measure and to reduce the present low cost of caring for the unemployed. The administration bill, he added, will lower the living standards in the interest of higher standards for the rich.

### "Negation of Real Aid"

That each State should enact its own laws, as is provided for in the Wagner-Lewis Bill, is a negation of effective social insurance legislation, while the "unemployment reserves" theory embodied in administration proposals is unsound, Hathaway said.

In discussing the old age provisions of the administration bill, Hathaway demonstrated that the old age pension provision, which starts at 65 and is limited to about \$7 a week, "is a sad joke" in view of the fact that workers in mass production industries are laid off at fifty. The graduated tax theory is not only an evasion, Hathaway stated, but is also too small and conditional.

The Workers' Bill, said Hathaway, provides for payments to the unemployed without a waiting period; benefits at the expense of those who can afford to pay; payment based on average wages but not lower than \$10 a week and \$3 for each dependent; and administration by the workers.

The Committee adjourned until Monday morning.

### Workers' Bill Hearings

Hearings on the Workers Unemployment, Old Age and Social Insurance Bill, H. R. 2827, which began tomorrow at 10 o'clock and run for two weeks, will take in every phase of the working population—trade unionists, unemployed, Negro, women, youth, white collar and professional workers.

Opening the hearings tomorrow, F. Elmer Brown, chairman of the Amalgamation Party of the Inter-

national Typographical Union and chairman of the National Joint Action Committee for Genuine Unemployment Insurance, will speak. Following him, Herbert Benjamin, executive secretary of the National Joint Action Committee will make a general exposition of the unemployed situation and an indictment of the government program. In the afternoon, Dr. Joseph Gilman, of City College of New York, will testify as to the workability of the Workers' Bill as a practical unemployment insurance measure designed to afford some measure of security for the toiling population.

Brother Mitchell, of Johns Hopkins University and candidate for Governor of Maryland on the Socialist ticket in the last elections, will also testify.

On Tuesday, Mary Van Kleeck, director of the Industrial Studies of the Russell Sage Foundation, Elmer Rice, dramatist, a delegate from the Authors' League, and others will speak.

Negro Delegate to Testify On Wednesday, a large number of Negro groups will be represented. T. Arnold Hill, national secretary of the National Urban League, Ben Davis, editor of the Harlem Liberator and of the League of Struggle for Negro Rights, John P. Davis, of the Joint Committee for National Recovery, and others are scheduled to testify.

On Thursday, I. Amter, secretary of the National Unemployment Council, will open the hearings of the Unemployed groups. He will be followed by Dr. Harry Lurie, of the Jewish Social Service Research Bureau. Representatives of the unemployed organizations will follow.

On Friday, Louis Weinstein, national secretary of the A. F. of L. Committee for Unemployment Insurance and Relief will open the hearings at which trade unionists will appear. He will be followed by trade unionists from steel, textile, mining, railroad, stockyard, shoe and other industries. In the following hearings, women, youth, fraternal veterans, farmers, teachers and other groups will appear.

### Telegrams Urged

The members of the House Labor Sub-committee, in addition to Dunn and Lundeen, are: Fred A. Hartley, Jr., Republican, New Jersey; John Lesinski, Democrat, Dearborn, Mich.; George J. Schmelzer, Democrat, Wisconsin; Richard J. Welch, Republican, San Francisco, Cal.; Reuben T. Wood, Democrat, Springfield, Mo.

The National Joint Action Committee for Genuine Unemployment Insurance has urged that all organizations send telegrams and resolutions to the hearings giving their support of the Workers' Bill and demanding that it be voted out of the Committee and onto the floor of Congress for vote. These resolutions should also demand that their contents be read into the record.

## AFL Members League Backs Insurance Bill

CLEVELAND, Ohio, Feb. 3.—The Cleveland Committee for the Workers' Bill, which has called a city-wide conference for Wednesday, Feb. 6, at the Painters' Union Hall, 2000 Euclid Avenue, has secured several important new endorsements for the Workers Unemployment, Old Age and Social Insurance Bill.

The A. F. of L. Members League for Unemployment Insurance, with 93 affiliated local unions and which has the endorsement of the Cleveland Federation of Labor, elected three delegates to attend the conference and to further discuss the proposals of the Cleveland Committee for the Workers' Bill.

The A. F. of L. Members League plan to introduce a competitive state bill against the Workers' Bill, although the League has endorsed the Workers' Bill nationally.

Send Ten to Hearings CLEVELAND, Feb. 3.—A Cleveland delegation of ten is to be sent to Washington on Feb. 11, to speak before the Labor Committee of Congress on the Workers Unemployment Insurance Bill (H.R. 2827) and demand its passage.

General negotiations so far had "produced the desired results, but we hope, however, that this circumstance will not effect the relations between both governments, particularly the development of the relations which was rather hindered by the negotiations so far conducted."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

## Soviet Debt Basis Stands, Says Envoy

(Continued from Page 1)

revision of the entire Washington agreement. "We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles in the agreement."

"We refused to enter on this path, which could have led to complete annulment of the results achieved in Washington and to the necessity of new negotiations regarding the fundamental principles

# CHICAGO WORKERS RALLY BEHIND RACZ IN ELECTION FIGHT

### Democratic Machine Resorts to Gangster Terrorism in Move to Keep Workers' Candidate for Alderman Off Ballot

CHICAGO, Feb. 3.—Gangster terrorism is being used by the Democratic machine of Chicago in an attempt to defeat George Racz, workers' Aldermanic candidate in the Eighth Ward.

While open terrorism is being resorted to, the machine still keeps up its "legal" efforts to get Racz off the ballot, and also to intimidate those who will vote for him. His mother-in-law, who has been a Democrat for years, but who signed Racz' petition, has been called into the precinct voting office to show cause why her name should not be stricken from the polling list.

Workers' aldermanic candidate Lamson, in the Forty-second Ward, has been threatened. Tom Trent, election manager of the Third Ward, who has been beaten up by the American Legion men, is in jail, where he was placed on charges of assault and battery brought by the legionaires.

The efforts of the machine, however, are having the opposite effect from that intended. The workers are fighting back, finding allies in sections of the working class never penetrated before this election. Hundreds of petition-signers will march to the City Hall next Friday protesting the efforts being made by the machine to throw out the petitions of twenty-six workers alderman candidates.

The Capitol Dairy Company, third largest in Chicago, which fired George Racz, workers' candidate for alderman in the Eighth Ward, is eating humble pie these days as a result of the mass protest aroused over the Racz case.

Shankman, Vice President of the milk company, "explained" that the reason Racz was fired was because his route was "going down." Shankman was reminding Racz that when he fired Racz he had told him to get out of that aldermanic race, or "else." He had given the same answer to the workers' united front committee. Shankman was then confronted with Racz.

Then and there a partial victory was won, for Shankman agreed to refund Racz his bond money of \$155, and back wages as well. But the fight is still on to get Racz re-instated.

Workers who signed Racz' petition had hundreds more signed than he actually needed—are in a fighting spirit because of the attempts of the Democratic machine to disqualify Racz. Agents representing themselves as being from the Election Commissioners, have been going through the wards crying by threats and intimidations to get the signers to swear their signatures were falsified.

### Relief Workers' Budgets Cut in Rochester, Minn.

ROCHESTER, Minn., Feb. 3.—A startling series of reductions in the hours of work on the E.R.A. jobs in this city have taken place during the whole month of January. Starting with the second week the hours have been reduced time after time. Workers receiving twenty-four hours work the first week of the month were cut to sixteen hours during the second week and again to eight hours the third week. At the same time they have been forced to sign time slips for twenty-four hours while they get only eight hours actual work and pay. It means that many of the workers are signing for full budgets and are receiving only \$4.40 a week.

The workers are planning to fight the cut. Already a meeting has been called to formulate plans to organize a broad front against the cut and to build a militant organization that will really safeguard their interests and which would not allow such a thing as this cut to even get started.

School teachers: Introduce the Daily Worker to your colleagues. Explain its role in fighting fascist tendencies in the schools. Ask your fellow-teachers to subscribe.

## WHAT'S ON

### Philadelphia, Pa.

Answer the vicious lies of Hearst and his press. Answer the lies of all enemies of the Soviet Union. Come to the Mass Meeting on Friday, Feb. 8 at 8 p.m. Broad St. Mansion, S.W. cor. Broad and Girard Aves. Prominent speakers. Adm. 20c. Antisocial Friends of the Soviet Union. Register now for all classes at Philadelphia Workers School, 908 Chestnut St. Office open from 1 to 8 p.m. Terms opens Monday, Feb. 4. Labor Defender Concert and Dance Friday, Feb. 22 at Ambassador Hall, 1704 N. Broad St. Nadia Chilkovska in a series of revolutionary dances; well known violinist; entire Przhit Gessing Ferein chorus; excellent dance orchestra. Adm. at door, 50c. In advance through organizations 35c. Tickets at 49 N. 8th St., Room 207. Sunday Night Forum Workers School, 908 Chestnut St. H. M. Wicks speaks on "The Role of the Intellectual in the Labor Movement." Meetings opens at 8 p.m. sharp. Adm. 25c. Unemployed 10c.

### Chicago, Ill.

Save February 16 for Theatre Collective Chauve Souris. A three-hour program of Theatre, Music and Dance followed by dancing to 3 a.m. Remember Saturday, Feb. 18, 8:30 p.m. at Peoples Auditorium, 2457 W. Chicago Ave. Adm. 25c., 100 tickets at 25c. West Side Section of I.L.D. will have two showings of a Soviet film based on Gorki's story "Cain and Artem." All proceeds to go for Scottsboro-Harmon Fund. Film will be shown Feb. 6, Wednesday, at the Culture Center, 3223 Roosevelt Road, 7:30 p.m. and 9 p.m. Adm. at door 25c. Organizations Attend! The International Workers Order of Chicago is celebrating its 8th Anniversary at 125 Ashland Auditorium, Feb. 13, 6:30 p.m. to 2 a.m. An excellent program has been arranged. Kindly keep this date open.

## IT'S A FAMILIAR JOB ON THE WARD LINE



With three major shipping disasters to their credit in six months, officials of the Ward Line are getting familiar with the job of handling survivors. Here are some who escaped death in the icy seas when the Mohawk was rammed by a freighter off the New Jersey coast being taken ashore by coast guardsmen. Witnesses state that the steering apparatus of the Mohawk was imperfect at the time it left the dock in New York.

# Seamen from Mohawk Tell How 45 Died Victims of Company's Greed

### All Would Have Been Saved But for Criminal 'Economy' of Line

By Allen Johnson

Every one of the 45 lost on the liner Mohawk was sacrificed to the drive for profits of the Morgan-controlled Ward Line.

The horrors of the Mohawk's sinking on Jan. 25 were described to the Daily Worker by four survivors of the ship's crew, all of whom are now in a New York hospital suffering from frost bite that may result in their losing all their fingers.

One of the seamen is a survivor of all three recent Ward Line sinkings. Another is a survivor of the Havana, which recently plied up on a Bahaman reef.

All four agree on what happened immediately preceding and following the ramming of the Mohawk by the freighter Tallisman, and all four are supported by the experience of Dr. Samuel Smith, a passenger.

The Ward liner was about fifty miles from New York and about five miles off the New Jersey coast, on an absolutely calm sea with not a breath of wind stirring, when the lights of the Tallisman were seen ahead and slightly on the port side of the Mohawk.

Steering Gear Breaks Down

When the Mohawk drew up almost abreast of the much slower Tallisman, the automatic steering apparatus on the Ward liner broke down. The break-down was due to the fact that the mixture of glycerine and water in the steering machinery froze, either because there was too little glycerine in the mixture as compared with the amount of water, or because the glycerine was of an inferior quality.

Elementary principles of seafaring demanded that the hand-steering apparatus in the stern be immediately hooked up. This operation, however, required the expert knowledge of an able-

bodied seaman. But the "economy" skeleton crew of the Ward Line provided no forces for such emergencies. Consequently, a marine engineer tried to steer the Mohawk. He steered the Mohawk into the collision with the Tallisman.

The events following upon the collision were almost as incredible as the collision occurring on a crystal-clear night on a wide-open sea. The Tallisman violated every common sense rule of the sea by backing out of the hole she had stove into the Mohawk's side. After backing out she violated every rule of common decency by refusing to lower a boat.

On board the Mohawk there was comparatively little confusion on deck at first although there was plenty of heartbreak in the fore-castle where the prow of the Tallisman had cut Jack Orlick, a member of the Communist Party, in two and had crushed another seaman to his death.

### Boats Frozen in Ice

Passengers and crew felt there was little further to worry about. They were almost within sight of shore, apparently none of the lifeboats had been stove in, and the Tallisman was alongside. When they rushed to the boat deck, however, their feeling of security was rapidly dissipated. Ice coated the deck so thickly that it was almost impossible to reach the boats. The ice that is allowed to accumulate anywhere on a boat deck is a criminal violation of seafaring practice from time immemorial. That it had not been chopped away can again be ascribed to the fact that the crew on the Mohawk was so small that no men could be spared for the task.

The first boat that the four seamen interviewed by the Daily Worker tried to launch, resisted every attempt to free it from the ice-choked davits. Precious minutes—minutes that were to spell lives—were lost trying to chop the ice

### Ship Sailed With Boats Frozen In—Ice Coated Decks Halted Rescue

away. As the ship began to list, preparatory to sinking, the seamen rushed to another lifeboat. This, too, was frozen to the davits by huge chunks of ice, and more precious minutes were lost before the davits were cleared and the boat made free.

### All Could Have Been Saved

As they were lowering their boat the seamen saw other members of the crew struggling to lower a lifeboat whose lowering-tropes had been choked in the grip of the ice in the davit blocks. They rowed away from the ship's side crowded with passengers, as their comrades began to feverishly hack away at the ropes with their knives.

Dr. Smith's statement jibes completely with those of the seamen. "There should not have been a single life lost on that boat and there would not have been if it had left the pier in proper condition," he says. "I have been making trips to sea for twenty-one years, and before we left the pier I inspected the lifeboat to which I was assigned—number 3.

"That boat and its gear were frozen. So were the blocks supposed to be used for lowering it. The ropes controlling the gear were covered with ice. We had plenty of time to get off if the lifeboat gear had worked properly."

### NEGRO BEATEN, FIRED

NEW ORLEANS, La., Feb. 3.—Mose Taylor, twenty-one, a Negro worker, who had been dismissed from E.R.A. gang 157 here, was viciously attacked by John Heisler, head grade foreman, and then arrested when he attempted to find out the reason for his dismissal, it was learned yesterday.

He was released when no charge could be placed against him but he is still without a job.

# Hirota Flaunts War Policies Of Government

(Special to the Daily Worker)

TOKYO, Feb. 3 (By Wireless).—Bluntly declaring that he would like to see the Soviet Union destroy its defense fortifications on the Soviet side of the Manchukuan-Siberian border, Foreign Minister Hirota sharply attacked the Deputy Asida at yesterday's session of the Japanese Parliament when the latter mildly protested that the "peaceful policy of Hirota has not yet sufficiently been put into practice."

Manchuria, Hirota boldly stated in effect, belonged to Japanese imperialism, to be fortified as seen fit. In his reply to Asida, Hirota rejected the idea of concluding a non-aggression pact, the question of which Asida timidly raised on the floor of the parliament. Hirota went on to refer to the Portsmouth Treaty concluded after the Russo-Japanese War, in which the signers were committed to an obligation not to erect any fortifications along the frontier.

Apparently the Foreign Minister forgot that Japan itself not only failed to observe any point in this treaty, but has already occupied all of Manchuria. According to the Portsmouth Treaty there was not to be a single Japanese soldier in Manchuria. He also "forgot" the imperialist invasion of the Mongolian People's Republic, now taking place.

### Arizona Defense Group Will Appeal Conviction Of Unemployed Leader

PHOENIX, Ariz., Feb. 3.—The International Labor Defense, 16 South Second Avenue, Phoenix, today appealed to all workers for finances to carry an appeal against the sentencing of Clay Naff, 31-year-old Communist leader of the unemployed, to one to two years imprisonment.

Clay Naff, who was Communist candidate for Governor in the last elections, was taken to the Arizona State Prison at Florence last Friday to begin serving sentence on a framed charge of rioting in connection with the strike activities last Sept. 6 at the F. E. R. A. headquarters here.

Naff, a native of Kentucky, but a resident of Arizona for the past four years, nine of which were spent in Maricopa County, was an auto mechanic with the F. E. R. A.

### Educator and Student Beaten With Pistols By Southern Gangsters

MEMPHIS, Tenn., Feb. 3.—Lucien Koch, young director of Commonwealth College, a labor school in Southwestern Arkansas, and Bob Reed, student member of the International Labor Defense, who are part of a student delegation to support the Southern Tenant Farmers Union, were beaten with pistol butts and jailed when they addressed a union meeting at Gilmore, Ark., yesterday.

### Car Union Officials Cleared in Slaying

CHICAGO, Ill., Feb. 3.—William Taber and Joseph J. Kehoe, officials of the Amalgamated Street Carriers' Union here, were acquitted yesterday of the charge of killing James J. Kelly, strikebreaker during the bus strike here in September.

In the course of the search for the killer twenty-seven other workers and officials of the union have been indicted. The union was virtually placed in receivership, with all book taken away by the police department for investigation. The General Motor interests, controlling the Chicago Motor Coach Company attempted to use the incident as an excuse for the destruction of the union.

# News and Views of the Crisis

### Statistics and Statisticians

There is an old gag which says that there are three kinds of lies: plain lies, damn lies and statistics. There is a great deal to this story, if one applies it, not to statistics as such, but to bourgeois statisticians who deduce any conclusion they want from their figures to suit their needs.

This comes to mind as one reads the latest report by the Federal Reserve Board on industrial output for December. We find them hailing a sensational rise of 11 per cent in production for that month. This put the index at 85 per cent of the average production for 1923-25. Such a sharp upturn was immediately picked up by the capitalist press as still another proof of our "irresistible" march to recovery.

The only trouble with this pretty story is that it does not tell us what was the actual rise in production. The actual increase was only 3 per cent, and not the 11 per cent that the press ballyhooed. You arrive at the latter figure when you adjust the index by taking into account the fact that this year the usual seasonal slump which takes place in December did not occur. It is the so-called unadjusted figures which in this particular case give us the real increase, and not the adjusted figures.

The fallacy of using only the adjusted figures is well illustrated by any comparison of the two sets of figures. On the adjusted index, for example, the increase in auto production was given as 66 points; but in the unadjusted column the rise was only 34 points. Similarly in the iron and steel index, the adjusted figures registered an advance of 16 points while the unadjusted ones went up only 11 points. And in textiles the gain of the adjusted index was five points and that of the unadjusted index but a single point. Readers who follow statistical series should be on the lookout for doctored interpretations of the type mentioned above.

### Note on Profits

The second year of the New Deal brought large increases in profits to the big monopolies. F. W. Woolworth Co., the huge five-and-ten chain, reports an increase in profits of over 12 per cent for 1934 over 1933. Profits for 1934 totaled \$32,142,363 as compared with \$28,690,885 in the previous year.

General Motors has also announced an increase of 14 per cent in its profits for 1934 over 1933. It had a net profit of \$94,769,000 in 1934 compared with \$83,213,676 in 1933. The profit figures for 1934 do not include the payment of an additional \$9,178,000 in preferred dividends.

In general, dividend payments in 1934 were at their highest level since 1931. Business Week estimates that they were between 12 and 14 per cent higher than in 1933. These increased profits were piled up at the expense of the living standards of the workers. Increases in hourly rates of pay were nullified by part time employment and the rising cost of living. Even reactionary officials of the A. F. of L., like William Green, admit that "the weekly income of wage earners at the end of 1934 was actually smaller than it had been in July, 1934." Real wages, according to the same source, were about 3 per cent lower in November, 1934, than in March, 1933, the lowest point of the crisis.

### Upturn in Steel

The steel industry is one of the basic indicators of capitalist economy. The variations in steel production have pretty well followed the course of crisis developments. Consequently those who are watching for genuine signs that capitalism is emerging out of the present stage of depression must take into account the recent upturn in steel. This has raised the level of production to a little over 50 per cent of capacity. Does this signify that steel is leading the parade back to recovery?

In the first place it is well to remember that steel production, even at the present point of operations, is only half of what it was in 1929, and is at about the same level as the middle of 1930. Secondly, the present upturn is in the main based upon the demands of the auto industry. The culmination of the busy season in the auto industry will bring on a sharp reduction in the volume of steel production, since about 40 per cent of current operations represent auto demand. It is also important to note that a considerable part of the upturn is due to the laying in of supplies in anticipation of strike developments.

The steel workers have not shared in the benefits of the temporary upturn. As the result of speedup and part-time work, there were some 9,000 less workers employed in December, 1934, than in the same month in 1933; they also averaged less hours per week than a year ago, although production was about 50 per cent above last year's volume. Consequently while their weekly pay in December was about 5 per cent more than a year ago, it did not match the increase in the cost of living with food prices of the U. S. Bureau of Labor Statistics, rose to 118.5 as compared with 114.3 for Dec. 18. In these four weeks there was an increase of about 3.5 per cent. This was the increase in general; the rise of meat prices, to note one example, was far more spectacular.

During 1934 food prices went up some 14 per cent. They will continue to rise, because of the shortage in supplies brought on by the crop destruction program of the A. A. A., the ravages of the drought—the cumulative effects of which will make themselves felt for some time to come, and the price-fixing devices of the codes in the food manufacturing industries. In fact, the food manufacturers expect an increase of 15 per cent in food prices during 1935.

### The Rising Cost of Living

Since its inception the New Deal has been steadily raising the cost of living. The price of food has gone up over 30 per cent since Roosevelt took office. Recently living costs were given another upward boost as the result of advancing food prices. On Jan. 15, the index of retail food prices of the U. S. Bureau of Labor Statistics, rose to 118.5 as compared with 114.3 for Dec. 18. In these four weeks there was an increase of about 3.5 per cent. This was the increase in general; the rise of meat prices, to note one example, was far more spectacular.

During 1934 food prices went up some 14 per cent. They will continue to rise, because of the shortage in supplies brought on by the crop destruction program of the A. A. A., the ravages of the drought—the cumulative effects of which will make themselves felt for some time to come, and the price-fixing devices of the codes in the food manufacturing industries. In fact, the food manufacturers expect an increase of 15 per cent in food prices during 1935.

### Index of Business Activity

The weekly index of business activity of the New York Times declined slightly for the week ended Jan. 26, dropping back to 86.5. A larger decrease was checked by the rise in the electric power series and in steel mill activity.

