POLITICAL AFFAIRS

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THE NATHAN REPORT

By MAX WEISS

THE PUBLICATION OF THE Nathan Report, prepared at the request of the C.I.O., was an event of great importance. It served to reinforce labor's struggle for higher wages and put the whole camp of monopoly capital on the defensive, not only before labor, but before the great mass of American people outside of labor's ranks. It has become a powerful weapon in the hands of labor in its present struggle for higher wages.

What does the Nathan Report reveal from a factual point of view?

In the two-year period 1945-46, there has been a tremendous decline in real wages but a sharp increase in corporate profit.

The reduction in earnings of wage and salary workers has been such that an increase of 10 per cent in hourly earnings in manufacturing—without any price increases—would be necessary to bring real hourly earnings back to the level of January, 1945. An increase of 23 per cent in real weekly earnings would be necessary to bring real weekly earnings back to their level in January, 1945. Quite apart from hourly or weekly earnings, an increase of 17 per cent would be required to meet the increase in the cost of living since January, 1945.

The increase in corporate profits has been so great that they are today, before taxes, as high as the peak profit period during the war. Profits after taxes are 50 per cent higher than they were at their wartime peak and surpass any previous period in the whole history of our country. For example: after taxes they are one and one-half times the volume of profits in 1943; three and three-quarters as high as the volume for an average year during 1936-39; and one and three-quarters as high as the volume attained during the famous "prosperity" year of 1929.

If we compare the dynamics of wages and profits, we find that total corporate income since 1939 has increased much more rapidly than total income from wages and salaries. Corporate income before taxes is 290 per cent higher, while wages and salaries are only 169 per cent higher in terms of money. Hence, the relative position of the worker has sharply declined during this period.

On the basis of these figures, what would wage increases result in if there were no price increases, even assuming that there would be no further increase in productivity and no expansion in volume of production?

The Nathan Report figures show that a wage increase of 21 per cent in manufacturing alone on such a basis would still leave manufacturing corporations with a rate of profit (after taxes) equal to what it was during the years 1936-39. As for all corporations, a 25 per cent increase in wages under such conditions would leave a rate of profit equal to

what it was during the years 1936-39.

From this the Nathan Report draws the conclusion that manufacturing industries can "support" a 21 per cent increase in wages without any increase in prices.

Furthermore, the Report characterizes the present situation of declining real wages and spiralling profits as a menace to the interests of the nation because:

> First, the living standards of the mass of our people—never better than a tenuous compromise with minimum requirements of health and decency—are being seriously undermined. Second, the long term stability of our economy is being endangered by a shift of income away from the consumption of the masses and toward the savings of the relatively few. Third, the social and political health of our democracy is being threatened by the concentration of income and wealth and the resultant concentration of power and influence. These are great dangers.

The Nathan Report decisively rejects all arguments against labor's demand for wage increases. It exposes the complete fallaciousness of the argument that wage increases have been responsible for price increases. It rejects the argument that the present situation will rectify itself automatically, and without wage increases, by a decline in prices and profits as a result of greater productivity and production. On the contrary, it asserts that the only automatic result of the present situation will be a depression. It further rejects the proposal that the present situation can be corrected by a proper tax policy. On the contrary, it asserts that the most likely result of the present tax proposals for an equal, all-around reduction of taxes will be to accentuate the divergent trends of income to workers and profits to employers. Obviously, only one conclusion follows from the Nathan Report—that labor must fight for higher wages.

In proving its case for the absolute necessity of raising wages because of the increase in the cost of living and the decline in mass purchasing power, the Report does not limit itself to a "cost of living" approach. Quite the contrary, it warns against any complacency about the standard of living in the United States. It asserts, obviously in reference to the Heller Committee report, that the highest standard of living yet achieved in the United States for the mass of the people is below the level of what we usually consider the "American way of life." Hence, while emphasizing the need for wage increases to make up for the increased cost of living, its orientation is for a wage policy that will not stop with any such achievement. Clearly, the approach of the Nathan Report is at direct variance with the Trotskyite cost-of-living escalator clause policy.