	Weeks Ended	Jan. 26, 1935	Jan. 19, 1935	Jan. 27, 1934
Combined index		86.5	86.9*	77.2
Freight carloadings		63.4	63.9	64.3
Steel mill activity		77.4	75.2	49.7
Electric power production		101.4	100.4	90.2
Automobile production		95.2	100.3	59.5
Lumber production		48.1	56.4	66.7
Cotton cloth production		91.1	92.2*	83.7

\*Revised.

### Parley on Workers Bill Called in West Virginia

FAIRMONT, W. Va., Feb. 3.—A West Virginia State Conference for Unemployment and Social Insurance in Washington has been formed into a temporary committee to carry on the work in preparation for this conference.

on First Street and Fairmont Avenue. All working class organizations are invited to send delegates to this conference.

Delegates who attended the Congress for Unemployment and Social Insurance in Washington have been formed into a temporary committee to carry on the work in preparation for this conference.

# What Is Behind the Reorganization of the N. R. A.?

By CARL REEVE

This is the first of a series of articles on the reorganization of the N.R.A., now being carried through by the Roosevelt government.—EDITOR.

Why is the N.R.A. now being reorganized by the Roosevelt administration? The statistics of the employers themselves show that under the N.R.A. the profits of the employers have increased, while on the other hand real wages of the workers have gone down, unemployment is more acute than ever and company unions have grown. The N.R.A. has thus acted effectively as the instrument of the employers.

But the rosy promises advanced by Roosevelt for the N.R.A. have not been kept. In spite of all these promises, the N.R.A. has not been able to stifle the growing strike wave or to quench the growing demand of the unemployed for federal unemployment insurance and adequate relief.

Strike Wave Unchecked

The numerous N.R.A. and Labor and Relations Boards set up by Congress in some industries, did Roosevelt, while temporarily checking, prevent the largest strikes the United States has ever seen, including the great general textile strike and the San Francisco general strike.

In spite of the support given by William Green, Matthew Woll & Co., to Roosevelt and the N.R.A. in spite of compulsory "arbitration" by the employers' Labor Boards, the

agreements of all employers in the industry, will be separated from the wages and hours provisions in the codes.

This will enable the N.R.A. to push through its anti-union, wage-cut program, in the "reorganization" and at the same time retain "trade agreements" for high prices.

What Has the N.R.A. Done For the Workers?

Under the N.R.A. in 1934, 209 leading corporations increased their profits one hundred and twelve per cent over their profits in 1933. These 209 corporations made \$430,500,000 net profits in the first nine months of 1934. (Figures of Federal Reserve Bank.)

Increase in profits of the millionaire employers can be seen from the following figures covering 418 corporations:

ers, or thirty-three per cent of all "gainfully occupied" persons, were totally unemployed in November, 1934. This is over 800,000 more than the L.R.A. found to be unemployed in November, 1933. Even subtracting the 2,850,000 who had only relief jobs, the L.R.A. estimate shows 14,300,000 remaining unemployed in November, 1934, without even relief work.

The A. F. of L., whose figures are notoriously an under-estimation, in its monthly report on unemployment issued December 28, 1934, admitted that unemployment had increased 429,000 during November, 1934.

The A. F. of L. figures show that the great increase in unemployment in November was the sixth successive month that unemployment increased under N.R.A. and admitted to 11,459,000 jobs in November, 1934, as compared to 11,030,000 in November, 1933.

The N.R.A. has increased unemployment, and laid a heavier hand of starvation on the workers.

REAL WAGES

Roosevelt said the N.R.A. would mean higher wages for the workers. But from April 1933 to September 1934 inclusive, real wages of the workers went down 3.2 per cent, according to the admission of William Green. In 1934 the average yearly wage increased 6.7, but in the same period the cost of food went up 11.3 per cent and the cost of clothing went up 15.3 per cent, according to Green's conservative figures.

UNEMPLOYMENT

President Roosevelt, in launching the N.R.A., told the workers that its main purpose was to give jobs, to decrease unemployment. But actually unemployment has increased under the N.R.A. The Labor Research Association's annual estimate on unemployment, based on government figures, shows more than seventeen million work-

# You Can Win a PRIZE!

Enter the Special Daily Worker Subscription Contest. Visit your friends and fellow-workers; canvass your neighborhood. Twenty-five yearly subscriptions, or their equivalent, makes you eligible to compete for the FREE trip to the Soviet Union.

### Ten Prizes for Contest Winners

Ten vacation prizes will be awarded to the ten Contest winners. In addition, valuable prizes will be awarded to all contestants securing five yearly subscriptions, or their equivalent. (In the event of a tie, duplicate prizes will be awarded.)

### Every Contestant Gets A Daily Worker Button

Every contestant sending in his first subscription receives a handsome Daily Worker Shock Brigader button. Enter the Contest TODAY. Apply to your District Office, or write direct to the "Daily."

DAILY WORKER • 50 EAST THIRTEENTH STREET New York, N. Y.

# HOME LIFE

— By —  
Ann Barton

IN Piszovaya Street, Moscow, Dec. 16 was election day. Mothers left their children in Red Corners, under the care of competent women and marched, singing songs and carrying banners to the election meetings, to vote for their Soviet representative.

The Moscow Daily News tells us that Piszovaya Street did not exist at all four years ago, at the time of the previous election to the Soviets. Cows roamed about in pasture, instead. Now there has sprung up "a small city. . . Hot water, heat, electric light, bath rooms and many other conveniences are to be found in the five-story modern apartment buildings."

"They (the housewives of Piszovaya Street) marched to the club of the Svoboda factory, and elected as their deputy another housewife—Galina Petrovna Medovnik, who lived at Piszovaya 16."

Who was this Galina Petrovna Medovnik who stood before her neighbors unable to give an account of herself, because of shyness? She had been a soldier in the Red Army. In a battle near the village Konstantinovka, when the White Army had shot down the Red Commanders, she rallied the Red soldiers, defending the first Workers and Farmers Government, and led them against the Whites, in victorious battle. For this feat, she received the Order of the Red Banner. After the war days, she went back to her old job on a tobacco plantation. Under the established government of the workers and farmers, conditions were much better. She was awarded a personal pension by the government. In 1930 she was sent to Moscow for doctor's care.

NOW she lives quietly, a housewife in Piszovaya 16. Her work is on another front. She does all kinds of "social work" the Moscow Daily News says about her. Her job is to improve cultural and living standards for those in her district. She will work towards securing for the Piszovaya housewives, among other things, more telephones, a street car or bus line, a bathhouse and laundry, more trees and shrubbery, and a children's club. This is a living example of how the Soviet proletarian women are helping to run their own government.

A Hungarian recipe from Pontiac, Michigan. "I am sending a recipe that every Magyar will recognize and love," says E. K. "It is called Totoc Kapost and in English we call it filled cabbage. Ingredients are one head of cabbage, one pound hamburger, one-half cup rice, dried onions with garlic, mix hamburger, rice, onions and garlic together, and season with salt and pepper. Cook the cabbage first and stuff the above mixture into a cabbage leaf and roll firmly together. Cook with tomato juice or tomatoes and sufficient water. The cabbage leaves must be boiled before they can be stuffed. I have known beginners to neglect doing so and find the cabbage leaves break and the meat falls apart.

"Some Jewish comrades I know make this 'sweet and sour.' It is very delicious. Won't some comrade send the recipe in for this so I can try it?"

(Also—what about those New England recipes we requested?)

Can You Make 'Em Yourself?

Pattern 2179 is available in sizes 12, 14, 16, 18, 20, 32, 34, 36, 38 and 40. Size 16 takes 3 1/2 yards 39 inch fabric and 3/4 yard contrasting. Illustrated step-by-step sewing instructions included.



Send for your copy of the ANNE ADAMS SPRING FASHION BOOK! PRICE OF BOOK FIFTEEN CENTS BUT WHEN ORDERED WITH AN ANNE ADAMS PATTERN IT IS ONLY TEN CENTS. TWENTY-FIVE CENTS FOR BOTH (one cent additional on each order must be enclosed by residents of New York City in payment of City Tax.) Address orders to Daily Worker Pattern Department, 243 West 17th Street, New York City.

# From Factory, Mine, Farm and Office

## San Diego Councilman Free With Money of Taxpayers

By a Worker Correspondent  
SAN DIEGO, Calif.—Councilman Albert W. Bennett broke his former record for spending the San Diego taxpayers' money on his second trip to Washington, D. C., last fall.

He was gone 28 days and managed to spend \$653.49, more than half of the sum which he spent on his former trip last January, when he was gone 73 days and only spent \$1,164.67.

Like the first trip, he claims he is out his own pocket more than \$100, but he won't charge the city for it! "The city advanced him \$500 before he left and now owes him \$153.49 more!"

He flew from San Diego by air, but was grounded at Albuquerque. He thinks there will be a refund on his air ticket, and is willing to return that to the city treasury. Before he reached Washington, it seems he went to Chicago, to attend a conference of mayors (Bennett isn't a mayor, but only a councilman), then to Pittsburgh, for which he doesn't pay, and then to the capital.

The two days he stayed in Chicago cost him for hotels \$24.77, but he claims this also includes telephones and telegrams. In Pittsburgh and Washington he only paid \$5 a day.

His meals cost, breakfast, 75 cents to \$1.25; luncheons, \$1 to \$1.50; and dinners, \$1.25 to \$6.50; with tips running, 15 cents for breakfast, 26 cents for lunches, and up to 50 cents for dinners.

He also lists expenses for valet service, cleaning and pressing, taxi, telephone and telegraph, laundry and stenographer service. One \$5 item is listed as entertaining charge. On one of his smaller junket trips within the state, Bennett had to explain a mysterious entry for \$20 on his expense account. This was

the trip he made to the Pasadena convention of the California League of Municipalities.

It seems it was this way. At this convention Bennett stayed at a hotel four days at \$5 a day. At this convention there also was a representative of a meter company which does business with the city.

When the councilman went to pay his hotel bill, it seems he didn't owe anything. The meter company representative had "taken care" of it.

Big hearted, and honest councilman Bennett, says to the county investigators, "that wasn't the kind of courtesy I wanted," so determined to pay the bill himself, he goes to the meter representative's room—the one the representative had moved out of, so Bennett could occupy it—and he left a \$20 bill on the dresser.

This is how he explained the \$20 unaccounted expense. But it doesn't explain to San Diego workers, just how Bennett got into this meter representative's room in the first place. We are rather curious about that.

On his first junket trip to Washington, Bennett claimed he was out over \$2,100 yet he was advanced only \$1,000, but he charged the city \$1,164.67. The question that had San Diego puzzled was—where did he get the balance of the \$2,100 to spend? It now has developed that he borrowed \$650 from persons he at first didn't want to reveal. But these persons are: No. 1, Col. Ed Fletcher, new state senator, who is very much interested in water development since he controls large tracts of back country land "loaned" Bennett \$500; No. 2, George Burnham, congressman, wealthy real estate man, "loaned" Bennett, \$100; and \$50 was "loaned" by another public official, whose name at the present is unknown.

## Packers Conditions Worst at Macy's

By a Macy Worker Correspondent  
NEW YORK.—Of all groups working in R. H. Macy's, it seems as if the packers have to endure the worst conditions. Maybe, it's because we're young that they take advantage of us.

To show what we mean—our wages are the lowest in the store. We get fourteen dollars per week, while the minimum for sales clerks is fifteen dollars. New girls are sometimes used as "inexperienced" help and are paid \$13.50 and \$13 a week.

For this money we work from 12:20 p. m. till 8 p. m. every day. This is an improvement in our hours as we used to work until ten and eleven every night. Our hours were changed because of the activity of the Macy Local of the Office Workers' Union. But the reduction in hours has not made any difference in the way they pile work on us.

Added to our low pay and late hours is the way we are treated physically. The places where the packages are wrapped, are so poorly lighted and ventilated that it is hardly possible to work in them.

No matter how hard we work, our clothes are still not satisfied. Complaints to the supervisors do very little good as most of them do not care about the conditions of the girls.

But these conditions have not done us. We are getting as many Macy girls as possible into the Office Workers' Union, and with its help we know we can win better conditions. Our experience has taught us that only when we are organized can we do this.

## Greetings to the DAILY WORKER

International Workers Order  
SLOVAK BRONX—BRANCH 2107  
BROOKLYN, N. Y.  
NEW YORK CITY  
G. Wortzman I.W.O. Br. 112:  
Waldman Mary Campbell  
D. Farber Jimmie Segal  
M. Bergman Bennie Jazper  
L. Fox

NEW YORK CITY  
J. M. A. E. Gramzo  
T. V. U. Thumence  
J. H. S. Acevedo  
Joseph Oliver C. Melendez  
Santos Delgado G. Russo  
M. Wapet N. Melendez  
T. Salls J. Segall  
H. Gomez Caroline Lafez  
G. Ventura Leo Alegret

NEW YORK CITY  
David Koch  
A. Gordon  
Rose Elster  
Ben Silverman  
Anon  
Anon  
L. Lewis  
W. Glassman  
S. Dinerman

BROOKLYN, N. Y.  
Workers of Premier Knit Mills:  
Philip Oshaker  
M. Weisinger  
Mrs. C. Halpren  
M. Epstein  
Mac Lenich  
Dave Moses  
Max  
Pauline Farber

District No. 14  
J. REBELSKY  
STELTON,  
NEW JERSEY

Give your copy of the paper to the worker next to you in the shop or factory.

The Ruling Clawss By Redfield



"— and next week Mrs. Van Schmutz will render a harp solo and we'll discuss the slum situation."

## Secretary of Junior Section IWO To Tour East, Showing Soviet Film

The first month of 1935 has brought a slowing down of the recruiting activities of the order. Yet a total of 1,667 adults and 394 children were recruited during the month.

The reports from the districts indicate that the preparations for the Convention have been started in earnest. The branches are making plans to secure the right to send delegates, or additional delegates, to the Convention. The branches realize that the Convention will be successful only insofar as it can crystallize the collective experiences of the membership. This is possible only if the membership is really educated.

The branches also realize that the Convention will be a school for our further work. An effect of this school upon the membership can be secured only if the branches are represented there and bring back to the membership the spirit and conceptions of the Convention.

Junior Section Secretary on Tour  
Comrade Jerry Trauber, secretary of the Junior Section, is going on a tour of the eastern and mid-western states for the purpose of building this important section of our Order. He takes with him the famous Soviet sound picture, "Broken Shoes," a picture attractive both to children and adults.

The purpose of the tour is both educational and organizational. Aside from showing the film, Comrade Trauber will be able to help in the work of the local junior branches and explain the workings of the Junior Section in territories where junior branches do not yet exist.

The charge of the Junior Section for one showing of the film is \$15.

## Teachers in Fight For Back Pay

By a Worker Correspondent  
SAN DIEGO, Calif.—The city school teachers here, in the past two weeks have been conducting a campaign for the restoration of their 1930-1931 salary schedules.

This movement has been initiated by the San Diego Teachers Association, which has a membership of 93 per cent of the city teachers.

About 1,000 teachers are employed in the schools, of which 22 full time teachers receive less than \$1,200 a year, and 32 part-time teachers receive less than \$645 per year. The teachers claim their pay cuts approximate 26 per cent, with their automatic yearly pay increases suspended for two years.

Although San Diego is fourth in population in the state, it ranks around the twenty-fifth in teachers' salaries, stated Kenneth Imel, spokesman for the teachers. "When the salaries were cut it was the understanding that the move would result in a saving. It hasn't worked that way. Most of the money saved in teachers' salaries has been spent in some other channel. We feel that this is not just and should be rectified," Imel said.

At the School Board meeting Jan. 21, 100 teachers with their spokesmen crowded into the chambers, requesting their pay cuts be restored starting Feb. 4. But the school board refused the request. "I believe that it would be impossible legally to do this," said Trustee Ray Reynolds. "One section of the school laws indicates that such an advance could be made, but the district attorney's representatives said it could not," said Will Crawford, Superintendent of Schools. W. J. Marsh, auditor, said, "There isn't any money and even if there should be a million dollars poured into our laps, we couldn't spend a penny more."

## Relief Gives Vet Raw Deal

By a Worker Correspondent  
RODA, Va.—Since I was to the Congress for Social and Unemployment Insurance I have been talking to all the workers that I get a chance to, both unemployed and employed.

I was talking about the relief situation to a war veteran. He told me that the Stonega cut him off because he was disabled and the relief told him that all unemployed veterans could get into the C.C.C. camps. He asked what would be done with his family.

At the C.C.C. camp he was turned down for being disabled and when he returned he found that \$12 had been charged up to him for clothing at the relief headquarters.

When he asked about relief they told him that he would have to work off the \$12 he owed before they would give him anything to eat.

I told him that the only way out for the workers, both employed and unemployed, was to organize and force Congress to pass the workers' Bill H.R. 2627 and let the New Dealers know that we refuse to starve.

## I. M. M. Hires Fifty Men for Fire Drill

By a Marine Worker Correspondent  
NEW YORK.—Something very strange happened up on the West Side several days ago. The International Mercantile Marine has recently outfitted the old S.S. Belgenland, renamed her the Columbia, and is going to put her on a regular cruise run to the West Indies.

It seems that with all the recent marine disasters, the steamboat inspectors are a bit more careful than usual. However, it seems to me as if the I.M.M. has found a way of getting around the inspection.

The other day there was a call in the Seaman's House, 20th Street and Eleventh Avenue, for fifty men to stand by for fire drill on the S.S. Columbia. They were to be paid for an hour and a half and then would be laid off.

What is puzzling me is why did they do it. Are they sailing undermanned and therefore hired these men to stand by on fire drill to get by the inspection? Are they trying to save money off the pay roll, for stock dividends or do they think that insurance money is as good as any other?

## Farmer-Laborites Are Silent On Appointment of Bankers

By a Worker Correspondent  
ST. PAUL, Minn.—The St. Paul unemployed have received relief cut over and above the cut made by the F. E. R. A.

First the differential for work was cut from 30 per cent to 20 per cents. Then the hours of work were cut from 30 to 15 hours.

Bankers and Chamber of Commerce men were appointed to the Welfare Board by Mark Gehan, bankers' representative who is Mayor of St. Paul. The two "labor" (Farmer-Labor) men on the City Council made no protest when these men were appointed.

A delegation of unemployed went to the City Council and confronted these labor men, Peterson and Wenzel, with this fact. Wenzel, in defense of the "labor men" spoke up and said they had no authority in the case. The delegation leader replied, "We heard no report of your opposition to the appointments. You kept quiet on the question, and when you do that you are endorsing the appointments."

This shut up Mr. Wenzel, and he immediately made a motion to endorse our first demand. After the motion was carried, he called upon the other councilmen to make motions for the endorsement of the other demands, one by one.

On Monday, Jan. 21, the same delegation went to the S. E. R. A. offices. Samples of the rotten, stinking government beef were placed before the Administrator, Mr. Zimmerman.

Mr. Zimmerman was forced to promise to send our demands on to Washington. He was forced to endorse the demands which he called "reasonable and sensible." He also

stated that the local relief cut was due to the fact that Ramsey County was not appropriating sufficient funds.

As the orderly delegation was leaving the S. E. R. A. offices, they noticed that in the basement of the building were more cops than there were people on the delegation and the supporting crowd. These cops were armed with machine guns, clubs and tear gas.

While Gehan and the bankers' representatives, Delaney and Shiner, were busy cutting relief, at the same time Gehan's right hand man, Warren of the City Council, was preparing and organizing the police force, purchasing machine guns and gas bombs to subdue the unemployed should they protest against the cut.

On Tuesday, Jan. 22 the same delegation, supported by about 150 workers went to the Board of Public Welfare.

Mr. Pompusch (Farmer-Labor) Chairman of the Board, tried to soft soap the delegation. The delegation was firm in its demands and refused to be sidetracked from the issues.

The Board promised to ask the Board of County Commissioners and the City Council to make a larger appropriation for relief. It promised to make an investigation of the Missions, flop houses and cheap restaurants feeding single men and to correct the existing evils. What will be done remains to be seen. The workers do not merely rely upon their word and are preparing for a huge demonstration on Feb. 7th.

In St. Paul about sixty per cent of those on relief are on work relief, 10,853 people are on work relief.

# YOUR HEALTH

— By —  
Medical Advisory Board

## Painful Menstruation Again

C. C. N. Cahone, Colo.—Painful menstruation requires investigation by a competent gynecologist. Sometimes a definite cause for this dread, recurring annoyance may be found, and adequate treatment instituted to offer relief.

In most women who suffer from pain during menstruation, there are no physical abnormalities which can account for such pain.

Unfortunately, as young girls approach puberty (the age when they begin to menstruate) they are not correctly informed about this normal function, and long before the actual appearance of menstruation, they begin to develop fears about the pain which they have been told is to be expected, so much so, that if they do have some discomfort from the contractions of the womb, they magnify this discomfort into a feeling of severe pain.

Often, girls hear very gruesome stories about the horrors of menstruation. The very thought of it is unpleasant; and being unpleasant the idea becomes a painful one. And so, associating the idea of pain with the fact of menstruation, both become combined into the condition of "painful menstruation."

Dilation (stretching) of the womb which in former years was a very common practice for the alleviation of this condition, has been discarded by the better women specialists. This procedure rarely, if ever, offers any relief.

Diathermy treatment is of value in a certain percentage of cases. Many women get relief from aspirin or any mild sedative, such as bromides. Daily hot douches and sitz baths a week or ten days before the expected period are advantageous.

Tuberculosis and Smoking  
Comrade C. W., of Cleveland, Ohio, asks: "Is it possible to have active T. B. and run no temperature. Would six cigarettes a day be harmful?"

Our Reply  
It is possible to have active pulmonary tuberculosis without running a temperature. If the temperature is taken every four hours, a slight rise may be detected some time during the day. The temperature is occasionally below normal in some cases of active T. B. As a rule, fever is present in the very active cases. In less active cases there may be no fever at all. Other tests must then be used to determine the presence of activity. Special blood tests and frequent X-rays of the chest (every two months) when used together, provide the best means of determining whether or not a case is active.

Such a careful and necessary checking up of suspected activity in a case of T. B. can rarely be obtained by a worker. If he lives in a large city, he will learn that the health budget has been sharply cut, so that X-rays can only be had once or twice a year while he is under observation. This, however, is a luxury compared to the service workers can obtain in the South, where many counties completely lack a health service of any kind; where, because of lack of hospital and clinic facilities, the diagnosis of T. B. is made too late to help the worker; where textile workers, living on \$6-\$12 a week when at work, have had to pay \$25 for an X-ray for the chest, taken in a city 25 to 50 miles from the mill town. The situation is far worse for the rural worker of the South. The death rate for tuberculosis among all industrial workers has risen in the last few years.

Cigarette smoking, to the extent of about six cigarettes a day, does no harm to the patient with tuberculosis, if he has no inflammation of the larynx, and if smoking does not cause attacks of coughing.

Blood in the Urine  
J. M., Boston, Mass.—It is difficult to make an exact diagnosis of your condition from the description given.

Blood in the urine in a man of fifty-four years, can come from several causes. You do not state whether or not there is difficulty in passing urine. If this is present, your condition is probably due to either an enlarged prostate gland or to stones in the bladder.

Tumors of the kidney or a tubercular kidney can likewise give the symptoms you describe. In either case, irrigations of the bladder will do no good.

We would advise you to consult either a reliable physician or a competent clinic where you can be thoroughly examined. This should include X-ray examination of the kidney and a cystoscopic examination.

It cannot be too strongly repeated that whenever blood is noticed in the urine (or in the stools) which persists for any period of time, however short, it is essential that a thorough examination of the parts involved be carried out. This is even more necessary in persons past the age of forty. Many serious conditions can be cured at the onset by prompt attention while delay may be disastrous.

## Refuses Overtime Work; Is Fired From F.E.R.A.

By a Worker Correspondent  
MILWAUKEE, Wis.—On Jan. 19 I was working in the Lake Park Stadium F. E. R. A. project to which I recently had been transferred.

The boss sent several men, of whom I was one, to work on the ice with a pick, digging ice and throwing it over the embankment. The embankment was very high and the ice and water would fall back. The boss of our gang was a very cruel and mean man.

I told the boss that it was impossible to work as the ice would only slide back. He told me that if I didn't want to do it, I would have to quit.

He ran ahead and immediately wrote something on a piece of paper which he gave me to give to the office. When the official opened the note, he asked me whether I had hit the boss with the shovel. I said no, because I had not. He then asked me if I had tried to hit him. I denied this, too, because it was not true. The boss had framed me. I was helpless.

He did this because he was angry on Saturday when I had refused to work two extra hours. Due to the cold weather we were running short some hours. It was impossible for me to work these two hours as I was actually frozen standing in the ice and water. I went home after my six hours were finished. On Monday, when I went back the above incident occurred, and I was fired.

In cities where carrier routes are established, a weekly payment of 18 cents will deliver the Daily Worker to your home. Write to 50 E. 13th Street.

## Smaller Families Get Relief Cut

By a Worker Correspondent  
NEW ORLEANS, La.—I am a relief worker with three in my family. I have gotten a card for commodity distribution.

On Jan. 22 I went to the station where the commodities are distributed and the funny thing told me that those with four or more in the family would get canned beef and ten pounds of sugar. Those with three or less could not get any sugar, all they were to get was beef. They told us that these were the orders of the Government.

I remember very well, in the last war, that I and others were told that we must all fight for democracy. Why then can't we all have sugar and beef?

Maybe in the next war, the family of three will not be called upon to bear arms.

## Scottsboro-Herndon Fund

International Labor Defense  
Room 610, 80 East 11th Street,  
New York City

I enclose \$..... as my immediate contribution to the Scottsboro-Herndon Defense Fund.

## SUBSCRIPTION BLANK

For the Medical Advisory Board Magazine  
I wish to subscribe to the Medical Advisory Board Magazine. Enclosed find one dollar for a year's subscription.

Name.....  
Address.....  
City..... State.....

# Change the World!

By MICHAEL GOLD

IF THE Writers' Congress to be held in May does nothing else but demonstrate both to the American workers and intellectuals that writing, and the communication of ideas, is an immense factor in the political struggle of our time, the congress will have been worth while.

Every clever capitalist now is aware of the importance of Hollywood in befuddling the minds of the American people, and leading them by easy stages into fascism and another world war. Washington and Wall Street have taken over this vast engine for their own propaganda; and more and more one sees pictures glorifying militarism and the profit system.

But many of our most advanced workers still have a passive attitude toward our own writing. For years, in our movement, as I can myself testify, the writer was regarded as a sort of Bohemian hanger-on, a kind of loafer whom every organizer pitched to put to work at something more useful.

This attitude, it is true, has changed, but not enough of our people have reached the positive attitude of a Tony Minerich, who now edits the "Coal Digger" in Pittsburgh.

This splendid miner and union organizer, when in New York recently, organized a group of writers, and fired them with the idea of coming down into the coalfields, and writing a series of pamphlets for the coal diggers. Tony Minerich understands the great importance of such work, and the value of skilled writers in presenting a mirror to the workers in which they can see clearly the facts of their own lives.

How many of our organizers have reached this point, where they know how, or even care to, employ those valuable allies, the writers, in the sphere of mass-agitation?

### A Model Meeting

THE best large meeting we have had in New York recently was the great Lenin Memorial meeting at Madison Square Garden. Some 22,000 persons were there, the meeting began at 8 and ended at 10:30. Everything ran by the clock, and there was time for everything, including a revolutionary pageant. Scores of letters came into the Daily Worker congratulating the Party on this model meeting.

How did the miracle take place? There had been so many badly-run, undisciplined meetings, with long winded speakers and restless audiences, meetings that began at 9 and ended long after midnight, that it had become a scandal. Instead of winning new recruits to Communism, it bored them and drove them away. Even the most loyal of party members found themselves dissatisfied. A worker who must be up at six or seven the next morning resents being kept up till one in the morning because of a chaotic, irritating, badly arranged mass meeting. He comes to feel that something must be wrong with those who organized such a meeting, that they must be out of contact, too, with the mass of workers to whom late meetings mean valuable sleep and health snatched away, for no real purpose.

Well, I can tell the inside story of the Madison Square model meeting. It was managed by two writers, two men trained in stage technique, Albert Maltz and Paul Peters, authors of that stirring revolutionary play, "Stevodore."

It was they who held the watch on the speakers and the chairman, and made the whole vast meeting click like a first-rate play. They were in a position to do so, because they had first gone to Earl Browder with their plan for the meeting. He welcomed them with open arms, and fought to give them complete authority over the meeting. The result was this tremendous success.

### Eager to be Useful

THIS is one of the ways writers can be used in the movement.

Tony Minerich's pamphlet idea is another fine method. Every organizer who needs technical help in his journalism, his strike publicity, his leaflets, or research, must learn to use the fine technical ability of the writers.

For years, it is they who have been pressing their aid on the movement, often to find themselves rejected and misunderstood. Now it is time for the initiative to come from the workers and organizers. It is up to them to think up the concrete ways in which they can use the writers. When they ask for help, they will be surprised at the response.

### Writers are Engineers

THE Writers' Congress should not only receive the attention of writers. It should be a subject of discussion in all the union locals, party units and workers' clubs.

The Congress will invite delegates from all the workers' groups. If there is merely a mechanical response to such an invitation, however, it will be of no service to anyone.

The workers ought to hold a series of discussions on revolutionary literature in the next few months, draw up their own resolutions to be presented at the congress, take an active mass role in the congress.

They should deliberate and then send their messages to the writers, telling what the workers expect and demand of their own writers.

Such discussions will serve a twofold purpose; they will broaden the cultural sphere of the workers, and will also help the writers clarify their own relations to the revolution.

Tell the writers what novels and plays you like best, and what you demand of a play, novel or poem. Suggest themes to the writers, and new ways of being of service to you. It is what they need and want to hear from you; up to now, you have been silent, and they have had to work in the dark.

At the congress of Soviet Writers held recently in Moscow, such messages came from thousands of factories, collective farms, and even villages. The Pioneer kids sent delegates who told what millions of children demanded of their authors. It was one of the most inspiring congresses ever held in the Soviet Union. As Stalin told the congress, "we need engineers who build machines, but we also need engineers who build a new human soul. You writers are the engineers who build the new soul."

The communication of ideas, or as it is called, agitation, is one of the most important sides of the working class movement. Writers are engineers who have acquired the best bourgeois technique in this work. We should learn how to use them. In a time such as the present, technique has become a matter of high political importance.

### LITTLE LEFTY



### Talking Turkey!



### by del



## Roosevelt's War Program Exposed In New Pamphlet

GUNS ARE READY, by Seymour Waldman, published by American League Against War and Fascism, 112 E. 19th Street, N. Y. C. Five cents.

Reviewed by JAMES RYAN

GUNS ARE READY, by the Daily Worker Washington correspondent, summarizes concretely and factually the War program of the Roosevelt administration in an expose of the War preparations now being made by the Federal government under the aegis of the "New Deal."

Based in the main on the government's own statistics and documents, this pamphlet succinctly points out the direct tie-up between the "New Deal" set-up and the industrial mobilization apparatus known as the Military Procurement Division of the War Department. It discloses the connections of many N.R.A. officials with the government's war machine. It describes the plans of the gov-



ernment for the next war. These plans are not only blueprints. The C.C.C. camps, in which over 850,000 men have been subjected to military supervision, are in the hands of the Army. The Army's "economic war plan," according to Secretary of War Woodring, calls for an integration of the country's entire economic system, including all departments of the Federal government, for the next war.

NO WORKER, farmer, or professional should miss this pamphlet. No unemployed worker should be without Guns Are Ready, for it shows that for the fiscal year the Roosevelt administration spent more than two billion dollars on war preparations—while thousands starve and millions live on the barest subsistence level in this country today. Recently Roosevelt submitted to Congress a request for one of the largest war preparations budgets in the history of the United States. Recent statistics on unemployment cite eighteen million as the present figure.

From an informative point of view, Waldman's pamphlet is excellent.

Workers and farmers can prevent another imperialist war, and this pamphlet will provide them with the facts and figures on the Roosevelt administration's war program.

### The Artef Theatre And Its Ideology

Feature Editor, Daily Worker, Dear Comrade:

The review by Arthur Dour of the February issue of New Theatre (Daily Worker, Feb. 1, page 7), contains the following sentence purporting to summarize my article on the Artef in the New Theatre: "The Artef now faces a difficult transition period from amateur to professional standing and from Chassidic to American proletarian ideology and methods of staging."

To charge the Artef with chassidic ideology at any time in its history is absurd on the face of it and to speak of the Artef's "difficult transition" from chassidic to proletarian ideology is sheer nonsense. How on earth your reviewer has read this out of my article is beyond my understanding.

Please correct this absurd error which may have been made inadvertently by the reviewer.

Comradely yours, NATHANIEL BUCHWALD.

EDITOR'S NOTE: Comrade Buchwald is correct in the objection he expresses in the above letter. There is nothing in his article on the Artef in the current New Theatre which could have been correctly interpreted by the reviewer to imply that the Artef is now or has at any time been under the influence of chassidic ideology. Buchwald's phrase "Second Avenue," in the sentence "The hang-over of 'Second Avenue' is well-nigh gone," is well understood in Jewish theatre circles to refer to a certain crudeness in style of acting, and cannot be stretched to include the ideology of the group.

## Screen Actors Rebel Against Despotism of Film Producers

### Score Company Union, Excessive Hours and Pay Cuts

By DAVID PLATT

ONE of the severest indictments ever hurled at the heads of the capitalist movie masters is contained in the startling report of the "five-five" producer-actor committee members of the Screen Actors Guild, to the National Recovery Administration, condemning the vicious open-shop practices of the movie producers in no uncertain terms as a "despotic feudalism over the working conditions of those who actually make the pictures."

The long and detailed report signed by five members of the Screen Actors Guild, Robert Montgomery, Claude King, Ralph Morgan, Kenneth Thomson and Richard Tucker, issued as a result of pressure of the rank and file in the Guild who believe they see a way of bettering their conditions through the N.R.A. fair practice code, explodes once and for all the producer-inspired, press-agented myth that the life of the average movie actor is one of luxurious abandon, and therefore it is the "basest ingratitude for him to protest his working conditions."

Excessive hours of work, sometimes 16 hours a day with no holidays, insufficient rest periods after grueling battles with klieg lights and supervisors whose stupidity is matched only by their insolence, no pay for overtime work, layoffs at the uncontrolled option of the producer, the practice of loaning actors from studio to studio like chattel slaves, without the consent of the actor, no remuneration and often cancellation of contracts for enforced absence through overwork, wage cuts to compensate executive extravagance, impudent dictation by the Academy of Motion Picture Arts and Sciences, a company union set up by the producers as a bulwark against possible strikes—these are some of the many grievances aired in the Screen Guild's report to the N.R.A. Board.

ACCUING the movie producers of having attempted the most heinous practices known to the industry in their effort to keep the vast majority of screen actors on a starvation-wage scale, the report goes into an enlightening comparison of the salaries of movie executives with the wages of movie actors, which reveal the fact that only one and three-fifths cents of every dollar received at the box-office goes to the actor; most of the balance going to the producers, who as an organized body are opposing the desires of the actors for improved working conditions because they believe that



WILLIAM R. HEARST whose motion picture interests recently merged with Warner Bros., and one of the slimmest of the producers being fought by the screen actors.

their proposals if carried out will increase the costs of production to such an extent that it will ruin the industry.

The glaring truth of the Screen Guild's arraignment of the movie parasites who prosper at the expense of the film workers, is evident in the following comparison of salaries for the year 1933.

For example, in the year 1933 David Low drew \$521,000; Irving Thalberg, \$135,000; Arthur Loew, \$111,000; W. Sheehan, \$250,000; Carl Laemmle, \$156,000; Emanuel Cohen, \$173,142.

While of the 1,563 actors and actresses employed during 1933, excluding extra players, 432 earned less than \$1,000 a year; 332 earned from \$1,000 to \$2,000; 158 earned from \$2,000 to \$3,000; 108 earned from \$3,000 to \$4,000; 82 earned from \$4,000 to \$5,000; 64 earned from \$5,000 to \$6,000.

In other words, 50 per cent of the actors employed in the industry earned less than \$2,000 in 1933, out of which they had to expend 10 per cent to the agent and at least 50 per cent for wardrobe and other working tools. Seventy-five per cent earned less than \$6,000, more than half of which evaporated also in expenses incidental to work, while the other quarter passed into the hands of agents and other necessary intermediaries in the industry.

But how puny seem these sums when compared to the \$8,000,000 that was split among the happy trio who guide the destinies of M-G-M.—Irving Thalberg, Louis B. Mayer

### Big Three Split Eight Million During Four Crisis Years

and Robert Rubin—during the four years of the depression from 1929 to 1932, even while thousands of movie actors and extras were living wretchedly from hand to mouth.

Furthermore, from 1928 to 1932 Adolph Zukor of Paramount-Public received a total bonanza of \$598,649 in salaries plus \$1,229,503 bonuses. Jesse L. Lasky, not far behind, received during the same period \$502,618 in salaries plus \$1,223,503 bonuses. Nicholas Schenk of Loews, Inc., from 1928 to 1933 pocketed \$15,525 in salaries and \$1,218,004 bonuses, and so on down or up the line.

THESE are the capitalist buzzards hovering over the unorganized movie workers, fattening on their hide, and it is going to take more than paper indictments and proposals to the N.R.A. Labor Board to take the bite out of their beaks. In fact, the one glaring and regrettable shortcoming of the Committee's report is in their implicit confidence that the mere adoption of their proposals by the producers will "make for a better spirit and a better product." Only the most naive and backward of observers can still harbor the illusion, after so many countless examples of treachery and deceit on the part of the producers, that they will peacefully accept proposals that will make the slightest indentation in their bloated income.

Neither the N.R.A. Labor Board which has proven itself in practice to be the arch enemy of the wage workers, nor anything but outright and militant organization of movie actors in a union led by the lowest paid workers, the rank and file, uncompromising in its attitude toward the producers, can ever hope to achieve a better standard of living for the actors.

The plight of the movie actor and the movie extra has gone far beyond the narrow confines of the Screen Actors Guild, and far beyond the acknowledged impotence of the N.R.A. Labor Board. It is now up to the rank and file of the Screen Actors Guild, hand in hand with all exploited actors and extras and their film workers to take the militant—the only way out of their crisis. What is more, the path is a little easier today because of the shining example of the Motion Picture Workers Industrial Union, which because of its militant stand, has been able to win better living conditions for technical movie workers at the expense of the producers.

(Reprinted from "Film Front")

## Life and Teachings of Lenin

By R. PALME DUTT

### CHAPTER IV The Heir of Lenin—The Communist International

NINETEEN THIRTY-FOUR witnessed the tenth anniversary of the death of Lenin.

How far have these ten years confirmed the correctness of his line and his outlook?

These ten years have seen the collapse of all the capitalist dreams of "recovery" after the War, the increasing breakdown of the Versailles settlements, the advance of imperialism to still more intense conflicts, the development for over four years now of a world economic crisis without parallel in intensity and duration, and the ever more universally recognized approach to a new world war.

These same ten years have seen the advance of the Soviet Union from the weakness and economic paralysis consequent on war and civil war to heights of economic construction without parallel in their tempo and extent in the history of capitalism; to a level of production multiplied more than fourfold in a decade and over three times pre-War, alongside actual decline at the same time in every capitalist country, and already bringing the Soviet Union to the rank of the second greatest industrial country in the world, with Britain falling to third place and Germany to fourth.

Whatever the future battles that still await the Soviet Union and the world revolution, these achievements, and still more the profound cultural work that has been achieved, can never be destroyed, and constitute already the first foundation of the future world order.

Finally, these ten years have seen the advance and intensification of the class struggle; the development of the process of revolutionization, not only in Europe and America, but also throughout Asia; the increasing breakdown of the forms of bourgeois democracy in the growing intensity of the struggle; the new collapse and surrender of the Sec-

national socialism, wrote: The revolutionary center is moving from the West to the East. In the first half of the 19th century this center was in France, some time in England. In 1848, Germany entered the ranks of revolutionary nations. The new century is being ushered in by such events as induce us to think that we are confronted by a further removal of the revolutionary center, namely to Russia. Russia, which has imbibed so much revolutionary initiative from the West, is now perhaps itself ready to serve as a source of revolutionary energy. The Russian revolutionary movement which is now bursting into flame will perhaps become the strongest means for the extermination of the senile philistinism and seditious politics which is beginning to spread in our ranks, and will again rekindle the militant spirit and the passionate devotion to our great ideals.

Russia has long ceased to be for western Europe a prop for reaction and absolutism. The case now may be said to be reversed. However, the present struggle in Russia may end, the blood of the martyrs who have originated from it, unfortunately in too great numbers, will not have been shed in vain. It will nourish the shoots of the socialist revolution throughout the civilized world and make them flourish more quickly. In 1848 the Slavs were that crackling frost which killed the flowers of spring of the awakening peoples; perhaps now they are destined to be that storm which will break through the ice of reaction and will irresistibly bring with it the new happy spring of the peoples. (Kautsky, "The Slavs and the Revolution," 1901, quoted by Lenin in "Left Wing" Communism, Ch. 1.)

We are witnessing the realization of this in very much more far-reaching forms than could have been foreseen at the time.

(To Be Continued.)

IN 1901 Kautsky, then the recognized theoretical leader of inter-

## Events in Far East Clarified In China Today

CHINA TODAY, February issue, Vol. 1, No. 5, published by Friends of the Chinese People, 168 West 23rd St., New York. Fifteen cents.

Reviewed by HARRY GANNES

CHINA is headline news these days. In the north, Japanese troops continue their slicing process. Roads against the Soviet Union are being blazed. In the southwest, the Red Army is completing its historical maneuver. Szechuan, the largest province in China, sees the rise of a new, more powerful Soviet center.

But these movements are deeper, wider and of greater world significance than can be grasped in the capitalist press. In its five issues (the latest, February, has just come off the press) China Today has done more to clarify what is happening in China and the Far East than any other publication in the United States in the same period.

The February issue is a mine of information on the great events now going on in China. "Japan and Chiang Kai Shek in Chahar and North China," by Huang Lowe is a detailed analysis of the background of the present troops movements. It lays bare Chiang Kai Shek's policy with relation to Japanese imperialism's plot for domination in China. The quotation from Japan's ambassador to the U. S., Hiroshi Satou, is a gem: "If we find it necessary for the peace in the Far East, Japan will swallow North China no matter what other powers say or do."

"How Japan Prepares for War," by E. P. Greene gives a detailed analysis of war expenditures, and what they are intended for. J. W. Phillips describes the new tactics of the Chinese Red Army in its move out of Kiangsi westwards. With this we recommend reading the letter of an eye witness in the interior of China who describes the movement of the Red Army and what happened when they occupied towns on the march to Szechuan.

AN EXCEPTIONAL feature in this issue is the brilliant literary article by Lu Hsin, one of China's foremost authors, entitled, "Monsters in the Chinese Literary World." This is the finest piece of Chinese literary criticism ever printed in the United States. It deals with Chiang Kai Shek's offensive on the literary front. Chinese revolutionary authors often finish their writing careers wallowing in their own blood, with their heads severed from their bodies. Lu deals with the three movements in Chinese literature, and Chiang Kai Shek's new censorship exceeding even the Japanese in its brutality. His style is powerful. It bristles with ancient Chinese wisdom, used to slash away at the cringing literary apologists aiding feudalism and imperialist domination by their support to the bloody regime of Chiang Kai Shek.

The whole magazine is gotten up attractively, with many valuable illustrations, photographs, cartoons from Chinese periodicals. Nor have we mentioned all the features that can be found in this issue.

### Suppression of Marx's Theories Uncovered In Engels' Feurbach

Marxist-Leninist publishing has again uncovered another suppression, typical of the wholesale falsification of Marxist writings by "cautious" social-democratic editors. The example is Frederick Engels' "Ludwig Feuerbach." This classic exposition of dialectical materialism, once published in a butchered edition, is now available through International Publishers' release of a scientific edition based on definite texts supplied by the Marx-Engels-Lenin Institute.

Feurbach was a radical publicist who represented the progressive bourgeois democratic movement of the "forties." Though both Marx and Engels acknowledge his influence in that period, Feurbach's outlook was by no means Marxist. "His socialism," Lenin wrote, "was an enlightener's atheism with a socialist tinge," whereas Marx and Engels were representatives of the revolutionary proletariat.

International's edition of Feurbach contains Marx's eleven theses on Feuerbach which Engels discovered in an old note-book of Marx's. "These are notes hurriedly scribbled down for later elaboration, absolutely not intended for publication, but they are invaluable as the first document in which is deposited the brilliant germ of the new world outlook," Engels wrote in his introduction to Feurbach.

Social-democratic respect for such a historic document is expressed in their "translation" of the theses. While Marx, in analyzing the chief defects of Feurbach, wrote that he "did not grasp the significance of 'revolutionary' of practical-critical activity," previous English editions of Feurbach omit this entire sentence.