The Nathan Report is a powerful anti-monopoly document. Its total effect is to indict and challenge monopoly profits and condemn them as a menace to the whole American

people. It characterizes the staggering monopoly concentration of wealth and income in the hands of a few as a threat to American democracy. Fittingly, it calls, among other things, for "curbs to monopoly and to concentration of wealth." Hence, in its implications it goes far beyond a mere statistical presentation of labor's case for wage increases without price increases. It will undoubtedly help stimulate the anti-monopoly struggle of labor and the people all along the line.

Nor is this all. Within the framework and restrictions of this anti-monopoly position, there is an empirical presentation of the wage-profit relationship which will facilitate the work of Marxists in moving large masses of workers to an even more advanced position than the document itself espouses.

For example, its factual exploration of the total wage-profit situation provides important data for emphasizing the conflict between the fundamental class interests of the working class as a whole and those of the capitalist class as a whole. Its statistical findings invite the conclusion that wages are pitted against profits, that higher real wages (*i.e.*, without price increases) can be won only by cutting profits. While the Report itself, of course, does not draw any such conclusion, its facts point irrefutably to the conclusion which Marxists must help the masses draw—the conflict between wages and profits is the material basis for the class struggle. Its figures provide data which, if proper conclusions are drawn, refute all theories of class peace and harmony. In addition, the empirical presentation of the total wage-profit relationship in the United States offers a valuable point of departure for Marxists to help masses move over from contemplation of the facts to a more fundamental analysis of the source of wages and profits and, hence, the nature of capitalist exploitation.

The facts cited by the Nathan Report on the relative movements of wages and profits for the seven-year period since 1939 are interpreted by it as a limited phenomenon with disastrous effects and dangerous consequences. Actually, however, these facts are an additional confirmation of the Marxian analysis of some of the most fundamental laws and tendencies of capitalist economy—the continued absolute and relative decline in the status of the wage worker in capitalist society.

Obviously, the Nathan Report, because of its premises, draws none of these conclusions. To establish these premises and to draw these conclusions is the task of Marxists in the labor and people's movement.

LIMITATIONS

The anti-monopoly position of the Nathan Report is limited by its fundamental premise—an unquestioning acceptance of the profit system, the capitalist system. Far from challenging the continuation of profit-making, it actually bases itself on the desirability of a "healthy level of

profit." It goes out of its way to present assurances that it has taken into consideration, not merely the desirability of an adequate standard of living, but also of the profitability of capitalist industry. In its rejection of the argument that wage increases must lead to price increases, its assumption is that a "fair rate of profit" is desirable, for example, a rate of profit such as existed on the average during 1936-39. The basic approach of the Nathan Report could fittingly be sloganized thus: "A fair wage and a fair profit."

By calling for an increase in wages which will leave the capitalists with what will presumably be a "fair" profit, the Nathan Report implicitly characterizes the present swollen monopoly profits as unfair. In doing so, it reflects the widely-felt sense of moral outrage at this spectacle of monopoly greed while the masses are ill-fed, ill-housed and ill-clothed. We Marxists share this feeling of the masses. At the same time we deny that a lower profit would be "fair" since all profit, high or low, is based on exploitation. But from the standpoint of economic theory, profits cannot be analyzed as fair or unfair, healthy or unhealthy. There are no standards of canon law or economic hygiene to make such contrasts possible.

If we wish to remain within the realm of political economy, then the present excessive monopoly profits of the trusts must be contrasted not with any moral standard of fairness but only with another economic category—the average rate of profit. While no rate of profit under capitalism can be considered "fair," there is such a thing as an average rate of profit. This average rate of profit is the rate which is established under conditions of free competition by a ceaseless immigration of new capital into those fields which temporarily have a rising rate of profit and a ceaseless emigration of capital out of those which temporarily have a declining rate of profit. This free flow of capital under free competition establishes an average rate of profit for the entire capitalist class.

Under such conditions, the trade unions, by economic struggles alone, can succeed in keeping profits down to this average rate. In fact, under free competition, that is both the tendency, and the limit of achievement, of the economic struggles of the trade unions.

Monopoly, however, distorts the formation of this average rate of profit. It prevents the free flow of capital from one industry to another. It results in an excess, monopoly profit in the monopolized industries; and a tendency to a below average rate of profit for the non-monopolized sector of the economy from whence capital cannot freely emigrate because channels of entry to other industries are blocked by the monopolies.

To the extent that an economic content can be read into the term "fair rate of profit," its only meaning can be an "average rate of profit."