International's edition of Feurbach is typical of the rich store of Marxist-Leninist literature which the house is preparing for release in the next few months.

## Questions and Answers

This department appears daily on the feature page. All questions should be addressed to "Questions and Answers," c/o Daily Worker, 50 East 13th Street, New York City.

### The Labor Party

Question: Why was there no discussion on the question of the labor party in the Daily Worker before Earl Browder's speech to the National Congress for Unemployment and Social Insurance?

Answer: To answer the question adequately it is necessary to review certain aspects of the problem. We must emphasize the fact that the idea of a Labor Party is not a new principle with the Communist Party. The principle of a class Labor Party was developed and worked out by the Party from about 1922 onwards. In 1928 the Communist International pointed out that to achieve such a Labor Party built up from below, the Party had "to concentrate attention on the work in the trade unions, in organizing the unorganized, etc., and in this way lay the basis for the practical realization of the slogan of a broad Labor Party organized from below."

However, there was not until now any mass basis for such a movement. To have brought forth the slogan would have meant playing around with an abstract label; it would have diverted the attention of the masses from the serious questions of this crisis. Today, as Comrade Browder pointed out, big political changes have taken place among the masses. Millions are breaking away from the old parties. They will not come directly to the Communist Party, but by utilizing such an intermediary as a class struggle Labor Party, the masses can be directed through their own economic and political experiences, into the ranks of the revolutionary movement.

The details of the correctness of bringing out the slogan of a mass Labor Party have been discussed by Comrade Browder and Stachel in the Daily Worker. And the main point about the entire matter is that the fundamental political line is correct.

The next point concerns the announcement by Comrade Browder at the National Congress for Unemployment and Social Insurance. This was a golden opportunity to spread our ideas before a broad united front audience who would carry back to their unions and organizations the concept of a class Labor Party. It demonstrated to the masses that the Communists, who initiated the struggle for unemployment insurance, were the political initiators of other necessary steps. It is of decisive importance that the Communists show no lack of initiative, if they are to lead the masses in big actions. The Congress was a fine springboard from which to launch united political actions. To have delayed the announcement for a later date would have meant that the initiative would have come from another direction, and we would have lost the opportunity of utilizing the Congress as a sounding board to make known to the masses our position on this important question.

We must have these things in mind when we come to the question as to whether it was necessary to have had discussions before Comrade Browder, under instructions from the Political Bureau of the Party, made the announcement. In the first place the leadership of the Party is not isolated from the membership or from the revolutionary masses. Its authority flows not from a formal ukase, but rests upon the active trust and collaboration of the broadest circles of workers. The correctness of the policies of the Party is brought home to the rank and file leadership in the light of the common experience of both. Conviction comes about from this mutual trust and activity. The authority of the Political Bureau rests upon this confidence of the masses. Convincing the membership is the criterion upon which its steps and decisions are taken.

The Political Bureau was able to take this important step, because it enjoys the confidence of the Party membership and non-Party masses. Through collaboration and the understanding of its previous tasks, there is a mass confidence that enables the Political Bureau to act as it did. Consequently it was able to act when this urgent question came up, with the knowledge that no new principle was involved, and that the questions concerning practical tactics would be settled by thorough discussion leading to complete understanding.

Real understanding will come from full discussion by everyone in the Party and among the masses outside. Besides the articles that have already appeared in the Daily Worker, the Central Committee has ordered a two months discussion in the units, in the Party press and in mass organizations. Everyone who has reservations should ask questions. Everything that troubles comrades should be asked in order that every point be clearly understood. There will be full freedom of discussion, and the success of the Party in applying its tactics will depend upon the earnestness and fruitfulness of the discussions that are to take place. Readers are urged to ask the department all questions that concern them so that all misunderstandings can be cleared up. Of course, this will be incidental to the basic discussion that will take place in the units and Party press.

## TUNING IN

- 7:00-WEAF—Child Labor Amendment—Sen. Arthur Capper, of Kansas
- WOB—Sports Talk—Stan Lomax
- WJZ—Amos 'n' Andy
- WABC—Myrt and Marge—Sketch
- 7:15-WEAF—Stories of the Black Chamber
- WOR—Lum and Abner—Sketch
- WJZ—Plantation Echoes
- WABC—Just Plain Bill
- 7:30-WEAF—Easy Aces—Sketch
- WOR—Mystery Sketch
- WJZ—Red Skelton—Sketch
- WABC—The O'Neills—Sketch
- 7:45-WEAF—Uncle Ezra—Sketch
- WOR—Studio Music
- WJZ—Dangerous Paradise
- WABC—Boake Carter, Commentator
- 8:00-WEAF—Himber Orch.
- WOR—Lone Ranger—Sketch
- WJZ—Jan Garber Supper Club
- WABC—Diane—Musical Comedy
- 8:15-WABC—Edwin C. Hill, Commentator
- 8:30-WEAF—Gladys Swarthout, Soprano
- WOR—Sil Gary, Baritone
- WJZ—Carole Carruth
- WABC—Kate Smith's Revue
- 8:45-WOR—Boys Club Program
- 8:00-WEAF—Gypsies Orch.
- WOR—The Wilton's Tale
- WJZ—Mintz Show
- WABC—Luerasia Bori Soprano; Kostelanez Orchestra; Mixed Chorus
- 8:30-WEAF—The Skybirds—Sketch, with Otto Harbach, Librettist; Music WOR—Society of the Gentle Diner Hotel Com-

- modore; Speakers, Louis Wiley, Business Manager, The N. Y. Times; Thomas J. Watson, President, International Business Machines Corporation; Dr. Clarence A. Barbour, President, Brown University; James R. Sheffield, Former Ambassador to Mexico; Jeremiah G. Hickey, President, Hickey-Freeman Company; Charles Stanton, Mayor of Rochester; Martin Conboy, U. S. District Attorney; James W. Gerard, Former Ambassador to Germany
- WJZ—Trans-Atlantic
- WABC—Gluskin Orch.; Block and Sully, Comedy; Gertrude Nielsen
- 10:00-WEAF—Eastman Orch.; Lullaby Lady; Male Quartet
- WJZ—Jackie Heller, Tenor
- WABC—Wayne King Orch.
- 10:15-WEAF—Current Events—H. E. Read
- WJZ—America in Music; John Tarker Howard
- 10:30-WEAF—The Four-Billion-Dollar War Relief Bill—Dorothy James F. Byrnes of South Carolina
- WOR—Variety Musicals
- WABC—Where Doctors Are Lacking and Why—Dr. E. Van Emerson
- 10:45-WJZ—Egon Petri, Organ
- 11:00-WEAF—The Grummitts—Sketch
- WOR—News
- WJZ—Dance Music to 1:00 A. M.
- WABC—Dance Music to 1:00 A. M.
- 11:15-WEAF—Jesse Crawford, WOR—Society of the Gentle Diner Hotel Com-
- WOR—Moonbeams Trio

# 'Red-Baiting' and Social Insurance in Fraternal Lodges

HEARST PROPAGANDA SPREAD BY ELKS OFFICIALS—SLANDER U.S.S.R. AS SOVIET UNION DOUBLES FUND FOR SOCIAL INSURANCE

TWO items appear in today's newspapers, which, taken together, have a vital meaning for all workers in this country.

One is the report that the leading officials of the Elks, with 1,400 lodges all over the country, are organizing a campaign to make the Communist Party illegal.

The other is the report from the Central Council of Trade Unions of the U.S.S.R. which reports that it has approved the social insurance budget for 1935 amounting to more than six billion rubles, more than one billion higher than 1934, and three billion higher than 1932.

Also, that in 1934 1,160,000 Russian workers were

sent by the Soviet government to rest homes with all expenses paid, and that every Soviet worker has received from two to four weeks vacation during the year with full pay.

There are thousands of workers in the Elks lodges who face the problems of winning some protection against the terrible insecurities of life under this capitalist system. It is to them that we speak as man to man, as members of the same class, the working class.

In the Soviet Union, where the Communist Party has led the working class to a victorious revolution over the big employers, bankers and landlords, there exists the greatest social insurance fund ever set aside by any government in history.

Why then, do the Elks officials, who are supposed to be interested in the welfare of their members in the lodges, now launch this fight against the Communists, a drive that is exactly similar to the yellow poison of a William Randolph Hearst or a U. S. Chamber of Commerce?

Does not this anti-Communist propaganda support the very same reactionary forces who are fighting against social and unemployment insurance for all workers, including Elks members?

Every worker in the Elks lodges should see that this propaganda is against his and his family's material interest.

Does it not violate the very principle for which

the Elks were supposed to be founded, the mutual protection of the members against the miseries of unemployment, sickness and untimely death.

Communists are the leaders of the struggle to win for the people the payment of social and unemployment insurance benefits right now, to be paid for by Wall Street and the government.

Instead of falling for this Wall Street propaganda, workers in the Elks lodges should demand that their lodges join the united front for winning social and unemployment insurance, for the passage of the Workers' Bill, H. R. 2827.

This would be for the welfare of themselves and their families, and the best answer to reactionary "Red-baiting."

## Daily Worker

CENTRAL ORGAN COMMUNIST PARTY U.S.A. (SECTION OF COMMUNIST INTERNATIONAL)  
"America's Only Working Class Daily Newspaper"  
FOUNDED 1924

PUBLISHED DAILY, EXCEPT SUNDAY, BY THE  
COMPRODAILY PUBLISHING CO., INC., 50 E. 13th  
Street, New York, N. Y.

Telephone: ALgonquin 4-7854.  
Cable Address: "Daily Worker," New York, N. Y.  
Washington Bureau: Room 954, National Press Building,  
14th and P St., Washington, D. C. Telephone: National 7910  
Midwest Bureau: 101 South Wells St., Room 705, Chicago, Ill.  
Telephone: Dearborn 3291.

Subscription Rates:  
By Mail: (except Manhattan and Bronx), 1 year, \$6.00;  
6 months, \$3.50; 3 months, \$2.00; 1 month, 0.75 cents.  
Manhattan, Bronx, Foreign and Canada: 1 year, \$9.00;  
6 months, \$5.00; 3 months, \$3.00.  
By Carrier: Weekly, 18 cents; monthly, 75 cents.  
Saturday Edition: By mail, 1 year, \$1.50; 6 months, 75 cents.

MONDAY, FEBRUARY 4, 1935

## Richberg and Green

THE extension of President Roosevelt of the anti-labor auto code is not an isolated attack against the workers. It is a part of the whole anti-labor policy of the Roosevelt government, which has been developed from the beginning of the N.R.A. and now comes more into the open.

In every industry and in every act, Roosevelt and the N.R.A. Boards he set up have carried on this attack against the workers in the interests of the employers. Roosevelt created and signed all the codes, which have brought the workers in all industries to the point of starvation.

Now William Green, John L. Lewis and the Executive Council of the A. F. of L. attack the Roosevelt decisions. Lewis says truthfully, that Richberg is "a traitor to organized labor." William Green denounces S. Clay Williams, member of the N. R. A. government board and Leo Wolman, head of the Auto Labor Board. Green tells the workers they must refuse to accept the auto code. The A. F. of L. national officials now talk strike as the only way out.

ROOSEVELT relies less and less upon the Green officialdom of the A. F. of L. to prevent and smash strikes. He knows that the mass pressure of the workers for strike has overwhelmed Green and Co. To retain leadership, Green and Co. must favor some action.

The masses are disillusioned with the N.R.A. and are fast losing all faith in Roosevelt. They are preparing for strike in the major industries. Green, therefore, shifts to the "left" to retain his followers.

In this situation, where the workers are preparing for strike in the immediate future in the auto, textile, steel, transportation and other industries, it is not enough to TALK strike.

It is by deeds that every official of the A. F. of L. must be judged.

Strike action must be prepared now. This means that the A. F. of L. unions must be at once built into mass unions in these industries. It means that every resource and energy of the A. F. of L. must be thrown into organizing the unorganized workers in these industries.

William Green, saying now in words what the Communist Party pointed out from the beginning—that the N.R.A. is aiding big business—that the workers must act, is not carrying out these words in practice.

EVEN in his words, Green still tries to protect Roosevelt, by attacking only Richberg, Williams, etc., who are carrying out Roosevelt's policies.

In the steel industry, Mike Tighe, one of Green's chief lieutenants, is attacking the Rank and File who are actually carrying out in practice what Green says, in words, is necessary. Ryan is trying to prevent a strike of waterfront workers in New York.

Green, Tighe, Ryan and Co. expel militants, but do not send out organizers to put into effect the strike preparations, which Green now says are necessary.

In practice such leaders hold the workers back.

As the Communist Party has from the beginning pointed out, a broad united struggle is necessary in answer to Roosevelt's sharpened attacks, as now signalized in the auto industry.

Strike action under militant leadership must be prepared. The A. F. of L. unions must be strengthened and built by an immediate organization drive.

The workers must translate Green's militant words into effective mass strike actions.

## The 30-Hour Week

THE 30-hour week, in the form of the Black-Connelly Bill, is up again before Congress.

The Communist Party, of course, is a leader in the fight for reduction of working hours, provided weekly pay is not cut.

Therefore, as an advocate of a 30-hour week that will not hurt the interests of the working class, the Communist Party must point out that the present bill contains serious flaws that will inevitably permit the employers to escape the effects of the measure.

The bill gives Roosevelt dictatorial powers to prohibit the importation of any goods wherever such importation hurts the profits of American manufacturers. And Roosevelt's word will be final.

In other words, the present bill protects the profits of the American employers and permits them to pass on to the masses whatever increased costs arise from the 30-hour week! This will wipe out the benefits, supposedly gained through the prevention of direct wage-cuts.

And then, as if this did not protect the capitalists enough, the bill permits Roosevelt to restore longer hours at any time he wishes.

Obviously, workers fighting for a real 30-hour week, foolproof against capitalist tricks, must also fight against such profit-protecting sections as are contained in the Black-Connelly Bill.

## Deportations

THE wave of deportations is rising. Five workers, seized for their brave militancy in fighting for better conditions for all workers, now await deportation.

John Ujich, Ray Carlson, Oscar Mannisto, Paul Kettunen, Christ Popoff are being held, with Ujich's case coming up today before the Court of Appeals.

These workers are being sent back to fascist and semi-fascist countries where who knows what fate awaits them.

Delegates, carrying protests from 225 workers' organizations, will visit Perkins and Congressman Dickstein today demanding these workers' release.

Every class conscious worker has the immediate duty of standing behind this delegation.

Wire at once to Perkins, Secretary of Labor; to Dickstein, Chairman of the House Committee on Immigration, and D. W. McCormack, Commissioner General of Immigration.

## Taxing Food

NEW JERSEY has just imposed a two per cent sales tax upon all foods. This will lower the living standards of the workers, and at the same time force still more of the burdens of the crisis upon their backs.

The sales tax is becoming nation-wide. New York City and Ohio are now joined by Colorado and New Jersey. The sales tax drive is supported by the National Association of Manufacturers which is for a national sales tax which would shoulder the tax burden upon the workers.

The ruling class character of the sales tax is well illustrated by the New Jersey law. It exempts hotel and other services which workers do not use.

While ostensibly for unemployment relief, the real purpose of the act is to "enable municipalities to reduce levies on real estate by one-third."

## A Partial Victory

THE strike of the S. Klein clothing store workers, who have been out since November 17, has been settled with gains for the workers. The over 60 workers fired for membership in the Office Workers Union are to be on the preferential list for re-hiring; the strikers receive five weeks wages for the time lost, and Gertrude Lane, secretary of the union, has a certified check for this; a deposit is placed in a bank, and will be forfeited if Joseph Brodsky, noted labor attorney, decides that Klein at any time breaks the agreement.

The success of the Klein workers was won, despite many obstacles. Picketing continued regularly, despite injunctions and arrests, although often in bitter cold. The persistence of these young workers in their first strike experience serves as a fine example to many of our old established unions.

## Party Life

Party Sympathizer  
Criticizes the Work  
Of District Six

I AM not a member of the Communist Party, but as some workers say, I am an active, class conscious and militant fighter for the workers' cause.

My present activity is primarily in the American Federation of Labor. I am a member in my local union for about twenty-four years and well-known in the Cleveland labor movement, especially as a left-winger. And as such, I am taking the right to criticize those within the Communist Party or those who are left-wingers.

In Cleveland there are about 275,000 persons on the relief rolls. They are all workers; a great number of them are members of the American Federation of Labor in the different trades. The most vital question of today is the struggle for unemployment insurance. We, as class conscious workers, know we must fight for the Workers Bill H. R. 2827, or as it is known, "The Workers' Unemployment and Social Insurance Bill."

What has been done in Cleveland to get the endorsement of the locals of the American Federation of Labor for this bill? In the building trades, very little. Why? As I see it, the reason is that the Party members and the so-called leading members of the I. W. O. are willfully or not willfully sabotaging this work. In order to make a statement or an accusation like this in the open, you must have concrete facts. Here they are:

1.—In a certain local (the name of the locals and the names of the persons you will get at the end of this letter, for obvious reasons they cannot be published) where the delegate of the Washington Unemployment Conference in 1934 made a motion to endorse the Workers Bill, Party members and also members of the International Workers Order were present at this meeting and none of them seconded that motion. I did send a letter to the Communist Party District 6 in Cleveland, and they ignored it, as far as I know.

2.—At the same local, only recently called for the Unemployment Insurance Congress in Washington Jan. 5, 6, 7 has been received and while there were Party members (more than one) none made a motion to read this Call or to send delegates to this Congress.

3.—At another local where there are about 30 to 40 Party and I. W. O. members, a resolution to lower the dues was lost by six votes for and eleven against it. Those members of the left did not attend this meeting. In this local are about 1,100 members.

4.—In this same local, last year, the Wagner-Lewis Unemployment Insurance Bill had been endorsed by only a small majority. Our members did not come to the meeting.

5.—About two weeks ago, at the same local, a motion to send delegates to the Washington Congress on Unemployment Insurance was lost, twenty-one votes against and nineteen for it. Again "our" members did not attend the meeting.

6.—A few members of the movement were arrested and fined. The rule of the decision of the I. W. O. is not to pay any fine, but go to jail. All went to jail for three or five days, but the fine was paid for the Party member.

7.—The delegates to the Anti-War and Anti-Fascist Congress which was held in Chicago, of all the mass organizations, such as the International Workers Order, Freiheit, Ge-sangs Ferein, Working Women's Council, etc., the delegates were Party members.

I think these will be enough facts at present or for a while. There are some more. Now, what do I want or why do I write this letter to you? Because I see that all these mistakes are breaking the movement. And by writing this letter, will you in New York in the Party headquarters try to correct and call to responsibility all these comrades.

M.  
Cleveland, Ohio.  
Editor's note:  
A copy of the letter was sent to District 6, Cleveland.

## Join the Communist Party

35 East 12th Street, New York

Please send me more information on the Communist Party.

NAME .....

ADDRESS .....

## MORGAN PULLS THE STRINGS

by Gropper



## Letters From Our Readers

Coughlin Silent on  
Scottsboro Case  
Toledo, Ohio.

Comrade Editor:  
Many workers believe Father Coughlin is a leader of the poor—a leader for the workers to follow. He pretends to fight "Wall Street" and some workers think he is sincere.

Coughlin talks against Communism and defends the church. Barbarous acts have been committed by the government of this country against labor, yet Father Coughlin doesn't protest against any of them.

Coughlin slanders the Soviet Union, where the workers and poor farmers are the government and have been since 1919. There are two systems of society today: the Soviet Union, where the workers and farmers are in power, and capitalist countries (including the U. S., of course), where the workers are wage-slaves for capitalist parasites.

Coughlin favors and even boldly defends the swindling system of capitalism, with its private property or possession by wealthy groups of capitalists of the means of production (factories, land, etc.) and wage slavery for the workers.

Instead of attacking the Communist Party and militant workers, Coughlin, if he really were for the workers, would be fighting to smash the system that brings crisis, unemployment, poverty and destitution to the masses. If Father Coughlin were for the workers, let him speak for the freedom of the nine Negro Scottsboro boys, whose case is being appealed to the U. S. Supreme Court by the International Labor Defense, on his Sunday afternoon program. These boys, who have been held in prison since 1931 for a crime they never committed, would have been electrocuted long ago, if the workers had not come to their defense.

So far, Father Coughlin has not only failed to state his position on the Scottsboro case, but has joined hands with the capitalists, by calling for the shooting of Communists who have been leading the fight to free these innocent boys from either "legal" or "mob" lynching.

How about it, Father?  
C. O.

Because of the volume of letters received by the Department, we can print only those that are of general interest to Daily Worker readers. However, all letters received are carefully read by the editors. Suggestions and criticisms are welcome and whenever possible are used for the improvement of the Daily Worker.

SAYS Coughlin Articles  
Fail to Convince  
New York, N. Y.

Comrade Editor:  
About two months ago many letters were published in the "Daily" asking for a pamphlet against Father Coughlin. This was promised. Why does it take so long to get it out? If we delay much longer it may have to be published underground!

By the way, the series of articles on Father Coughlin, of about a month ago had very little popular appeal, being too theoretical and technical in language. The coming pamphlet must be lots better.

I am also waiting for the promised pamphlet on the Stalin-Wells interview.

I think the new policy of editorial make-up is O. K., but too extreme. There are too many editorials, each states a few facts or opinions, puts forth a few slogans, and that's all. The editorials do not attempt to argue and prove their point, and so are not convincing.

I did not read all the articles on the Hauptmann case, but those that I did were pretty bad, and I believe gave the "Daily" a black eye. They were full of rumors, innuendoes, "inside dope" which never came true, petty gossip, and in general, a great deal of irrelevant material, which could only antagonize new readers.

J. B.  
Enjoyed Editorials  
Of Lenin Issue  
New York Mills, Minn.

Comrade Editor:  
The back page editorials of the Lenin issue were swell. They were very clearly written.

We are buried in snow drifts out here, with extreme cold, but it will give some of us more time to study Lenin.

J. F.

Early American Leaders  
On Revolution  
Brooklyn, N. Y.

Comrade Editor:  
Your excellent item on "For Your Information, Mr. Hearst," prompts me to forward this interesting extract from a speech delivered by Abraham Lincoln in Bloomington, Illinois, on May 29, 1856.

"If the safeguards of Liberty are broken down, as is now attempted, when they have made 'THINGS' of all free Negroes, how long think you before they will begin to make 'THINGS' of poor white men?"

All emphasis and quotes are made in speech from which this is an extract.  
C. F.

Inasmuch as the workers' newspaper has innovated a "Required Reading for Mr. Hearst" column, I would like to contribute the following:

"We are free today substantially, but the day will come when our Republic will be an impossibility because the wealth will be concentrated in the hands of a few. A republic can not stand upon bayonets, and when that day comes, when the wealth of the nation will be in the hands of the few, then we must rely upon the wisdom of the best elements in the country to readjust the laws of the nation to the changed conditions."—James Madison.

In my opinion, James Madison most certainly wouldn't judge the minority of the country as the "wisdom of the best elements in the country" if they are, they never would have entangled themselves in such a crisis as they have done.  
A. L. F.

NOTE: Madison is correct in his prophecy that the day would come when the wealth of the nation would be concentrated in the hands of a few. But it is because the financial oligarchy protects its wealth with bayonets and all the powers of the capitalist state, that we must go beyond the mere "readjustment of the laws of the nation." We must destroy the capitalist state as the first necessary step towards building the Socialist society where no one will be exploited in the interests of a parasitic minority.—Editor.

## World Front

By HARRY GANNES

London's Hell Kitchen  
They Smell War in the Air  
Two Rotten Spots

WORLD schemes cooked up in the diplomatic kitchen at Downing Street, London's foreign office, mean no good to the toiling and colonial masses of the world. British imperialism never liked the Franco-Soviet peace pact. This pact emphasized the growing rift of the capitalist powers, which the Soviet Union utilized for its peace policy.

Spring is coming on and with it war talk in the Far East. U. S. Secretary of State Hull did his bit by rejecting the Soviet's offer for debt negotiations.

British imperialism, chief organizer of the anti-Soviet front, was concerned about the Franco-German conflicts. Hitler had armed Germany to the teeth. The French rulers feared German fascism's huge armies, the poison gas stores, the feverish armament manufacture, the rapid increase of the air forces. Hence the support to the Soviet peace policy and the Eastern Locarno pact.

PREMIER Pierre-Etienne Flandin and Pierre Laval, Foreign Minister of France, are now in London, talking matters over with Ramsey MacDonald, Stanley Baldwin and Captain Anthony Eden.

It is reported a four-point agreement has been reached. This will be put up to Hitler.

The agreement is a definite effort to bring a strain on Franco-Soviet relations. Germany is now offered complete release from the Versailles armament restrictions. This is then covered up by the usual tripe about "a general convention for the limitation of armaments." France is offered removal of German fortifications on the Rhine, along the French border. A few pious words are uttered in support of the Eastern Locarno pact, for security and non-aggression and maintenance of present boundaries, to cover up the main purpose of the proposed "agreement." Lastly, Germany is invited to return to the League of Nations.

BRITISH imperialism has its experienced eye on the Far East, where the war danger is now the greatest. They want to pave the way for support to Hitler in his pledged assistance to Japan in the event of war against the Soviet Union. Hence the bait thrown to France and Germany.

TWO very bad rotten spots have developed on the world apple of "recovery" that has been dished up during the past year. One is the crash of the huge grain concern, Strauss & Co., London. The other is the series of crashes of Chinese banks. The London smash-up of one of the "big five" grain concerns is reported as the worst business failure in London since the Henry collapse in 1929. That was followed at the time by a deeper plunge of the economic crisis. The present losses are well over \$5,000,000. Way off in India one of the officials of Strauss & Co. committed suicide.

The situation in China is much worse. Roosevelt's silver policy, while raising prices for the silver speculators, brought havoc to the Chinese masses. The high price of silver in London since the Henry collapse in 1929. That was followed at the time by a deeper plunge of the economic crisis. The present losses are well over \$5,000,000. Way off in India one of the officials of Strauss & Co. committed suicide.

The situation in China is much worse. Roosevelt's silver policy, while raising prices for the silver speculators, brought havoc to the Chinese masses. The high price of silver in London since the Henry collapse in 1929. That was followed at the time by a deeper plunge of the economic crisis. The present losses are well over \$5,000,000. Way off in India one of the officials of Strauss & Co. committed suicide.

IT is New Years in China now, traditional debt settlement date. The heavy call for funds has forced banks to close. They do not have the silver to pay.

An example of the stringency of the silver situation can be gleaned from figures on silver holdings in Shanghai. Handy & Hardman, silver brokers, report that the holdings in Shanghai were 281,548,000 ounces at the first of the year. A little more than six months ago they were 449,840,000. In other words, in this short period 40 per cent of the silver has been shipped out! And that despite the stringent laws against it.

The full effect of this situation will not be felt until the planting season. Then the starvation, usury burdens and misery of the peasants and workers will fully ripen.

A subscription a day from every reader will help the Daily Worker reach 10,000 daily and 15,000 Saturday subs.

## Required Reading for Mr. Hearst

"This country, with its institutions, belong to the people who inhabit it. Whenever they shall grow weary of the existing government, they can exercise their constitutional right of amending it, or their revolutionary right to dismember or overthrow it."

—ABRAHAM LINCOLN.

# Big Gains of Socialist Country Told At Soviet Congress

## Molotov Reports Swift Advance of Industry And Farms in U.S.S.R.

Soviet Industries Smash World's Records in Pig Iron, Machine Building, Agriculture, Commissar Chairman Relates

(Exclusive Cable to the Daily Worker)  
MOSCOW, Feb. 3 (By Wireless).—Before the elected representatives of 90,000,000 voters and the enthusiastically acclaimed presidium of the 7th All-Union Soviet Congress, whose session today marks a week since its opening, Vacheslav M. Molotov, Chairman of the Council of People's Commissars, delivered his epochal report of the Soviet government.

This report broadly embraces the four tremendously important years since the Sixth Congress in 1931. It also paints in solid strokes the course of the coming years of socialist construction and carries throughout the undivided solidarity of the emancipated workers and farmers of the Soviet Union, holding forth their first model of Soviet power, with the exploited toilers of the capitalist world.

Elected to the presidium amid remarkable demonstrations from the entire audience were Joseph Stalin, V. K. Bluecher, commander of the Far Eastern forces of the Red Army, K. E. Voroshilov, Maxim Gorky, A. A. Zhdanov, who replaces Sergei Kirov in Leningrad, M. M. Kagonovitch, M. Kalinin, Krupskaya, Lenin's widow, V. M. Molotov, G. K. Ordjonikidze, G. I. Petrovsky and P. P. Postyshev, both from the Ukraine, D. E. Sulimov, Chairman of the People's Commissars of the R. S. F. S. R., and M. M. Schervink, head of the trade unions in the Soviet Union.

"Years ago," Molotov began, "the Sixth Congress of the Soviets declared that the question of the victory of socialism in our country was undoubted, and the complete victory of socialism fully ensured. This conclusion was based on the fact that even then the Socialist elements had taken a dominating position in the national economy. Even then, practically no capitalist elements remained in industry. Their role in commerce was also insignificant. The role of the kulaks in the villages had likewise been undermined. However, at that time only one-third of the peasants had joined collective farms, while the vast majority of the peasants still remained individual farmers, and were connected with their privately owned farms at the same time. It was known that the main mass of our population was comprised of peasants. Therefore, during that period only a minority of the population in the Soviet Union was directly occupied with Socialist economy. Since then, the situation has changed.

### Makes Main Report



V. M. MOLOTOV

### Socialism Dominant

"Socialism has made enormous advances in our country. The Socialist form has become completely dominant throughout our national economy. Almost four-fifths of the peasants have joined collective farms. Consequently, not only workers, but great masses of the peasants have entered the ranks of the builders of Socialism, and are constructing a Socialist society. As a result, the overwhelming majority of the population of our country is now directly occupied with Socialist construction (Applause). Such is the basic result of our development during these years. Such is the basic result of the work of the Leninist Party under the leadership of Stalin—Socialist construction. (Applause.)

"Whatever may have been the individual difficulties, the shortcomings of our work of construction, nobody can deny that during the past four years, the country has taken the path upward year by year, the path of the improvement of the living conditions for the broad masses of the people. Still greater possibilities, still greater prospects open before us now, when the basic masses of the toilers have broken with the system of private property and taken the path of Socialism, which insures great productivity for labor, and an unparalleled rise in the welfare and culture of the toilers. For this reason, the summing up which we are now making is not only the best estimate of the successes of the struggles of the toilers, the successes of our country in our construction, but it also opens up perspectives for the Soviet Union. It displays our possibilities for the future.

### Contrast With Capitalism

"We cannot, however, speak only of ourselves and our construction work when we are encircled by capitalist countries. Naturally, we are led to compare what takes place here and what takes place in capitalist countries. The Union of Soviet Socialist Republics is one world living its own life. The country of the Soviets is still the only Socialist republic, although it is a Socialist union of many large and small peoples, of many nations with considerable individual peculiarities in their mode of life. Capitalist countries represent a different world. This world lives its own life distinct from ours. Recent years have shown with special force what is the path of the development of capitalist countries at the present day.

"Four years ago, at the Congress of the Soviets, it became necessary to speak about the world economic crisis, a profound crisis which engulfed all capitalist countries. Here these countries emerged from the crisis since that time? No, they haven't. It isn't because we are opponents of capitalism that we must speak, during its sixth year, of the economic crisis, of the convulsions which are shaking capitalist countries.

"Not only the enemies," Molotov said, "but even the support-

ers of capitalism cannot deny the fact that during all these years the economic crisis has torn capitalist society apart and still continues to do so. For this reason we must speak again and again about the economic crisis in capitalist countries, about how low a level the economy of these countries has fallen, of how work in the cultural sphere is being cut short, how the struggle between the exploiting and exploited classes is becoming more and more intense. We must also speak of how the struggle between different countries is growing sharper, and the war danger increasing.

### Crisis of Capitalism

"New facts continually show that the special meaning of the present economic crisis is comprehensible only if we realize that the general crisis of the capitalist system developing before our eyes is already in its second decade. The process of the decay of capitalism is becoming intensified more and more. The crisis has affected all capitalist countries. Not only industry, but every branch of agriculture is passing through a period of crisis. The crisis has affected commerce, credit, and all other phases of economic life in capitalist countries.

"The level of industrial production has never fallen so low as in recent years, and in the past there was never a situation when the crisis dragged out over five years. Last year brought no important changes in the development of the economic crisis, although the world level of industrial output has slightly risen, as compared with the previous year.

"No country has yet reached the level of 1929, when the crisis had only begun. The industrial output of the United States is still 33 per cent lower than in 1929. The level of industrial output in France during 1934 fell even below that of 1933, and was 29 per cent lower than before the crisis, while Italy has suffered a decline of 20 per cent. Germany shows an increase in industrial output during 1934, but nevertheless the industrial production of Germany is 14 per cent lower than in 1929. In Great Britain the industrial output approached the nearest to the 1929 level, but even here industry has not reached even pre-war levels.

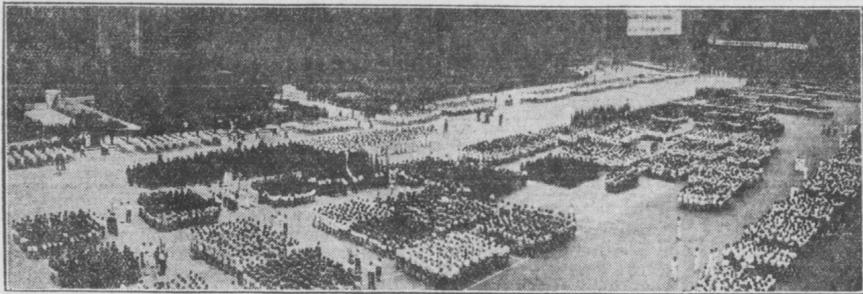
"At the same time the volume of industrial production in the Soviet Union during 1934 comprised 239 per cent, as compared with 1929.

"Although, the volume of world industrial production, not counting the Soviet Union, is still 24 per cent below the 1929 level. These facts fully confirm the conclusions of Comrade Stalin at the Seventeenth Congress of the Communist Party of the Soviet Union.

### Vast Unemployment

"The lowest point of decline in industry, the greatest depth of the industrial crisis, were reached in

### CELEBRATING SOCIALIST VICTORIES IN RED SQUARE, MOSCOW



The mighty Red Army of the Workers Fatherland, opening the November 7 demonstration in Red Square, 17th Anniversary of the Seizure of Power by the Russian workers and peasants. This is the only

country in the world where the factory workers demonstrate with arms, showing their determination to defend the country which they rule.

1932. After this period, the crisis entered the depression stage, a depression which differed from that during former industrial crises. Formerly the transition of the crisis into depression was not only the first step towards emerging from the crisis, but also the signal for a new industrial boom. But we are not now dealing with the industrial depressions of the pre-war period, when capitalism advanced through crisis to a new boom, but with a depression of a special type, inherent in decaying capitalism, capitalism in its last stages.

"We are particularly interested to know how this affected the situation of the workers and peasants, of all toilers. The number of those unemployed in 1933 amounted to from twenty-two to twenty-three millions. At the end of 1934 the number of unemployed was unchanged, that is, not less than twenty-two millions. Even in the countries where the volume of industrial production increased during the last year, wages remained approximately at their previous level, or increased an insignificant amount. This means that wages were reduced for many employed workers. The capitalist is attempting to clamber out of the crisis at the expense of the workers, at the expense of the toilers.

"Regarding agriculture in the capitalist and colonial countries, the year 1934 was a year of widespread crop failure and also a year of further decline in animal husbandry. With the aim of forcing up the prices of produce for the landlords and kulaks, the bourgeois governments frequently conduct a policy of the direct reduction of the sown area and the policy of abandoning machine technique in agriculture. But they thus only doom agriculture to degradation. In this connection the situation of the peasant masses of the capitalist countries and colonies are still further worsened.

"Thus all that the ruling circles did to ameliorate the crisis in capitalist countries was done at the expense of the peasants, at the expense of the toilers, for the benefit of the ruling exploiting classes.

### Huge Soviet Growth

"After this it is not difficult to compare the two lines of world development. The rise in national economy, steadily going ahead year after year is the path of the U.S.S.R., the country constructing socialism. The crisis of industry and of the entire national economy, continuing over five years and despite some improvement, not opening up prospects for new prosperity, is the path of development of the capitalist countries, the path of decaying capitalism.

"We here in the Soviet Union already show a considerable excess income beyond our expenditures, at home as well as in foreign trade, which was not formerly true. Large debts which had accumulated abroad in the past, have been reduced to one-quarter in recent years, and now our indebtedness cannot be considered large. Along with this, the output of the gold mines increased six times during the last four years. All this radically changed our currency situation, and in general, our position on foreign markets. The Soviet Union, moreover, paid all commercial obligations and bills in full and on time. Everyone abroad well knows that when the Soviet Union makes a commercial

agreement, it will pay on it, not by token payment, as is often the case nowadays in many bourgeois countries, but will pay promptly, not in promises, but in cash. (Applause.) It follows from this that now, more than ever, we have the possibility of ensuring normal conditions for our foreign trade.

"But while developing political and commercial relations with other countries, the Soviet Union well understands the significance of a reliable defense of its borders. Who can deny that not a single country, small or large, has ever been threatened, or is threatened, with seizure by the Soviet Union? But on the other hand, who can deny that the peoples of the Soviet Union, occupied with peaceful endeavors, are worthy of really reliable defenses on the frontiers of their country? (Applause.)

"During the last few years we have built no small number of fortified districts, with necessary arms, on our Western and Eastern Frontiers. But these armaments can not be transferred from our territory to the territory of other countries. They are intended to resist attacking forces. Our navy is growing as a result of the building of defensive types of vessel, mainly submarines, whose defensive significance is well known. Our artillery, tanks and aviation forces are growing in number, and we must admit we have worked with special intensity in this respect. (Applause.)

"Our country, where there is not and is not economic crisis, is separated from the capitalist countries, where crisis has caused and still causes tremendous calamities, by the frontier of the Union of Socialist Soviet Republics. (Applause.)

"The workers now see that in the capitalist countries, with any system of administration, from parliamentary to fascist, that economic crises, with their baneful results, are inevitable. And conclusively, they see that these evils are abolished in the country of socialism. The workers are now becoming convinced, not only by Marxist theory but by actual facts before everyone's eyes, which of these social orders removes economic crisis and opens up unlimited possibilities for economic and cultural improvement.

"Just as Russia in 1917 with its October revolution showed the path towards the termination of the world slaughter, drawing this country out of the war and thus saving millions of people from death, so our country has shown during these last five years the way out of economic crisis and how the workers can attain this. (Loud applause.)

"Comparing the Soviet Union with bourgeois countries, especially during these last years, discloses the principles and world significance of the dictatorship of the proletariat of the U. S. S. R. as a state of steady economic and cultural improvement, as the only state for which crises do not exist." (Loud applause.)

### Foreign Relations

Molotov passed on to the relations of the U. S. S. R. with the capitalist countries and its struggles for peace.

"There are no internal hindrances towards the further growth of our country," said Molotov. "But matters are different with external hindrances. The continuing crisis in capitalist countries has sharpened

the danger of external complications, the danger of war. In the search for a way out of the crisis and the long drawn-out depression the bourgeois classes are increasing their pressure on the workers and on the toilers.

"The striving to clamber out of the crisis by the pressure of the expense of the working classes and toiling peasants determines the internal policy of bourgeois governments. The relics of parliamentarism and bourgeois democracy are being abolished, sometimes openly, sometimes in a concealed form.

"The policy of using direct violence and terror against the toilers is becoming more and more popular with the bourgeoisie. This leads to a sharpening of the internal situation of capitalist countries. At the same time, the relations between different capitalist nations are developing with increased intensity in the direction of renewed struggles for foreign markets, passing more and more frequently into commercial and currency warfare. Pacifist talk by bourgeois governments is disappearing into the past. Pacifism is no longer fashionable. In bourgeois countries the extreme imperialists among the business leaders are coming closer to the assumption of power, and are weighing more and more openly the prospect of new wars for plunder, hoping to emerge from the crisis through war.

### Step Toward War

"Despite the danger to themselves of unleashing a new imperialist war, the ruling classes in some capitalist countries have already embarked upon active steps. Thus, Japan did not hesitate to make war upon China, occupied Manchuria, and in general makes itself at home in the country of the great Chinese people. Germany, as well as Japan, has resigned from the League of Nations, hiding the meaning of this policy from no one. This was done in order to set her hands free for increasing armaments and war preparations. Not long ago the well-known Washington Treaty concluded thirteen years ago between America, England, Japan and other states, was shelved because this agreement began to serve as a hindrance in the race for naval armaments and for the preparation of new struggles in the Pacific. The diplomacy and foreign policy of bourgeois countries is being turned more and more to the selection of allies for a new war to divide the world between the imperialist powers at the expense of the weaker countries.

"We must reckon with the fact that the direct war danger for the U. S. S. R. has increased. Some influential Japanese circles began to speak openly of war against the Soviet Union a long time ago. We cannot forget too that several of the ruling parties of Europe openly assert as their historic task the seizure of territory in the Soviet Union. Not to see the approach of a new war means to close our eyes to the chief danger at the present time. The Soviet Union replied to these threats primarily by increased activity in the struggle for peace. Everyone knows how the Soviet Union has taken the initiative on the question of non-aggression pacts. During the period under report, the Soviet Union concluded pacts with the neighboring Baltic states and with a number of European countries. The U. S. S. R.

is not responsible for the failure to sign a non-aggression pact with Japan.

### Soviet Peace Policy

"The proposal of the U. S. S. R. on the determination of an aggressor has become of the greatest importance. At international conferences, and in a number of international treaties, we may come upon statements about the necessity of taking special measures against the aggressor, the one who starts a war, but, despite all this talk, the governments of bourgeois countries have not shown a desire to clearly state which should be considered as the attacking side, that is, the country responsible for the beginning of a war. Soviet diplomacy, because it is particularly interested in guarding peace and in formulating measures against military attacks, had to take up this matter. Soviet diplomacy fulfilled this task with credit. (Applause.) We introduced such a proposal for discussion at international conferences. In order that this matter should go forward immediately in a practical manner, we proposed that a number of countries sign such a pact; that is, agreement on the determination of the aggressor. It is well known that this pact has been signed by all states bordering the Soviet Union in Europe, and also by Turkey, Persia and Afghanistan.

"We shall consider success in this matter is a step toward ensuring the peace of Europe. From all that has been said, it is evident what is the basis of the foreign policy of the Soviet Union. The basis of our foreign policy is the support of peace and the development of peaceful relations among all countries. (Applause.) The role of the U. S. S. R. as a firm factor for general peace is now widely recognized. It has become the rule that other countries appeal to the Soviet Union when a question arises concerning the maintenance of peace. This is easy to understand. Not a single country, including the smallest country on the borders of the U. S. S. R., has grounds to feel uneasy regarding the Soviet Union, which is a statement that cannot be made of the relations of some other big nations to their neighbors. The authority and might of the workers' and peasants' state in international relations now serves one cause—the cause of general peace. The Soviet Union has become the expression of the vital interests of the toilers of all countries in the sphere of international relations. Whatever our class enemies may say, the political meaning of the dictatorship of the proletariat in the U. S. S. R. under conditions when the war danger becomes more and more real stands out more and more clearly. There is no more steadfast bulwark of peace throughout the world than our workers' and peasants' government." (Applause, loud and prolonged.)

### Disarmament Policy

"Our government has always attached great importance to the open discussion of the question of disarmament, or at least, of the maximum reduction of armaments. It was for this end that Soviet diplomacy worked at the international disarmament conference. We may say that numerous proposals of the international disarmament conference proved fruitless, but nobody can say that the Soviet Union did

not do everything in its power to insist on general, or at least maximum disarmament. It is not our business to defend the Geneva disarmament conference, but we do not doubt that the efforts of Soviet diplomacy at this conference, which became widely known in many countries, will not disappear fruitlessly.

"The logical continuation of this policy is our proposal to convert the disarmament conference, from which some members wish to quickly rid themselves, into a permanent conference for peace, into an organ constantly striving to avert war. This proposal will be discussed again by other countries at the inter-

national conference, and we shall insist on it.

## Socialist Rise Shows Worlds' Toilers Way Out As Capitalism Flounders

Soviet Industry Is Now 141 Per Cent Above 1929 Level, While U. S. Output in Same Period Drops 33 Per Cent

itude toward this matter cannot be changed. "Our relations with other countries depends not only on us, but also on the foreign policy of these countries. You all know how many contradictions exist in the policy of bourgeois states. If our foreign policy is clear and stable, this can not be said of the countries where frequent changes in government take place under various influences, where one bourgeois party replaces another at the helm of government. Everyone knows, for example, the big chances and zigzags which took place during the period under report in the policy of certain countries, and which had an effect on our mutual foreign relations.