To Marxists, this is not a *desideratum* since they are for the complete abolition of the profit system. It is simply a reminder that by trade union struggle alone all that can be achieved under free competition is the reduction of profits to an average rate—and never the abolition of capitalism itself.

As to the struggle against monopoly profits, obviously, in the present situation, there can be no question of returning to the pre-monopoly days of free competition and its average rate of profit. Today we are confronted with the task of developing the struggle against monopoly profit by moving forward toward the curbing of the monopolies by the people. This requires more than a purely economic struggle. It requires also a political struggle of the first magnitude to curb the monopolies.

Inasmuch as the Nathan Report calls for wage increases large enough to reduce materially the staggering postwar profits of the monopolies, it is a very important step in the direction of developing this fundamental struggle. But even a reduction of the profit level to that which obtained in 1936-1939 would not restore the average rate of profit in the trustified industries. They would still be above-average, monopoly profits. The reduction of monopoly profits requires the establishment of strong political curbs on the monopolies up to and including measures of democratic nationalization.

Despite the wealth of factual evidence contained in the report that profits and real wages are in conflict with each other and, hence, that it is against the interests of the capitalist class to raise wages, the Nathan Report actually makes an appeal to business to grant wage increases "in its own interests." It tries to convince the capitalist class not to oppose wage increases by holding out the promise that they can make up for whatever profits they lose now by getting higher profits later on as a result of a greater volume of production, greater labor efficiency, and increased productivity. Clearly, this kind of a utopian appeal will have no result. The fury of the attack against the Nathan Report by all sections of big capital demonstrates the illusory character of such an appeal.

Furthermore, while the Report bases its demand for increased wages on the need to make up for the decline in real wages suffered by workers during the past two years, it makes a serious concession to the "ability to pay" theory. It does this by coupling its demand for wage increases on the basis of workers' need, to an estimate that the capitalists are "able to pay" such wage increases out of their excessive postwar profits. Now, it is quite correct and necessary to employ the figures cited in the Nathan Report in refutation of any claim that the monopolies are not "able" to pay wage increases. These figures indict such hypocrisy and should be used for that purpose. It is quite another matter, however, to make a claim for wage increases on the ground that the capitalists are

"able to pay." That this lurks in the background of the Nathan Report is evident from the fact that it makes allowance for corporations that might not be "able" to pay a 25 per cent or even a 21 per cent increase because of their particular profit status. Presumably, although the report does not state so explicitly, this would be the case of a corporation that happened to be making a rate of profit currently not above the 1936-39 level, in other words, already making no more than a "fair profit." Nor has the N.A.M. been slow to seize upon this "ability to pay" aspect of the Nathan Report and twist it around as a weapon against the conclusions of the Report. It is clear that with the inevitable decline in profits in the coming crisis, the bourgeoisie will utilize this "ability to pay" argument to justify a wage-cutting drive on the ground that they are no longer "able" to pay the same wages that they could before the crisis.

Quite apart from this, it is obvious that the labor movement cannot base its wage policy on the ability of the capitalists to pay. In the first place, there are more ways open for a corporation to conceal its profits than there are ways of skinning a cat. Furthermore, the "ability to pay" theory is in direct contradiction to the whole effort of all trade unions to establish uniform industry-wide wage scales; or else it leads to the establishment of such uniform wage scales on the lowest level according to what the "least profitable" firm can "afford to pay."

Labor must fix its wage demands not on the basis of the "ability of the capitalist to pay," but on the need for the continued improvement of the living standards of the worker. Only this should determine the approach of the labor movement to its wage demands.

Finally, while by implication correctly rejecting the reactionary theory that higher wages will be responsible for a crisis, the Report unfortunately creates the illusion that high wages (together with a number of other social reforms to raise purchasing power) will prevent a crisis. This is, essentially, the old and oft-refuted underconsumption theory of crises. It is the theory that crises are caused by the "imbalance between wages and profits." But this "imbalance" is inherent in the capitalist system; it is aggravated by monopoly prices. Monopoly prices accelerate the outbreak of crisis, deepen the crisis when it occurs, prolong its duration, and retard the tempo of recovery. But crises are inherent in the capitalist system and are caused by the fundamental contradiction between the social character of production and the private nature of appropriation. Marxists support labor's fight for higher wages, not under any illusion that this will prevent crises, but first, because, regardless of the prospects of a crisis, the masses need higher wages; second, because victory in the fight for higher wages will retard development toward a crisis;

and, third, because higher wages won now will make the ravages of the crisis less painful for the masses when it does break out.