"In the complex international situation of capitalist countries, the situation simultaneously is going on between two opposite social systems. We may say that such a situation is contradictory, but it corresponds with the actual state of affairs. At the same time that competition, or, if you wish, struggle, is going on between the U.S.S.R. and various capitalist countries, collaboration in new forms, both in the sphere of economic relations and in the matter of preserving peace, is continually developing between them.

"The U.S.S.R. is striving in every possible manner to develop commercial relations with other countries. In the period under report, the chief significance of the collaboration of the U.S.S.R. with other countries is in the preservation of peace. The relations of the Soviet Union with capitalist countries during this period, finally, were determined by two basic factors:

### Struggle Intensified

"Firstly, the sharpening internal situation of capitalist countries, the increasing struggle between them in connection with the duration of the economic crisis, and secondly, the growth of the power of the Union of Soviet Socialist Republics. "In connection with this, it is particularly important to note the following facts. During the period under report, the struggle between victor countries and defeated countries has intensified, and along with this, there took place, particularly in certain parts of Europe, an increase in the work behind scenes for the regrouping of forces in the event of war, and an increased search for allies in all parts of the world. Simultaneously, the development of the relations of the U.S.S.R. with capitalist countries disclosed a considerable increase in the role of the U.S.S.R. as an international factor, especially as a factor for peace and stability.

### Questions of the League

"Passing to the concrete facts of the period under report, we should speak firstly of the restoration of diplomatic relations by the U.S.S.R. with many states. "Here we should mention countries like the U.S.A., China, Spain, Hungary, Rumania, Czechoslovakia, Bulgaria and Albania. Of great significance is the restoration of normal relations with America. For 15 years the U.S.A. adopted the position of denying the Soviet Union recognition on principle. On this question the U.S.A. acted under the flag of irreconcilable defense of the principle of the capitalist world against the new Soviet world. Evidently, until recently, it was considered that whatever happened to the others, rich America would be able to maintain this position. But matters turned out otherwise, than the former governments of America thought.

### Another Victory

"President Roosevelt sent his well-known message on establishing normal relations with the U.S.S.R. Thus America abandoned its position of principles, which we must consider an extremely favorable circumstance, especially from the point of view of the interest of general peace. We had no need to change our position and make any sacrifices whatever when restoring these relations and this must also be recognized as an extremely favorable fact." [Applause.]

"In speaking of the restoration of normal relations with China, Molotov, in conclusion, mentioned the rumors about the sovietization of Sinkiang. "It is extremely obvious," said Molotov, "that special efforts were made to spread this slander upon the U.S.S.R. in Japan, whose policy towards China is known to all, and cannot be concealed by spreading fictions. I consider it necessary to stress the real Soviet policy regarding China. The Soviet Union considers incompatible with its policy the seizure of the territory of other countries, and without question is a supporter of the independence, inviolability, and sovereignty of China in all its regions, including, of course, Sinkiang.

"There is no need to mention," said Molotov further, "that the establishment of normal relations with Rumania, Czechoslovakia and Bulgaria also corresponds completely with our interests for

## 'Forward to Final Victory of Socialism'—Molotov

(Special to the Daily Worker)

MOSCOW, Feb. 1 (By Wireless).—Briefly and eloquently referring to the complete solidarity among the delegations from all the republics, the U. S. S. R. behind the internal and foreign policies of the Soviet Union, V. M. Molotov summed up the discussion on the report of the government, which was concluded yesterday at the Seventeenth Congress of the Soviets.

### Growth of Socialism

"Seventeen years ago," declared Molotov in concluding his speech, expression "socialist republic" expression "socialist soviet republic" signifies the determination of Soviet power to bring about the transition to socialism, but is not to be taken as a recognition that the present economic order is already socialist.

"Since that time, a radical transformation has taken place in our country on the basis of the victories won by Socialism, and our economy and social structure have changed.

The life of the masses has changed. Now we are living in a new world, under completely new conditions. We have achieved a tremendous surge in national economy, which goes steadily forward because the basis of its development is the victory of the new order.

"The victory of Socialism, signifying the victory of the principle of social ownership, has fundamentally changed the face of our country, our class structure know our road, and are fully and strenuously the class enemy still tries to hold on to its former position, our work of construction undermines every pillar of the old society, and places in their stead the new Socialist relations, built on a foundation of conscious discipline.

### Workers' New Life

"The life of the toilers is being rebuilt. A rapid rise is taking place in Soviet culture. Women are growing into a new life. Soviet youth

finds no limit to its development. The people of our Soviet land are producing day by day the new struggle for the reconstruction of our old life. The ranks are rising with greater and greater power to struggle for the mastery of nature.

"Our successes in the conquest of the Arctic, the names of the bold Soviet workers, the Arctic heroes, are known to many millions. Here for the first time, victories were secured that had been impossible to the people of the old world, but which the Soviet people consider merely as the starting point of still greater victories. In the struggle for the mastery of the stratosphere, the Soviet people occupied an outstanding rank. Here we see another manifestation of the growth of our forces and great endeavors. Our Soviet country is still young; it has only recently discovered the real path towards growth, towards the development of new forces.

"Many difficulties still stand in our way, and the relics of capitalism in our country are still many.

They are to be found in the economy and social structure of the Soviet Union. They are particularly tenacious of life in the minds of our people, and will continue for a long time to make themselves felt. The class enemy has not laid down his weapons, and as his cause grows more hopeless, all the more desperate do his attempts against us, foredoomed to failure, become. But we know our road, and are fully confident of the justice of our cause.

"Along this road, under the banner of the party of Lenin and Stalin, we are marching to new and greater victories." [Thunderous applause, passing into a lengthy ovation.]

Following the conclusion of Molotov's speech, the Congress unanimously adopted a decision to "fully and completely approve the internal and foreign policies," and the practical work of the government of the U. S. S. R.

At the evening session of the Congress, People's Commissar of Heavy Industry Ordjonikidze began his report.

# USSR Leads World Masses Against War, for Peace Policy

## 'WORLD'S TOILERS WILL AID US CRUSH IMPERIALIST PLOTS'

### Nazis' Talk of Expansion to "East," Japan's Provocation in Manchuria, Lead Capitalist Drive for Attack on U.S.S.R.

(Continued from Preceding Page)

peace, especially in Europe. I can, nevertheless, say that some countries still remain which have not established normal relations with the U.S.S.R.

"There are actually such countries even in Europe, or, speaking more accurately, in some corners of Europe. It is naturally incorrect to neglect entirely to mention these countries, however small their specific gravity in international affairs. Among these countries, Holland, Portugal and Switzerland voted against the entrance of the U.S.S.R. into the League of Nations, pretending that they did this out of a desire to defend the capitalist order in principle against the Soviet danger.

#### Few Bare Spots

"In general, on the map of Europe we can note only a few bare spots that denote countries not having normal relations with the U. S. S. R. Take the map of the world, and then you will see that all countries having an influence in international relations have established normal relations with the Soviet Union. Naturally, in this case we need not speak of colonies and semi-colonies, because they are not allowed to decide such questions independently, but their decisions in these matters are made in a different way, which you know.

"Unfortunately we cannot ignore the factor involved in the refusal of Poland and Germany to participate in this matter.

"Relations have developed quite normally with countries like Sweden, Norway, Denmark, Persia, Afghanistan, and Italy as well, which is plain proof of the possibility of developing cooperation between countries with absolutely opposite social orders. For example, the best development of friendly relations is seen in our relations with Turkey.

"Recent years not only saw a period of development in Soviet-Turkish economic and cultural connections, but also a clear political demonstration of Soviet-Turkish friendship. [Applause.]

#### Relations With France

"In our relations with France, we should note considerable improvement during the recent period. The entire international situation, and especially changes now taking place in Europe, have made the problem of ensuring peace and safety extremely urgent.

"As for Poland, we have shown with sufficient clarity the endeavor to develop further Soviet-Polish relations. We cannot, however, speak of our satisfaction with the results already obtained in this respect.

"But we can firmly say about ourselves that we intend to continue the line of developing good neighborly Soviet-Polish relations. We cannot close our eyes to the changes which took place in Soviet-German relations when National Socialism came to power. For ourselves we can say that we had not, and do not have any other desire than to have good relations with Germany in the future. However, serious difficulties have arisen during the recent period. Of course, the difficulty in developing Soviet-German relations is not the super-nationalist race theory about the German people being 'master' of the entire world. Without having a very high opinion about these 'theories' (laughter in the hall) we do not conceal our profound respect for the German people as one of the great

## Soviet Democracy Reaches New Heights--'Pravda'

MOSCOW, Feb. 3 (By Wireless to the Daily Worker). —"The decision of the Plenum of the Communist Party of the Soviet Union opens a new chapter in the development of the revolution and of state life in the country of the Soviets.

"The history of the Soviet constitution is the history of the victory of Socialism. The 'declaration of rights of the toiling and exploited people,' written by Lenin and adopted in 1918, became the banner of the toilers in their struggle for Socialism.

"This was the first constitution in the history of mankind made by toilers who seized the state power by armed uprising.

"Since that time the revolution has gone far ahead. A new Socialist industry has been created, the kulaks smashed, the collective farm system has conquered; Socialist ownership is consolidated as the basis of Soviet society. Naturally, the Soviet constitution must undergo certain changes, in order to bring it into harmony with the present relationship of class forces in this country.

"There are tremendous changes in the economy of the country and the relationship of class forces. They have made it necessary to introduce certain changes in the Soviet constitution, in order to bring it in line with the present-day situation in the country.

"With iron regularity, the new social class which conquered in 1917 and which expresses the interests of all toiling mankind, constantly mounts, step by step, to the heights of Communism. The declaration of the rights of man and citizen—the constitution adopted during the bourgeois French revolution—has been completed before our eyes by fascism, which is forced to trample down even the relatively small amount of bourgeois democracy, so that the capitalists can still, temporarily, maintain themselves in power. The declaration of the rights of toiling

Japan. During this period, we have shown great patience and amenability in our dealing with Japan. We have tried to remove every excuse for inflaming Soviet-Japanese relations. This was our attitude toward the solution of certain disputed questions of an economic nature, for example, the question of fisheries held by Japanese citizens in Soviet waters, of Japanese concessions in Sakhalin, etc. Everybody knows that the Soviet government, directed by its policy of peace during this time, but our preparation to resist the military attack and the incitements of the war dogs against the U.S.S.R. has not relaxed for a single day. In foreign countries, the preparations for war against the Soviet Union are now being supplemented by the spreading of slanders against the Soviet Union in the bourgeois press. They aim to undermine the confidence of the masses in the Soviet government. These facts are known to all. A few years ago the specialists in slander wrote pages and pages in the bourgeois press inflating the non-existent danger of "Soviet dumping." They spread all kinds of fictions about "forced labor" in the U.S.S.R. We remember how these anti-Soviet campaigns collapsed in disgrace.

#### Boss Slanders Spread

"During the last four years, the war danger to the Soviet Union at some moments grew sharper and sharper. Nevertheless, we have succeeded in defending the cause of peace during this time, but our preparation to resist the military attack and the incitements of the war dogs against the U.S.S.R. has not relaxed for a single day. In foreign countries, the preparations for war against the Soviet Union are now being supplemented by the spreading of slanders against the Soviet Union in the bourgeois press. They aim to undermine the confidence of the masses in the Soviet government. These facts are known to all. A few years ago the specialists in slander wrote pages and pages in the bourgeois press inflating the non-existent danger of "Soviet dumping." They spread all kinds of fictions about "forced labor" in the U.S.S.R. We remember how these anti-Soviet campaigns collapsed in disgrace.

#### Slanders Exposed

"Recently, the anti-Soviet slanders in the bourgeois press have again reached an extreme. Can we imagine anything more shameful than the screams of hate by some bourgeois and Social-Democratic newspapers in connection with the execution of several dozen White Guard terrorists? Naturally, these gentlemen of the press do not consider it their duty to speak the truth, to expose those who send hiring terrorist agents into our country from abroad. To speak the truth about those in neighboring countries who make use of government organs to send these scoundrels for an attack upon our rear—that's not their business. These organs of the press exist only to conceal such "goings-on" to confuse the eyes of the masses. That is why they shout so loud about the "shootings in the Soviet Union." But let them not expect anything except merciless onslaughts against the criminals they take under their wing. (Applause.) This new campaign of slander against the Soviet Union, to undermine the confidence of the masses in the U.S.S.R., will likewise collapse in disgrace.

#### New Strength of Red Army

"We consider one of our great achievements during the period under report the great increase in the technical armaments of the Workers' and Peasants' Red Army. This may be seen from the following few facts: Compared with the period reported on at the last Congress, Soviet mechanical armaments (the amount of mechanical horse power) per Red Army soldier in our army have quadrupled. (Applause.) Thanks to the special attention of Comrade Stalin toward this matter, we carried it out with great success. (Loud applause.) We had to increase the size of the Red Army. (Applause.) This was not a cheap or simple job to do. We must remember that it was necessary for the Party and the government to state openly that some of the failures with regard to the complete fulfillment of the First Five Year Plan in industry were connected with this need to increase our defensive work. Thus it is plain that our budget appropriations for the upkeep of the Red Army and for defense have greatly increased during the recent period. We made these sacrifices through the government, and are confident that you comrades will say here that the Party and the government acted correctly in their measures for the defense of the country. (Loud applause, shouts of approval.) For we are speaking of an army where not only the rank and file but also the commanders are mainly workers and toiling peasants. (Applause.) We are speaking of an army in which almost half the members are Communist Party members and members of the Young Communist League, and of the peasant members, nine-tenths are collective farmers. We are speaking of the army of the most peaceful of nations, of the

and exploited people—the constitution of the October Socialist Revolution, adopted in 1918—declared fierce war against capitalism, and the working class has conquered. This gives us the possibility of democratizing the electoral system for the toilers, of strengthening our revolutionary vigilance and struggle against the remnants of the defeated kulaks and their agents.

"Our people are a toiling people, our country is a Socialist country. And, having changed the face of our country under Stalin's leadership, we now change our constitution under his leadership in the direction of further developing both old and new forms of participation by the toilers in the administration of the state. The capitalists began with bourgeois democracy, and end with fascism, the most disgusting, the most murderous type of dictatorship, set up by a dying exploiting class, which at the threshold of death burns its bridges and destroys the altars around which it formerly gathered the great masses of the people.

"We, the rising country of a new social order, we, the young toiling nation of a heroic talented people only now beginning to live, we, mounting the ladder of history, are developing further our Soviet democracy.

"Bourgeois democracy could never be compared with Soviet democracy. There, a handful of capitalist landlords dominate. In the U.S.S.R., the toiling people are in power. Fascism destroyed the last vestiges of bourgeois liberty, cruelly crushing the revolutionary workers. But the Soviet country, on the basis of the victory of Socialism, is decisively and widely developing Soviet democracy. It is not stopping half way.

"These are the historic lines of the development of the two classes. One leads to decay and death; the other, under the leadership of the Stalinist Central Committee, leads to the heights of Soviet democracy, to bring in the future all mankind to Communism."

clarity from other governments in our relations with them.

"We have no need to change our foreign policy. We stood and still stand for a guaranteed peace, for the development of political and commercial relations with other countries. The line of our foreign policy is as tested and reliable as the path along which the Soviet government is moving to complete victory. (Loud applause.)

"The rapid strides of Socialist up-building growing out of the Five-Year Plans, and its tremendous industrialization and collective farm program, was dealt with in detail by Comrade Molotov, reporting to the nearly 2,000 Soviet representatives at the Seventh Soviet Congress. The following is the section of Comrade Molotov's speech dealing with this phase of the situation in the Soviet Union:

"Comrade Stalin, at the Seventeenth Congress of the Communist Party of the Soviet Union, said:

"We have already laid the foundation of a Socialist society in the U.S.S.R., and we now have left as our task only to complete it with the superstructure—which is undoubtedly a less difficult task than laying the foundation.

#### Sustained Victory

"No one can refute this assertion. The foundation of a Socialist society in the U. S. S. R. has been built, and built firmly. (Applause.)

"Already nothing is left of capitalist economy in the U.S.S.R. The remnants of small, privately owned farms in the villages no longer count.

"Socialism has sustained its victory in our country. This victory has been sustained on the basis of the N. E. P., which to opportunists leaning to the side of the bourgeoisie seemed only a policy of retreat, but which became in the hands of the Bolsheviks the lever to the victory of Socialism. "But how far we have gone beyond that situation in which the N. E. P. was introduced, when numerous capitalist elements were still lodged in the pores of our system, especially in the villages! Even now we have not yet completely outlived the N. E. P., since even after liquidating the capitalist elements in our economy, we have millions of individual peasants possessing private farms left, and since in some cases even the kolkhoz workers appear in the market as private sellers of their produce. The N. E. P. still lingers in its last stage, continuing its work under Socialism. Furthermore, such tried weapons of our economic development as the instruments of trade and money taken by us from the arsenal of bourgeois society and adopted to the needs of Soviet power, will continue to be used for a long time, and will fulfill a most important service for socialism.

#### Change in Classes

"We must not forget, either, what changes have occurred within the classes which are basic in the Soviet Union.

"Our worker is no longer the worker of former days. He is no longer the proletarian deprived of the means of production, working for the other class, the class of exploiters. Our collective farmer, speaking now of others, and a certain part of the non-proletarian elements united with the working class, our collective farmer is no longer the downtrodden peasant of the past, toiling without hope. The role of employees, engineers, and intellectuals, is also changing.

"These social changes find expression in all our life. Here it is particularly important to point out their positive significance for our national economy. The growth of the productivity of labor has become the main force impelling our economy forward. Frequently matters are still bad, in regard to labor discipline, but here too we have scored successes. Of the seven working hours, only five or six hours, sometimes less, are devoted to work in the factories. But we, we directors who have not yet properly tackled the organization of production, are responsible for a greater degree than the workers. Our collective farms also are increasing in strength with the

#### Lenin Set Task

"At the end of 1922, Lenin set as the main task of the proletarian revolution the transformation of 'N. E. P. Russia' into 'Socialist Russia.' In these words we have Lenin's chief behest for our Party, the leadership of all construction. We can now say: N. E. P. Russia has become Socialist Russia. (Tempestuous, continuous applause.) Our country has been transformed.

"This transformation found its reflection in the basic changes in the social structure of our country. In the main, we have fulfilled the great task set up by Lenin. In Russia, the entire proletarian population, including farm laborers and their families, amounted in 1913 to 23,300,000 people. In 1928, before the beginning of the first planletka, it amounted to 26,300,000 people, and at the beginning of 1934, it amounted to 47,100,000; that is, in comparison with 1913, the proletarian population has doubled.

"Still more serious changes took place with regard to the peasantry. The peasant population excluding the kulaks, together with artisans,

## PEACE IS AIDED BY NON-AGGRESSION PACT, LEAGUE ENTRY

### Japan's Refusal to Sign Non-Aggression Treaty Hit as Part of Imperialist Policy for Far East War

rapid growth of the consciousness among collective farmers of the necessity of real labor discipline and serious concern for the social interests of the collective farm. Socialist competition has embraced tens of millions of workers and collective farmers, and represents the most vivid expression of the growth of consciousness of the toilers in our country.

#### Wages and Conditions

"Radical improvements have also taken place in the living conditions of all toilers. For five years we have had no unemployment. Were it not for the reminder supplied by the life of the workers abroad, we might perhaps already have forgotten this source of the working class, but each day the conditions among the toilers in capitalist countries show us how far we have progressed in comparison with the oppression of the capitalists.

"The wage level is going up, and at present, following the abolition of bread cards, and in connection too with the strengthening of the Soviet ruble, the real value of wages will rise still more rapidly. The state displays exceptional concern regarding the feeding of workers, and we have accomplished much in this sphere. Social insurance in many forms for the benefit of workers and employees is increasing, including numbers of sanatoriums and rest homes known to no workers outside the Soviet Union.

"With the strengthening of the collective farms, there has appeared a rapid change for the better in the living conditions of the toilers of the countryside. More and more, collective farmers are enjoying a life of well being and culture, while in capitalist, colonial and semi-colonial countries oppressed by imperialism, hundreds of millions of peasants are suffering from the crisis, and not a few village toilers die of hunger. We have made an end to poverty in our villages. The road to a good life is open to all honest toilers.

#### Technical Forces Grow

"Incapable of sustaining comparison with anything else is the success of the Party and the Soviet power in creating a new intelligentsia, and particularly, new technical forces. This is not the first year that these forces have grown in our Soviet atmosphere, and they are diligently accumulating practical experience, responsibility in managing many factories and collective farms. The new generation has already become a great force in production, in technique, and in scientific research. Lenin vividly spoke of how capitalism 'choked, killed, and swept away,' the abilities and talent of the people. For this reason our workers and peasants overthrew capitalism. It was then that the road towards culture was opened up for the masses in the first place, for the youth.

"Comrade Stalin recently formulated our present tasks in these noteworthy words: 'The main thing at present is the people who have mastered technique. People must be as diligently and attentively cultivated as a fruit-grower nurtures favorite fruit trees.'

#### Soviet Health

"The improvement in the toilers' health is an indication of the radical improvement of living conditions in our country. It is enough to say that the medical examination of workers recruited into the army in Moscow, Leningrad and other industrial regions, also the Ukraine, has shown that average weight during the last six or seven years increased by one and one-half to two kilograms, while the circumference of chest expansion increased by one and one-half to two and one-half centimeters. Let anybody show us similar data regarding the situation abroad. For that matter, it suits us to have strong fighters for the Soviet power. (Applause.)

"We are marching forward, but our living needs are still far from being fully satisfied. We still utilize our possibilities with insufficient skill. Though before this was unknown to us, at present we are acquiring a great deal of experience in building the new life. We do not want exaggerations, and do not say that the U.S.S.R. is already a rich country, but the toilers of the Soviet Union know that our country is constantly growing in wealth. In order to be equal to those tasks which the proletarian revolution set before us, we need a great rise in

#### Class Enemy Still Waits

"The enemy is cruel and shifty, the enemy is ready to assume any shape, even to pose as a friend, in order to weaken our vigilance and aim a deadly blow both at the head and the heart. We have lost one of the glorious fighters in our ranks—Sergei Kirov, killed by the enemy only for his devotion to the cause of Communism. The White Guard degenerates from the ranks of the Zinovievists were trained by despicable 'leaders' of provocatory double-dealing, the organizers of

(Continued on next page.)

#### Masters of Industry in the U.S.S.R.



#### One of the Soviets' Huge Tractor Fleet



# Soviet Congress Hails Gigantic Development of Red Army

## Soviet Foreign Trade Climbs; Hit U. S. Move

### Despite Diplomatic Relations With U. S., 'Johnson Act' Hinders Trade With Soviet; Credit and Currency Best in the World

(Exclusive to the Daily Worker.)  
MOSCOW, Feb. 1 (By Wireless).—Details of the achievements of the U. S. S. R. in the sphere of foreign trade were given by Peoples Commissar Rosenholtz in the course of the discussion of Premier Molotov's report at the All-Union Congress of Soviets.

These achievements were concerned with the industrialization of the Soviet Union, primarily the development of Socialist heavy industry.

#### Rise in Industry

That the Soviet Union has achieved economic independence in technique from capitalist nations, said Rosenholtz, is not only borne in the sphere of the import of very complicated types of machine which in pre-revolutionary Russia and during the first period of the existence of the Soviet Union had to be imported in considerable quantities. Now they are produced in domestic factories. In addition, this accomplishment is to be seen in another fact — "We began," said Rosenholtz, "to export a number of industrial commodities which previously were imported."

For example, in 1913 Russia imported coal to an amount valued at over 43,000,000 gold rubles, whereas twenty years later, in 1933, the Soviet Union not only had stopped importing coal, but had exported an amount valued at over 10,000,000 gold rubles. Tsarist Russia imported dressed furs valued at 6,000,000 rubles, but the U. S. S. R. has developed its own fur industry, and naturally no longer imports dressed furs. Moreover, the extremely high development of the Soviet fur industry made it possible to export dressed furs valued at many million gold rubles, while from some countries, for example, Australia, capitalist countries are beginning to send raw pelts into the Soviet Union for dressing and treatment. Tsarist Russia imported cement valued at 22,000,000 rubles, whereas at the present time the U. S. S. R. exports cement to Persia, Turkey, and other countries.

#### Above Capitalism

"The economic independence from the capitalist world which we have achieved," continued Rosenholtz, "makes possible the present new demands regarding the conditions under which we make purchases abroad. If, during the first Five Year Plan, particularly during the first three years, 1929 to 1931, we were compelled when purchasing abroad to make large sacrifices, frequently having to pay considerably in excess on our purchases, conditions in regard to our economic relations with the capitalist world are now completely different. We can agree to increase our imports, but only if conditions are considerably changed."

"Firstly, some governments did not believe that we had actually achieved this economic independence. They often supposed that our statements regarding the possibility of reducing imports were tactical maneuvers, and waited until we were forced to return to the old system of purchasing large masses. But that was a long time ago, and as time passes they are becoming convinced more and more that our statements were not maneuvers. They are beginning to be convinced that it is necessary to alter conditions if their economic contacts with the Soviet Union are to be enlarged."

#### Commercial Relations

Making a detailed review of the commercial relations of the U. S. S. R. with various capitalist countries, Rosenholtz spoke of the special situation involved in the case of the eastern countries — Turkey, Persia, Afghanistan, West China, Mongolia and Tannu Tuvin Peoples' Republics. "In accordance with the basic principles of our foreign policy," said Rosenholtz, "the Soviet Union in its commercial and economic relations with Eastern countries has determined and irrevocably rejected the unequal treaties between these governments and Tsarist Russia. We have repudiated the advantages, the capitulations, the other privileges usually arising from unequal treaties. The strengthening and deepening of our economic contacts with eastern countries proceeds on a basis differing in principle from that on which Tsarism built its commercial policy."

"The Soviet Union is the most effective market, these countries have for the sale of their exports, which are mainly raw material. The economic relations they have had with us have assisted in the weakening of the crisis in these countries. This was particularly true in the case of the national economy of Mongolia and Tannu Tuvin."

"Despite the restoration of diplomatic relations with the United States," Rosenholtz declared, as he went on to discuss commercial transactions with America, "we have met difficulties, and some unexpected handicaps regarding the development of our commodity turnover. Among such handicaps we must include the unjustified application to the Soviet Union of the Johnson Law, which was aimed at all countries not paying their debts. Our orders in the U. S. A., all told, comprised 220,000,000 gold rubles, including 733,000,000 rubles during the period of the first Five Year

## 'Its Revolutionary Might Is Invincible,' Hails Tukhachevsky, Citing Gains

### Enlarged To 940,000 Men As Frontier Defense Is Strengthened

(Exclusive Cable to Daily Worker.)

MOSCOW, Feb. 1 (By Wireless).—The concise, confident speech of the M. N. Tukhachevsky, Assistant Commissar of Defense of the U. S. S. R., relating the details of the gigantic development of the workers' and peasants' Red Army, its preparedness at any moment at the first summons of the Communist Party and the Soviet government to come out in defense of the Soviet frontiers, was greeted by the All-Union Soviet Congress with a tremendous demonstration.

It is difficult to select words capable of fully characterizing the power and majesty of the demonstration which took place in the Great Hall of the Kremlin. The invincible guardian of the Socialist frontiers, the pride, love and hope of the workers and peasants of the U. S. S. R. and of the whole world—the workers' and peasants' Red Army—was hailed as only the greatest bulwark of the international working class is hailed.

#### Vast Changes

The hall was crowded with delegates and guests. The boxes for the Soviet and foreign press were also full.

"The face of the land of the Soviets," he began, "has indeed changed until it is unrecognizable. It has become industrialized and collectivized. And as never before its army has become strong and powerful."

#### Staff of Military Leaders

"No capitalist army had, has, or will have such qualities. Every year, every month the Red Army multiplies these revolutionary qualities. At the present time the military technique of the Red Army is distinguished from its technique at the time of the Civil War as the heavens are from the earth.

"Its material base is steadily strengthening. Its cadres of military leaders is steadily growing. The workers and collective farmers, all the toilers of the country, tirelessly concern themselves with it. The Red Army is composed of 45.5 per cent workers. Ninety per cent of its equipment is made up of collective farmers. We must say absolutely and firmly that the political and moral conditions of the Red Army are as firm as never before," declared Tukhachevsky as the Congress tempestuously applauded.

The Red Army has had considerable successes also in artillery and armaments. Since the Sixth Congress of Soviets the number of machine guns in infantry and cavalry regiments has more than doubled, and in aviation and tanks has increased seven times, and the number of guns and tanks has increased four and a half times and the number of heavy guns has more than doubled.

"Since the Sixth Congress the Red Army has also considerably increased. Taking the navy at the time of the Sixth Congress as 100 per cent it now has 353 per cent in submarines, 1,100 per cent in guardships, 470 per cent in torpedo boats, etc."

#### Workers Answer Assassins

"By their criminal act in Leningrad, the enemies of Soviet power apparently wanted to bring confusion into our ranks. Do not these calculations of the enemies show to what an extent they are detached from the masses, their complete isolation from the life in the country? The million-strong masses of workers and peasants answered the shot in Leningrad in their own way, answered with overwhelming force by rallying their ranks around Soviet power, around Stalin. [Thunderous, prolonged applause.] It is difficult to imagine a greater political demonstration in favor of our cause and against its enemies."

"The workers and collective farm masses are consolidated around the Party as never before. The forces of new builders of socialism are growing rapidly among the toilers, particularly among the women and the youth; this is a cause for just pride and great hope."

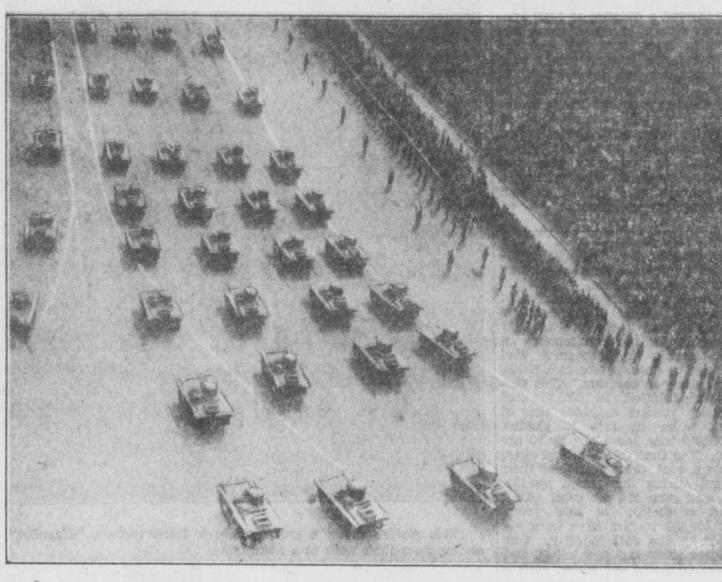
"Such are the facts on the basis of which we must draw many conclusions regarding our policies and our tasks at the present period. "The center of the economic tasks of the Second Five Year Plan is the completion of the technical reconstruction of all branches of national economy. In the matter of the technical re-equipment of the Soviet Union we are moving ahead at a real revolutionary pace. By acting thus, we only carry out one of the basic historic duties of the first proletarian state."

#### New Technique

"On the other hand, our party has for several years set as our decisive practical task the mastery of technique and new machines, because we want everything built by us to work, well, not worse, but better than in capitalist countries. The great work of accomplishing these tasks has unfolded before our eyes. The ranks of our new engineers, agronomists, technicians, industrial and educational workers and others are increasing and extending. The people are alive with the new approach to work, and among them there are not a few builders of our new society whose devotion to Socialist work is boundless. With their spirit, greater results are derived from the work of the old forces of specialists, too."

"It is necessary that this cause, the cause of cultivating and qualifying the people in agreement with the basic problem of technical reconstruction in all branches of national economy, should now move forward along a wider front."

### READY TO DEFEND THE WORKERS' FATHERLAND



Passing to the circumstances which caused an increase in the numbers of the Red Army, Tukhachevsky stated:

"You know that the desires of the imperialists who are particularly striving in the East to prepare a sudden seizure of our territory, especially the Maritime Provinces, have compelled us to form new garrisons, stationed in fortifications erected near the frontiers. "Naturally," continued Tukhachevsky, "the formation of special garrisons along the enormous length of our frontiers required firstly a considerable increase in the numerical strength of the army, and secondly, considerable expenditure of funds."

#### No Crisis

"The good fortune of our country is that we have no crisis as other countries that our national economy as a whole, especially our industry, not only did not experience any decline for a single year, but on the contrary, grew from year to year and moved forward with a steady enormous pace."

#### Soviet Wage Policy

"The wage policy of Soviet power is directed towards raising the standard of living of the whole mass of the workers; this, so to speak, is its very basis. Only chattering boxes and opportunists can substitute for our policy the policy of petty bourgeois leveling of wages, without taking into consideration the productiveness of labor, without considering the qualifications of workers. After all, the main task of socialism is that of raising the productivity of labor to a height unattainable by any other social order. Without this, socialism cannot conquer. We must see to it that every worker understands that higher productivity of labor, that better qualification, should be rewarded with higher wages; then our industry will grow still more rapidly, there will be more commodities, and the whole working class will be the gainer."

#### Rise in Economy

"The general rise in the national economy may be seen in the basic industrial centers, as in the recently still absolutely backward and remote agricultural regions. The turn has come even in the most remote regions of our Union. "Precisely in the period under review the Far Eastern District began to grow at an exceptionally rapid pace. This is very significant for our country, since the Far Eastern District is rich in natural resources and has a great future. The past period has shown that the Soviet Union can rapidly move forward in the development of even such remote and difficult regions from the point of view of transport."

Passing to the circumstances which caused an increase in the numbers of the Red Army, Tukhachevsky stated:

"The Red Army has had considerable successes also in artillery and armaments. Since the Sixth Congress of Soviets the number of machine guns in infantry and cavalry regiments has more than doubled, and in aviation and tanks has increased seven times, and the number of guns and tanks has increased four and a half times and the number of heavy guns has more than doubled."

#### Growth of Industry

Devoting himself now to the magnificent rise of agriculture, Molotov said: "Now we can already say that collectivization of agriculture in our country is completed in the main. Four-fifths of peasant households were in collectives by the beginning of 1935, nine-tenths of the sown area of the U. S. S. R. belonging to the collective and state farms. The individual peasant has moved into a secondary place by the course of events and plays an ever decreasing role in agriculture. The kolkhozes are growing stronger and can already tackle their really big tasks."

#### Change Through Revolution

Molotov now passed to the concluding part of his report. "The October Revolution led our country out of the system of world capitalism, and opened a new page in world history. The country once under the power of Tsarism, in the prison of peoples, has become since October, 1917, the leading force in world history. "The unknown 'Bolsheviks' — for such the bourgeoisie wanted to make them out! 'suddenly' came to power, and now there is no greater support of the cause of world progress than our Bolshevik Party, than our workers' and peasants' power. [Applause.] "This is how matters turned out during this historical period."

#### Cattle Breeding

"The most important problem before agriculture at the present time is to raise the level of cattle breeding. At the Seventeenth Congress of the C. P. S. U., Stalin placed this task before all kolkhoz villages, namely, to secure a turn in the development of cattle breeding during 1934. Now, we can say that last year saw the beginning of this turn. I have at my disposal statistical information just received, on the registration of cattle carried out on Jan. 1, 1935. "These figures are not yet complete, as they do not include the Soviet kolkhozes. They refer to the North Caucasus, Saratov, Stalingrad, the Western Siberian district, Moscow, Ivanovsk, Kursk, Voronezh Provinces, also Bashkiria, Tataria, Crimea and the Ukraine. But already they make it possible for us to judge the turn in cattle breeding made during 1934. A comparison of parallel figures for Jan. 1, 1934 and Jan. 1, 1935 shows that during the last year, the number of horses worked on the kolkhozes increased by 8.5 per cent. "Horned cattle of the kolkhozes

### Defense Budget Still Less Than 10% of Total Budget

tary expenditure during 1934. Instead of the 1,665,000,000 rubles decided upon for 1934, the Commissariat for defense expended five billion rubles. "The appropriations for the Commissariat for Defense for 1935 reach six billion five hundred million rubles. Despite the fact that these figures are huge, nevertheless the proportion of its budget than any capitalist country. Our military expense comprises only 10 per cent of the total state budget, whereas in Japan it comprises 46.5 per cent, in Poland 46 per cent, etc. "All these measures, which ensure a considerable growth in the technical power of the Red Army, put point-blank before its workers the task of mastering technique, the task of training the people to understand this technique, and we are working at these tasks day and night."

"The basic backbone of the military preparation of the Red Army is directed toward mastering the technique and the art of utilizing rapidly moving forms of struggle. We have nothing in common with the Czarist army, which was uncouth, clumsy and awkward. The workers' and peasants' Red Army is strong. Its political might, its revolutionary might, is invincible, and the demands that we are to conduct battles in such a manner as to utilize our technique with the result that in the world there will not be another army equal to our Red Army." (Continued stormy applause.)

When Tukhachevsky mentioned the names of those to whom the Soviet Union was primarily obliged for the remarkable technical equipment of its invincible army, what he mentioned the names of Stalin, Voroshilov and Ordjonikidze, the Congress rose as one man in enthusiastic ovation. Endless hurrahs and shouts in honor of Stalin, Voroshilov and the Red Army arose from all parts of the enormous hall, were taken up by the entire Congress, roaring like the hurrah of an irresistible Red Army attack, and were finally crowned with the majestic hymn of the proletarian revolution, the International.

## Japan Aims Manchuria War Moves At U. S. S. R.

(Exclusive Cable to Daily Worker.)

MOSCOW, Feb. 1 (By Wireless).—"The policy of the of the Soviet government is clear," Pravda, Soviet Communist Party organ, asserted today in a leading editorial. "It is a policy of peace. Molotov emphasized this one more in his concluding speech, especially in his answer to the speech of the Japanese Foreign Minister Hirota."

Speaking further of the Japanese refusal reiterated by Hirota to conclude a non-aggression pact with the U. S. S. R., Pravda writes: "As all the world knows that the U. S. S. R. does not want war, the conclusion to be drawn is obvious: Japan's refusal to conclude a non-aggression pact with the U. S. S. R. meant first of all that Japanese military circles are now making their decision on the question of aggression." The arguments of Hirota in reference to the Portsmouth Treaty arranged between Russian and Japan in 1905, Pravda declares, were shown by Molotov, who gave the actual wording of the various clauses of the treaty, to be only an elaborate subterfuge. From the actual clauses of the Portsmouth Treaty it is plain, Pravda goes on to state, that the defensive fortifications erected by the Soviet Union on its Far Eastern frontier in no sense contradict the meaning of either these particular clauses or the entire treaty.

"We must add that these very fortifications have only been erected because open preparations by Japan for attack upon the Soviet Far East never cease," it was stated. "Anyone who examines the facts quoted by Molotov can see that Hirota's reference to the Portsmouth Treaty is utterly without foundation."

"But we must note more than this one circumstance. Not on account of forgetfulness did Hirota omit to mention the fact that Japan is plainly violating other clauses in the Portsmouth Treaty. According to the Portsmouth Treaty, Japan undertook to withdraw troops from Manchuria, and to return absolute administration of all parts of Manchuria to China, without reservation. But we know that Japan has seized all Manchuria and has flooded it with troops. It utilizes all the railways in Manchuria mainly for strategic purposes. It builds fortifications, etc."

#### Japan Breaks Treaty

Quoting the words of Molotov that the U. S. S. R. has done even more than was demanded by the Portsmouth Treaty, whereas Japan has completely failed to observe its conditions, Pravda concludes that "the Portsmouth Treaty has not been observed by Japan because Manchuria is being converted by the Japanese military clique into a starting point for attack against the Soviet Union. If we compare these two circumstances, it is not difficult to arrive at the conclusion that regardless of the statement made by Hirota about his peaceful intentions," the Soviet Union must be on guard.

"The Congress of the Soviets shows that the entire Soviet land is permeated with a desire and an endeavor to maintain peace, but at the same time, the nation well realizes from where the danger threatens, what measures are necessary to avert the danger. Molotov brought absolute clarity to bear upon this question. The Congress of the Soviets by unanimous resolution and a thunderous ovation has again expressed its wholehearted approval of the conclusions of the head of the Soviet government."

## Best Wages, Unions In World,—Schvernik

(Special to the Daily Worker.)

MOSCOW, Jan. 30 (By Wireless).—"No capitalist country can show growth like ours in production, in union membership, wage levels, and living standards. The workers' deputies come to this Congress with victories to report which no other country can boast of."

This was the general line of the report of N. M. Schvernik, Secretary of Trade Unions in the Soviet Union to the All-Union Congress of Soviets late this afternoon. Applause rose from the whole Congress when he ascribed socialist construction to the leadership of the Communist Party, and particularly to Joseph Stalin, its General Secretary.

Schvernik pointed out that "although wages were only a partial measure of the improvement in the conditions of the Soviet worker, still wages rose 91 per cent in the last four years, and this cannot be disregarded, especially as the wage level in the United States last year was only 73.4 per cent of the 1923 level."

"The country of the Soviets has no unemployment. The Soviet Union is a land of really free labor, whose one will and desire is the construction of Soviet industry," Schvernik said.

The trade union leader described in detail the social insurance in which the unions were placed in charge more than a year ago. The insurance budget was higher by two million rubles in 1934 than in 1932, he pointed out. Last year 1,160,000 workers went to free rest homes and 590,000 to health resorts, Schvernik stated. Every Soviet worker receives two weeks to one month of vacation from work with full pay.

School teachers: Introduce the Daily Worker to your colleagues. Explain its role in fighting fascist tendencies in the schools. Ask your fellow-teachers to subscribe.

(Continued on next page.)

# TRIUMPH OF INDUSTRY IS BASIS OF BUILDING SOCIALISM

## Second 5-Year Plan Spurs 4-Fold Leap In Heavy Industry

### U.S.S.R. Leads World in Steel, Iron Output—Second in Oil; Coal Production to Total 112,000,000 Tons in 1935, 152,500,000 in 1937

(Exclusive Cable to Daily Worker)  
MOSCOW, Feb. 3 (By Wireless).—The importance of Soviet heavy industry as seen by Lenin and Stalin was stressed by Ordjonikidze, People's Commissar for Heavy Industry, in the opening of his report to the Seventh All-Union Soviet Congress today, discussion of which began immediately after he concluded.

#### Industry and Socialism

"Without creating its own heavy industry, without creating its own factories to manufacture modern machinery," Ordjonikidze stressed, "the Soviet Union would be unable to celebrate the victory of Socialism. Had it not done this, the country would have been converted into a semi-colony like China. The proletarian state would have been crushed. In 1921 Lenin had already written: 'The construction of large machinery in industry and its utilization in agriculture are the sole economic basis of Socialism, the sole basis for the successful struggle to free humanity from the yoke of capitalism.' In his report to the Fourth Congress of the Communist International, Lenin declared: 'We economize on everything, even in schools. This must be so, because we know that without saving heavy industry, without restoring it, we cannot build any industry. Without heavy industry we cease to exist altogether as an independent country. We know this well. Heavy industry needs government subsidies. If we cannot find these, then we are lost as a civilized state, let alone a Socialist state.'

#### Stalin and Industrialization

"In 1925, in one of his reports, Stalin characterized the international significance of the development of Soviet heavy industry as follows: 'As far as the international significance of the development of our metal industry is concerned, we can say it is immeasurable. For what does the gigantic growth of the metal industry under the dictatorship of the proletariat signify but a direct proof that the proletariat is capable not only of destroying the old, but of building the new society? With its own forces, it can build a new industry, a new society free from the exploitation of man by man. And to prove this by our actions, and not from books, means to push forward the cause of international revolution to its final and assured success.'

"Therefore," asserted Ordjonikidze, "we can see how justified are the great attention which our Party gave to the development of heavy industry, the fierce struggle which the Party led against right opportunists and so-called 'lefts' at that time, against the White Guard bands, Zinoviev, Kamenev, and Trotsky. Under the leadership of Comrade Stalin, the Party has routed these gentlemen, and with a solid front has proceeded to build Socialist heavy industry in a Leninist manner."

#### Investments in Industry

"By Jan. 1, 1931, the basic funds of heavy industry were valued at a total of 9,434,000,000 roubles. By the time of the Seventh Congress, heavy industry was valued at a total of 28,903,000,000 roubles. It has more than trebled during these four years. To achieve this growth, it was necessary to invest vast funds in industry; it was necessary to organize huge masses of people to build, and to assimilate rebuilt and reconstructed enterprises. In the process of construction itself, it was necessary to train cadres of leaders, cadres of workers, and this was most difficult. But our country has not skimped on funds to develop heavy industry. The Bolshevik Party under the leadership of Stalin found those government subsidies about which Lenin spoke."