THE MONOPOLY ATTACK UPON THE REPORT

The publication of the Nathan Report was the signal for an unprecedented howl of rage from the camp of monopoly. The press and radio has been filled to overflowing with reactionary attacks upon the Nathan Report. The N.A.M. prepared a counter-report of its own which it released with a great fanfare in a vain effort to undo the Report's powerful impact upon the country.

The main theoretical substance of this reactionary effort to refute the findings of the Nathan Report was contained in the monthly letter of the National City Bank for January, 1947. All other so-called refutations are variations upon the same theme.

The National City Bank attempts to refute the Nathan Report's exposure of a decline in the purchasing power of the masses since 1944 by the assertion that "living standards are above the pre-war level." It attempts to buttress this contention with its own statistical analysis of wage and price movements. It is unnecesary to enter into an analysis of the statistics used by the National City Bank. Clearly, the implication of this argument is that workers should be satisfied that living standards are above the pre-war level. The Nathan Report itself emphasizes that, even in its best period, the living standard of the masses was never more than a precarious compromise with a minimum level of health and decency; that American workers have never approached anywhere near what is popularly designated as the "American way of life." The standard of living of the masses in the pre-war period was such that President Roosevelt could assert without refutation that one-third of the nation was ill-clothed, ill-housed, ill-fed. And American workers are supposed to derive comfort from the knowledge that today—even assuming that the National City Bank figures are unchallenged—somewhat less than one-third of the American people are ill-clothed, ill-housed, ill-fed.

The National City Bank challenges the assertion of the Nathan Report that the phenomenal rise in profits relative to wages endangers the stability of American economy because it shifts income from the consumption of the masses to the savings of a few.

According to the National City Bank this use of profits (*i.e.*, saving by the few) might be true in periods of depression but not in periods of business activity like the present in which there are big programs of plant expansion and modernization. Now, obviously, the Nathan Report analysis rests upon the Keynsian theory that crises are caused by the diversion of income from the spending of the masses to savings in the

higher income groups. We Marxists disagree that this is the cause of crisis. We assert that this is but one factor which widens the gulf between production and consumption which is inherent in the very nature of capitalism.

We note in this connection only the following: since the National City Bank concedes that such use of income with all its consequences as described in the Nathan Report might be true in periods of depression, why does it not draw the logical conclusion from this? Why does it not propose a policy of wage increases and profit reductions during periods of crisis and depression in order to obviate the consequences of a diversion of income from the consumption of the masses to the savings of the few? Perish the thought!

We note, secondly, that the National City Bank is attempting to conceal the fact that even in a so-called "boom" period like the present, there are vast masses of idle money capital which are not being put to productive use.

Furthermore, the program of plant expansion and modernization which the National City Bank assures us is going on now is precisely a feature of the development of the typical capitalist crisis of overproduction. The expansion of capacity and the utilization of that expanded capacity are causing a flood of goods to pour out of the factories into the warehouses where they are even now accumulating as inventories totalling some $33,000,000,000 worth of goods. Part of the profits of the capitalists are being spent—but for the production of more and more goods which remain unsold. Even if the purchasing power of the masses had not declined relative to 1944, it would still be incapable of absorbing this flood of products.

The National City Bank complains that the Nathan Report betrays a lack of understanding of the true role of profits in the capitalist system because it suggests a cut in profits. Without going into a discussion of the conception of profit basic to the Nathan Report, it is in order to comment on the sheer hypocrisy of the National City Bank. According to it, high profits stimulate production; hence, any proposal to cut profits is a proposal to discourage business expansion. And this coming from an organ of monopoly capital! It is a well established fact that the monopoly search for profit results, not in the expansion of production, but in the restriction of production. The monopoly credo is: high profits through restricted production and high prices. In the period of free competitive capitalism, the search for profit led to continued enormous expansion of production. In the epoch of imperialism, of monopoly capital, the search for profit remains, but it no longer leads to the expansion of production except in times of war.

Finally, the National City Bank trots out its own version of the "ability to pay" theory to counter the findings of the Nathan Report. This organ of finance capital suddenly be-

comes very concerned with the "marginal producer," that is, the capitalist making the lowest level of profit.