"During these four years, 30,300,000,000 roubles have been invested in heavy industry. Newly constructed and reconstructed factories now in operation are valued at 22,549,000,000 roubles. Approximately a billion gold roubles were spent on imports for industry. Under the leadership of the Party of Lenin and Stalin, the working class of the U. S. S. R. has fulfilled the enormous task of creating Socialist heavy industry. It built factories, plants, coal mines, metal mines, power stations, oil fields, potash mines, etc. It built and put into operation tractor and automobile plants; it built and put into operation hundreds of thousands of new Socialist enterprises. Cadres of new builders were steered through these construction jobs. Of course, we made mistakes, but our path was right."

"In a talk to the metal workers on December 26, 1934, Stalin said: 'We were confronted with the di-

lemma either of beginning to teach our workers technique in the school, thus postponing manufacture and mass operation of machines for a decade, or of immediately starting out to create new machines, developing their operation on a mass scale in our national economy, so that in the very process of production and operation, the workers would learn technique from the machines themselves, and so our new cadres become trained. We chose the second path. Consciously and openly we undertook to incur inevitably high costs. But we gained invaluable time, and formed new cadres of the greatest importance to the economy of the country. What took scores of years to do elsewhere in Europe, we were able to do, roughly and basically, in three or four years. The high cost of breakage of machinery and other losses have been compensated, with interest. The basis of the rapid in-



The woman pictured is the best tractor driver in Stalingrad province. She has had her tractor decorated, and has received shock-brigade honors.

dustrialization of our country lies in this understanding."

"This, of course," Ordjonikidze stated, "is absolutely correct. Owing to this, we today are victors. Our industry now has cadres of thousands and tens of thousands of leaders who do not work badly today, and who will work many times better tomorrow. Of this there can be no doubt whatever. Our industrial technical schools, our workers' universities organized on the instruction of Stalin, now graduate scores, hundreds and thousands of engineers, technicians, highly skilled workers, and a still larger number of them have been trained directly in construction, at the factory bench."

#### Electricification

Passing to a characterization of the different branches of industry, Ordjonikidze first took up electrification. "The electric power of the U.S.S.R. at the end of 1930 amounted to 2,878,000 kilowatts, while by January 1, 1935, it has gone up to 6,212,000 kilowatts, an increase of 116 per cent. In 1930, the power stations of the Soviet Union produced 8,000,368,000 kilowatt hours of electric power; in 1934, they produced 20,500,000 kilowatt hours, an increase of 146 per cent. In 1930 the U.S.S.R. had 6,154 kilometers of electric transmission lines, and by January 1, 1935, we already have 12,207 kilometers. During the last four years, we built 22 big district and 14 factory electric stations. So far as the exploitation of electric stations is concerned, the established use of kilowatt power is much higher in the U. S. S. R. than in West European capitalist countries and America. There the established kilowatt power is worked 1,500 to 2,500 hours in the year; at Soviet stations, it is worked for 4,000 hours. Owing to the fact that we have the newest technical equipment, the Soviet electric stations have achieved a considerably lower fuel expenditure. Fuel expenditure per kilowatt hour in average stations in 1934 amounted to 584 kilograms, decreasing to 581 kilograms in some stations."

#### Heating Stations

Great attention has been given to the development of central heating stations. During the past four years, a number of powerful central heating stations, including, for example the Kuznetsk station in Western Siberia, with a capacity of 84,000 kilowatts, have been built and put into operation. By January 1, 1931, the U. S. S. R. had a 210,000 kilowatt heating capacity, and now, in 1935, we already have a capacity of 870,000 kilowatts—an increase of more than four times. Owing to the growth of central heating stations, fuel economy in 1934 amounted to more than a million tons. "These are the results of the electrification of the Soviet Union to which Lenin, as is well known, ascribed special significance. In 1935 new power stations of a capacity of 747,000 kilowatts will be put into operation. During this

### Relay Race Celebrates Opening of Congress

MOSCOW (By Wireless) Feb. 3.—A few days ago the star relay race of rallymen on skis, held on the ice of the Moscow River in honor of the Seventh All-Union Congress of the Soviets, was concluded. The first group to reach the winning post came from Archangelsk, having covered a distance of 1,133 kilometers without change of crew. Two minutes later, from the direction of the Lenin Hills, a group from distant Murmansk appeared on the river. Soon sportsmen arrived at the winning post from Kirov, Sverdlovsk, Chelabinsk, Saratov, Minsk and other towns of the Soviet Union.

The total distance covered by participants in the relay race was 14,123 kilometers. The celebrated ski runners were greeted by over 12,000 Moscow sportsmen.

In 1935, 925,000,000 roubles will be invested in the construction of new district power stations.

The coal industry was confronted with a big task: to increase the output of coal to the level of fully providing for the requirements of the country; to mechanize coal mining; to develop new coal fields, particularly in the East. This task has been fulfilled. In 1930, the coal industry yielded 48,500,000 tons of coal, while in 1934 it yielded 92,000,000 tons, increasing by 90 per cent. The Ural, Siberian, and other Eastern coal fields increased their output during this period by 131, 154, and even 214 per cent. (Kuznetsk coalfield). In four years, 2,622,000,000 roubles have been invested in the coal industry. One hundred forty-four new mines, and 32 reconstructed old mines, with a total capacity of 70,000,000 tons annual output, were put into operation.

"During this period, the mines received 760 heavy coalcutters, 7,900 pneumatic drills, 1,275 electric drills, 297 electric locomotives. Our factories," said Ordjonikidze, "our plants are equipped with a splendid modern technique possessed by no capitalist country. Where do we derive this from?"

"From different countries we purchased the most highly perfected machines, the very latest achievements of world technique, with which to equip our factories. In capitalist countries, many plants and mines are still equipped with machines dating from the nineteenth century. Our basic capital has the best technique in the world."

"In 1935, the Soviet coal industry will give over 112,000,000 tons, and by 1937, the last year of the Second Five Year Plan, should produce 152,500,000 tons of coal. This is not an easy task, but certainly can be realized. All the possibilities for this achievement exist. The basic thing now is to master the new technique. The advanced workers in the Soviet Union show striking examples of how this is being done. The average monthly productivity of coalcutting machines is 2,700 tons. In one pit, Donbas," Ordjonikidze related, "there is an operator of a coalcutting machine named Telnikh

### Shock Workers at Baku



This picture shows a group of shock troop workers, "udarniki," coming from their work at a Baku mine.

who produces 10,000 tons monthly instead 2,700 tons. [Applause. Voice from the hall: 'Is he a delegate to the Congress, and among the workers in our Socialist plants who are competing among themselves to improve their mastery of technique, there are very many like Telnikh. In 1931 Stalin's words resounded proudly: 'The reality of our program is—living people, you and I. Are not the splendid examples of work I have mentioned a striking confirmation of these words?'

#### Oil and Fuel

Ordjonikidze went on to discuss the problems of the oil industry. "The requirements of petroleum and benzene oils continue to grow year by year in the land of the Soviets. The development of the use of tractors and automobiles throughout the country, the new locomotives, the new Martin ovens, demand much fuel today, and will demand still more tomorrow. The total oil reserve in the Soviet Union is estimated at the present time at 3,000,000,000 tons, or 32 per cent of all world oil reserves. Thus the U. S. S. R. has first place here in the world. And how much unex-

### Soviet Airman Takes Off On 10,500 Mile Flight

MOSCOW, Feb. 3 (By Wireless).—Yesterday the well-known Soviet airman, Galishev, one of the heroes of the Cheyuskin rescue expedition, took off from the Moscow airdrome on a flight to Kazan, Novosibirsk, Irkutsk, Yakutsk and Tiksi Bay, a total distance of 10,500 miles. Galishev will have to master a new air route from Yakutsk to Arctic Tiksi Bay. The mastery of this route will be of tremendous economic and scientific importance.

The airplane has before it the job of connecting the industrial centers of the country with the biggest seaport in the Arctic now under construction at Tiksi. Fur, fish, sealing factories along the shores of the river Lena are also to be drawn into this route.

country in the world which simultaneously was engaged in building so many metal plants.

"In the last four years, the country invested 5,306,000,000 roubles in ferrous metallurgy, put into operation in this period 24 new blast furnaces, 80 new Martin ovens, 35 rolling machines, including five powerful blooming mills, the like of which had not been seen in Russia before. One thousand four hundred and ninety-three coke ovens were put into operation, with a capacity of 8,100,000 tons, whereas in 1930 the entire amount of coke burned was 6,000,000 tons. During 1934, the output of iron ore was 21,700,000 tons; compared this with 10,500,000 tons in 1930. This amount has more than doubled in four years. The total capacity of all new ore mines opened in these past four years exceeds 15,000,000 tons.

#### Rise in Ferrous Metals

With regard to ferrous metals, Ordjonikidze stated: "This was a most difficult, a most complicated task. Without metal, there could be no talk of any industrialization or reconstruction of the country's economy. The metallurgy of pre-war Russia produced 4,200,000 tons of iron, 4,200,000 tons of steel, 3,500,000 tons of rolled steel. In 1930 we had 5,000,000 tons of iron, 5,863,000 tons of steel, 4,813,000 tons of rolled steel. We developed on a tremendous scale the reconstruction of old plants and the building of new ones. We began to build Kuznetsk, Magnitogorsk, and other plants. There has hardly ever been another

### Vast Machine Plants Speed Growth of Soviet Agriculture

Basic Capital of Soviet Industry Has Best Technique in World; Number of Skilled Workers and Technicians Increasing by Thousands Yearly

"In addition, in the past four years heavy industry has provided agriculture with the following: 1,141,500 tractor ploughs, 455,616 horseploughs, over 200,000 sowing machines, 206,716 haycutters, 30,424 combines, about 200,000 reapers, 61,758 tractors, threshers, etc. Heavy industry provided the following fertilizers for Kolkhoz and Sovkhoz fields: 2,677,000 tons of super phosphates, 1,204,000 tons of phosphor powder, 1,507,000 tons of raw silvite, about 500,000 tons of nitrate fertilizers, etc.; 67,600,000 roubles have been appropriated for combating insects injuring agriculture.

"To sum up, heavy industry during these four years supplied agriculture with machinery, tractors, automobiles, locomotives, and various other equipment, valued at over four billion roubles. To translate this into terms of metal, agriculture received during this period, 3,600,000 tons of metal, including 730,000 tons of high grade metal in the form of machines, tractors, automobiles, metal sheets, etc. This is how Socialist heavy industry has fulfilled its obligation during these four years regarding the reconstruction of agriculture. As you see," said Ordjonikidze, "much has been accomplished, especially if we take into consideration the fact that this was done in a period when heavy industry itself was under construction. At the present time, and during future years, heavy industry will be in a condition to fully provide all the requirements of agriculture. [Applause.]

#### Comparisons

"If we compare the U. S. S. R. with other countries in regard to the smelting of iron in 1934, we had 10,440,000 tons, while Germany had 8,720,000 tons; France 6,180,000; Britain, 6,000,000; Belgium, 2,900,000; Czechoslovakia, 610,000; Poland, 380,000; Italy, 580,000; Sweden, 550,000; Austria, 140,000; Japan, 2,300,000 tons of iron. Only the U. S. A. is still ahead of us. The U. S. S. R. Lenin placed before us the task of catching up and surpassing the advanced capitalist countries. Without boasting or exaggerating, we can firmly state to the Soviet Congress of our Union, that if we needed four years in which to advance from 5,000,000 tons to 10,500,000 tons, then in order to go from 10,000,000 tons to twenty or twenty-

one million (in 1934 the U. S. A. produced 16,500,000 million tons of iron) we certainly will need no more than four years. [Stormy applause.]

"The production plan for machine construction in 1935 is set at 11,267,000,000 roubles, and this sum does not include the output of local district industry. Heavy industry," continued Ordjonikidze, "we built not simply for its own sake but so that, by fulfilling its own task, it should lay the base for reconstructing all other branches of our national economy."

"In the past four years, heavy industry provided agriculture with the following: 240,000 tractors on wheels, 8,377 caterpillar tractors, 43,545 automobile trucks, 8,600 passenger automobiles, 30,102 motors for combines. In four years, the automobile and tractor plants built by our Leninist Party provided agriculture with tractors and motors for combines possessing a total capacity of 4,800,000 horsepower. Do you recall," asked Ordjonikidze, "how Lenin dreamed about 100,000 tractors?"

"During these years, which to all capitalist countries have meant a continuation of economic crisis, heavy industry in the U.S.S.R. continued its triumphant march. It increased its output more than four-fold in comparison with 1923. These citizens in foreign countries who are more or less informed of what is going on, beginning with the newspaper reporters, and ending with the solid economists and statesmen, cannot now deny this development."



Cattle breeding, as shown by this inspector's joyful face, has now been put on a sound basis in the Soviet Union.

"The production plan for machine construction in 1935 is set at 11,267,000,000 roubles, and this sum does not include the output of local district industry. Heavy industry," continued Ordjonikidze, "we built not simply for its own sake but so that, by fulfilling its own task, it should lay the base for reconstructing all other branches of our national economy."

"In the past four years, heavy industry provided agriculture with the following: 240,000 tractors on wheels, 8,377 caterpillar tractors, 43,545 automobile trucks, 8,600 passenger automobiles, 30,102 motors for combines. In four years, the automobile and tractor plants built by our Leninist Party provided agriculture with tractors and motors for combines possessing a total capacity of 4,800,000 horsepower. Do you recall," asked Ordjonikidze, "how Lenin dreamed about 100,000 tractors?"

"During these years, which to all capitalist countries have meant a continuation of economic crisis, heavy industry in the U.S.S.R. continued its triumphant march. It increased its output more than four-fold in comparison with 1923. These citizens in foreign countries who are more or less informed of what is going on, beginning with the newspaper reporters, and ending with the solid economists and statesmen, cannot now deny this development."

#### Role of Heavy Industry

"The production plan for machine construction in 1935 is set at 11,267,000,000 roubles, and this sum does not include the output of local district industry. Heavy industry," continued Ordjonikidze, "we built not simply for its own sake but so that, by fulfilling its own task, it should lay the base for reconstructing all other branches of our national economy."

"In the past four years, heavy industry provided agriculture with the following: 240,000 tractors on wheels, 8,377 caterpillar tractors, 43,545 automobile trucks, 8,600 passenger automobiles, 30,102 motors for combines. In four years, the automobile and tractor plants built by our Leninist Party provided agriculture with tractors and motors for combines possessing a total capacity of 4,800,000 horsepower. Do you recall," asked Ordjonikidze, "how Lenin dreamed about 100,000 tractors?"

"During these years, which to all capitalist countries have meant a continuation of economic crisis, heavy industry in the U.S.S.R. continued its triumphant march. It increased its output more than four-fold in comparison with 1923. These citizens in foreign countries who are more or less informed of what is going on, beginning with the newspaper reporters, and ending with the solid economists and statesmen, cannot now deny this development."

#### Hitler's Phantasy

"In the light of these facts Hitler's statement, 'This Soviet Russia resembles a man walking over a marsh, leaning on the arm of a strong man,' even more fantastic. According to him, the Soviet Union is 'continually leaning on the arm of capitalist countries. It should be put on its own feet and told: Now create your own heaven. Then we should see results.' This boast is not the only one Hitler has made. In his book, 'My Struggle,' Hitler, in an attempt to convince his supporters that military alliance with the Soviet Union was unfavorable for Germany, says: 'The motorization of the world which will play an enormous and decisive role in the next war could not be opposed by us in any respect. In this important sphere Germany itself is lagging behind disgracefully. But in the event of such a war, we would have to support Russia out of our own small supplies, because Russia hasn't a single factory capable of making a real, workable motor truck.'

#### New Cities

"Some 6,111,000 workers, technicians and engineers are working in heavy industry. The new factories made it necessary to build dwellings, schools, hospitals, children's institutions, clubs, roads, etc. It was necessary to build new towns like Magnitogorsk, Stalinsk, Berezinski, Salikonsk, and others. During these four years, 3,400,000 roubles were invested in social and municipal construction for heavy industry. This year, 920,000,000 roubles has been assigned to construct housing, cultural, institutions, etc. The wages of workers have increased 76.9 per cent in these four years. Heavy industry has overfulfilled its task for the First Five Year Plan. It has overfulfilled the plan of the Second Five Year Plan, producing in 1934 an increase of 27 per cent instead of 23 per cent, as provided in the plan. What position does heavy industry in the U. S. S. R. occupy with respect to world economy? In anthracite, the U. S. S. R. occupied fifth place in 1930, fourth in 1934; in oil, it is firmly established in second place; in iron, the U.S.S.R. moved from fifth place in 1930 to second place. In steel it went from second place to third in the manufacture of tractors, from second place in 1930 to first place in the whole world in 1934. Prolonged applause) The U. S. S. R. already has the most powerful plant for agricultural machine construction in Europe. The output of automobile trucks in the U. S. S. R. from ninth place in 1930 to third place in the world. In the production of electric power Russia occupied fifteenth place in 1931, and in 1930 had already moved up to ninth, while during these four years, it has taken third place in the world, and is on a level with Great Britain.

## Molotov Reports to Soviets on Socialist Advances

(Continued from preceding page.)

#### State Apparatus

"Our state apparatus, which, with all its shortcomings, ensures us the possibility of realizing the great plan of Socialist construction, is depicted by our enemies as a bureaucratic superstructure incompatible with the interests of developing individual personality and talent. But this 'criticism' of bureaucracy is only a screen for the real aim of the enemy: to undermine the machinery of Soviet power directing the gigantic economy of our country in the interests of the toilers, which has come to replace all those big and little bosses, who, indeed, formerly did 'develop,' who lived in luxury at the expense of the peasants and workers, at the expense of the toilers. In bourgeois countries where the minority—the exploiters—rule over the majority—the toilers—the organs of state power strive to hide from the masses their real class content as organs to safeguard capital against the interests of the toilers. The bourgeoisie is forced to hide its dictatorship under various forms of parliamentarism, and to keep the masses at a distance from its machinery of the fascist type, which are openly intended to keep the toilers in fear, obedient, under the heel of the capitalists, the bourgeoisie cowardly hides the tusks of its dictatorship behind all kinds of representation, allegedly, of the population. It is clear why this is so. An unmasked bourgeois dictatorship, even in a democratic shell, would lose its authority in the eyes of the toilers; it would become known to the toilers as a power completely foreign and hostile to their interests."

#### A Workers' Dictatorship

"Only the dictatorship of the proletariat, embodying the union of workers and peasants under the leadership of the working class, is the power of the toilers. It is a dictatorship from which the toilers have nothing to fear, but which, on the contrary, draws its strength from attracting the toiling masses to active participation in the entire business of government. Only such a dictatorship, which has smashed the bourgeois state machine together with its basis, private property, and has put in the forefront the development of social property in the interests of the toilers—only

#### Improving the Soviets

"It is therefore clear that we must concern ourselves with improving the work of the Soviets. We must see to it that the work of sections, Soviets, or deputy groups, in enterprises of patronage groups, and 'Socialist substitutes,' in institutions, should develop still further, that the Soviets should still more firmly link themselves with the masses of the workers. We must see to it that urban Soviets, while carrying out their duties in accomplishing the policy of industrialization and technical reconstruction, should strengthen still more their care in regard to the living and cultural needs of the workers, and of the collective farm countryside."

#### Soviet First in Iron Consumption



Consumption of iron in each of the four great industrial European nations for the years 1929 and 1932 is shown by the symbols on the side of the house pictured here. The upper symbols show the 1929 consumption of iron in the U.S.S.R., England, France and Germany in that order. The Soviet Union has jumped from last to first place.

#### Hitler's Phantasy

"In the light of these facts Hitler's statement, 'This Soviet Russia resembles a man walking over a marsh, leaning on the arm of a strong man,' even more fantastic. According to him, the Soviet Union is 'continually leaning on the arm of capitalist countries. It should be put on its own feet and told: Now create your own heaven. Then we should see results.' This boast is not the only one Hitler has made. In his book, 'My Struggle,' Hitler, in an attempt to convince his supporters that military alliance with the Soviet Union was unfavorable for Germany, says: 'The motorization of the world which will play an enormous and decisive role in the next war could not be opposed by us in any respect. In this important sphere Germany itself is lagging behind disgracefully. But in the event of such a war, we would have to support Russia out of our own small supplies, because Russia hasn't a single factory capable of making a real, workable motor truck.'

#### New Cities

"Some 6,111,000 workers, technicians and engineers are working in heavy industry. The new factories made it necessary to build dwellings, schools, hospitals, children's institutions, clubs, roads, etc. It was necessary to build new towns like Magnitogorsk, Stalinsk, Berezinski, Salikonsk, and others. During these four years, 3,400,000 roubles were invested in social and municipal construction for heavy industry. This year, 920,000,000 roubles has been assigned to construct housing, cultural, institutions, etc. The wages of workers have increased 76.9 per cent in these four years. Heavy industry has overfulfilled its task for the First Five Year Plan. It has overfulfilled the plan of the Second Five Year Plan, producing in 1934 an increase of 27 per cent instead of 23 per cent, as provided in the plan. What position does heavy industry in the U. S. S. R. occupy with respect to world economy? In anthracite, the U. S. S. R. occupied fifth place in 1930, fourth in 1934; in oil, it is firmly established in second place; in iron, the U.S.S.R. moved from fifth place in 1930 to second place. In steel it went from second place to third in the manufacture of tractors, from second place in 1930 to first place in the whole world in 1934. Prolonged applause) The U. S. S. R. already has the most powerful plant for agricultural machine construction in Europe. The output of automobile trucks in the U. S. S. R. from ninth place in 1930 to third place in the world. In the production of electric power Russia occupied fifteenth place in 1931, and in 1930 had already moved up to ninth, while during these four years, it has taken third place in the world, and is on a level with Great Britain.

#### Hitler's Phantasy

"In the light of these facts Hitler's statement, 'This Soviet Russia resembles a man walking over a marsh, leaning on the arm of a strong man,' even more fantastic. According to him, the Soviet Union is 'continually leaning on the arm of capitalist countries. It should be put on its own feet and told: Now create your own heaven. Then we should see results.' This boast is not the only one Hitler has made. In his book, 'My Struggle,' Hitler, in an attempt to convince his supporters that military alliance with the Soviet Union was unfavorable for Germany, says: 'The motorization of the world which will play an enormous and decisive role in the next war could not be opposed by us in any respect. In this important sphere Germany itself is lagging behind disgracefully. But in the event of such a war, we would have to support Russia out of our own small supplies, because Russia hasn't a single factory capable of making a real, workable motor truck.'