It advances this argument:

> The first and most obvious objection to the proposal that the corporations can and should grant wage increases aggregating 21 to 25 per cent without increasing prices is the fallacy of taking gross over-all profit figures as a measure of what individual industries and concerns can do.
>
> Business, of course, does not operate as a single unit with all resources pooled, but is made up of many thousands of independent, competitive enterprises. Not only is there a great variety in the profit position in the different industries, but there is also wide variation among individual companies in the same industry. . . .
>
> So long as these disparities in earning power exist, it is fantastic to talk about the ability of "industry" to grant big wage increases as though the money all came out of one cash register. Either prices would have to advance to enable a reasonable proportion of the "marginal" concerns to make a profit or the result would be a stifling of production and a falling off of employment.

The fact that the National City Bank can employ its own version of "ability to pay" to "prove" that industry is "not able" to pay confirms our analysis of the fundamentally unsound nature of this approach when used by labor.

But the National City Bank "refutation" of the Nathan Report belongs in a class by itself as an example of deceit and demogogy.

It attacks the Nathan Report because it allegedly conceives of all industrial profits as forming a single pool, or a single cash register, from which the money for wage increases is supposed to come.

Of course, the Nathan Report does no such thing.

But this alleged conception is far from being "fantastic."

Monopoly concentration has reached such gigantic proportions that industrial profits do, as far as organized labor is concerned, come quite close to forming a single pool or cash register of profits.

Less than 4 per cent of all the manufacturing corporations in the United States earned 84 per cent of the net profits of all manufacturing corporations before the war! (*Report of Smaller War Plants Corp.—p. 55.*)

In view of the accelerated concentration of ownership and control which took place during the war, it is clear that this same 4 per cent now earn closer to 90 per cent of all manufacting net profits today.

Thus, the overwhelming bulk of all manufacturing profits do come mighty close to forming a single pool, or cash register, controlled by an insignificant percentage of corporations engaged in manufacturing.

As to these "many thousands of individual, competitive enterprises," the National City Bank begs us to consider from among them all only the so-called "marginal producer," this legendary figure of bourgeois economics.

The worker is supposed to

shed tears over the sorry plight of the "marginal producer" who cannot make a profit should wages be raised! The labor movement would by now be drowned in its own tears had it wept for these "marginal producers" who could not "afford" to increase wages and still remain in business. Every sweatshop in the needle trades industry pleads that it cannot afford wage increases because it is in a "marginal" position. Every forward step by the labor movement has been made over the dead body of this "marginal producer" argument. Some thirty years ago, the giant steel industry fought tooth and nail against the reduction of the working day from twelve to eight hours on the ground that the twelfth hour of work was the hour which gave it the "margin" of profit. One of the main arguments against the establishment of a nation-wide minimum wage was that it was mainly directed against the "marginal producer."

Such tenderness toward the "marginal producer" by monopoly capital! Where was this tenderness in all the years in which the monopoly giants of American industry climbed to supremacy over the prostrate bodies of these "marginal producers" whom they drove out of business by undercutting their prices? There are five hundred thousand fewer small businesses today than before the war. Every child knows why—the growing centralization of control over industry in the hands of an ever smaller group of monopolists.

What touching solicitude for the "marginal producer"! Does the steel trust or the copper trust or the aluminum trust take the "marginal producer" into acount when it raises the price of its product? What nonsense! It fixes a price and tells the "marginal producer": take it or leave it. In fact, whatever price reductions it gives below its base price it gives to the giant firm and not the "marginal producer."

Two hundred and fifty giant corporations control 66.5 per cent of the productive capacity of the United States. Less than 4 per cent of all manufacturing corporations make more than 84 per cent of all manufacturing profits—and we are regaled with a harrowing account of the plight of the "marginal producer."

Let us weep for the "marginal producer"—and the National City Bank!

* * *

The Nathan Report is a powerful weapon in the hands of the labor movement to prepare and carry through its urgent struggle for higher wages. Its facts and message must be popularized to the widest possible extent, first of all in the ranks of the workers, but also among the middle classes and all of the allies of the working class. In aiding this popularization, Marxists are aware of their own special responsibilities in helping, on the basis of the revelations of the Nathan Report, to deepen the masses' understanding of the nature of monopoly capitalism.

ON BUILDING A PEOPLE'S PARTY

By WILLIAM Z. FOSTER

WITH BOTH HOUSES OF CONGRESS in the hands of aggressive Republican reactionaries, with the pro-Roosevelt national democratic coalition badly shattered by President Truman's systematic betrayals, and with the Big Business reactionaries preparing an all-out effort to capture both major parties and the Presidency in 1948, organized labor and the broad masses stand in imminent political danger. The offensive of reaction is already threatening the country with an economic breakdown; it bears in itself the dangerous menace of fascism, and it definitely menaces world peace.

Consequently, labor and the people are feeling an urgent need for powerful political action. During recent years, under the Roosevelt regime, organized labor and its allies have been carrying on an increasing degree of independent political action through such organizations as the C.I.O.-P.A.C., National Citizens P.A.C., and the American Labor Party of New York State. But the present situation demands that they go far beyond these movements. They must begin to break definitely with the capitalist-controlled Republican and Democratic parties and go about setting up an independent anti-fascist, anti-monopoly party of their own. This new party is vitally necessary in order to combat the reactionaries in the present Congress and also to deal the Republican and Democratic reactionaries a smashing defeat in the coming Presidential elections. It is absolutely necessary to begin building the new mass party now; but whether or not the party will be strong enough to put up an independent Presidential candidate and a slate of Congressional and local candidates in 1948, remains to be seen. In any event, the time is now at hand when the American labor movement must start to break its tutelage to the old capitalist parties and to stand on its own feet politically.

The most important experience of the American working class and its allies in independent political action up to this time was the big movement of the Conference for Progressive Political Action (C.P.P.A.), which culminated in the candidacy of Senator Robert M. LaFollette (the elder) for President in 1924. The C.P.P.A. movement has many lessons, both positive and negative, for the workers in their need for a new political orientation.

THE CONFERENCE FOR PROGRESSIVE POLITICAL ACTION

The C.P.P.A. was founded in Chicago in February, 1922. At least six major streams of political dis-

content went into its make-up. First and most dynamic was the strong movement of the 16 railroad unions for the Plumb Plan, which called for government ownership of the railroads. This movement, led by the railroad union attorney, Glenn R. Plumb, and by Presidents Warren S. Stone and Wm. H. Johnston of the Locomotive Engineers and Machinists unions respectively, took shape during the war years and embraced the entire body of 1,500,000 organized railroad workers.

The second major element entering into the C.P.P.A. was the labor party movement that had also developed in a number of industrial centers, beginning in 1917. The principal stronghold of this movement was the Chicago Federation of Labor, headed by John Fitzpatrick; but in New York City and other local communities, as well as in 15 states, there were also more or less vigorous labor parties.

A third decisive force was the well-defined farmer movement. This had strong state centers in the Minnesota Farmer-Labor Party, the Wisconsin Progressive Party, and the National Non-Partisan League of the Dakotas, headed by A. C. Townley. The C.P.P.A. also included various other political and cooperative farmer movements.

A fourth element in the make-up of the C.P.P.A. was the Committee of Forty-Eight, led by J. A. H. Hopkins. This movement, made up of intellectuals, professionals, and city middle-class elements, was something of a hangover from the Theodore Roosevelt Bull Moose Progressive Party of 1912. Also included was the Women's Committee on Political Action.

A fifth force, of considerable significance, was religious in character —the National Catholic Welfare Council and the Methodist Federation for Social Service.

Finally, there were the Communist and Socialist parties. Although the Communist Party, then known as the Workers Party, was born in the midst of this developing big political movement, it took a very active part, under its leader, C. E. Ruthenberg, in the whole development, particularly in the Labor Party section of it. Indeed, the Workers Party, working in alliance with the Fitzpatrick group of the Chicago Federation of Labor, was the most dynamic and influential organized force in the Labor Party wing of the C.P.P.A. In 1923, the Communist-led T.U.E.L., took a referendum vote of 35,000 local trade unions on the Labor Party, to which 7,000 replied, definitely voting in the affirmative. The C.P.P.A. proper, however, influenced by Socialist Party Red-baiting, refused to seat the delegates of the Workers Party. As for the Socialist Party, it at first opposed the entire movement which culminated in the C.P.P.A. On page 418 of his book, *Labor and Farmer Parties in the United States,* the Social-Democrat Nathan Fine says, "The Socialist

leaders resented the intrusion of the labor parties on the scene." They looked upon the labor party movement as dual to the Socialist Party. Later, however, they abandoned this sectarian position and penetrated the C.P.P.A., hoping to capture and control it.

The leading force in the C.P.P.A. was the railroad unions. They gathered the main bodies of labor around the movement and established working contacts with the farmers. Their militancy, especially in the pre-C.P.P.A. stages of the movement, may be gauged from the fact that they administered a smashing defeat to Samuel Gompers and his reactionary clique at the 1920 Montreal Convention of the A. F. of L., when the latter tried to block the railroaders' resolution calling for government ownership. Although no accurate statistics were ever assembled as to the actual organized numerical strength of the C. P. P. A., it probably ran to at least 3,000,000 persons.

The moving force that produced the great C.P.P.A. movement was the complex of economic and political pressures generated by World War I and its aftermath. During the war the workers had succeeded in building up the trade unions from about 2,500,000 to over 4,000,000. They had broken down the anti-union barriers in the steel, meat-packing, and various other industries. They had drastically cut the work-day to eight hours in many industries and, generally, they felt a new sense of economic and political power. The labor movement as a whole was definitely on the march forward.

With the end of the war, however, the bottom fell out of the economic situation, first because of an inflationary rise in prices and later because of the deep industrial crisis of 1920-21. The employers, ignoring all their fine promises made to organized labor during the war, launched a violent attack against the workers' living standards and trade unions. They slashed wages, forced strikes in many industries, and turned the power of the government against the unions. Their slogans called for the "American Plan" and the re-establishment of the "open shop." Alarmed by the world effects of the Russian revolution, the capitalist reactionaries developed terror against the Left wing, driving the Communist Party underground and ruthlessly deporting large numbers of foreign-born workers. This was the period of the infamous Palmer raids. The general result of this big employer offensive was that the unions lost strikes in the steel, meat-packing, building, lumber, printing, textile, metal, railroad, and various other industries. Altogether, it was the severest defeat ever suffered by American organized labor.

The farmers, too, were discontented from being plunged into economic crisis. The agricultural crisis lasted from the end of the war all

through the "boom" 1920's. The price of wheat and other farm commodities fell rapidly and the mortgage holders descended upon the tillers of the soil. These hardships, even as those of the workers, forced the attention of the farmers toward politics, with the consequence that their organizations, like the trade unions, turned hopefully to the C.P.P.A. for political expression.

On July 4, 1924, in Cleveland, the C.P.P.A. selected its national ticket, consisting of Senator Robert M. La Follette for President and Senator Burton K. Wheeler for Vice President. This ticket was endorsed by the A. F. of L. and by many of its individual unions, although such reactionaries as John L. Lewis and W. E. Hutcheson supported the Republican candidates. The election platform, practically dictated by La Follette was directed against the monopolists and open-shoppers. Its 14 planks demanded a restoration of civil rights, condemned the use of the injunction in labor disputes, and insisted on a more democratic system of taxation. The platform especially attacked the monopolies, demanding, among other measures, public ownership of water power and the railroads. The platform also condemned "financial imperialists," "oil imperialists," and "international bankers," and called for a revision of the Versailles Treaty. It attacked militarism and demanded a reduction in armaments all over the world.

The candidacy of La Follette met with fierce resistance from the reactionary press. Nevertheless, the C.P.P.A. ticket rolled up some 5,000,000 votes. La Follette carried Wisconsin and ran second in eleven other states—California, Idaho, Iowa, Minnesota, Montana, Nevada, North Dakota, Oregon, South Dakota, Washington, and Wyoming. La Follette was undoubtedly robbed of large numbers of votes by the alarmed, old-party politicians, particularly in the industrial states.

The C.P.P.A. collapsed after the La Follette campaign of 1924. The country was already heading into the hectic boom of the late 1920's, with all its "prosperity illusions." The trade unions, badly weakened by the ill-fated strikes of the early postwar period, were being led by their conservative officials into the intensified class collaboration that characterized this period. These leaders were determined to return to their old party alliances and, declaring that the La Follette campaign had been a failure, they spared no efforts to spread political pessimism among the workers. Consequently, on February 21-22, 1925, in Chicago, the C.P.P.A. held its final meeting. A move was made by the labor party forces present to continue the organization as a new political party, as might well have been done. But this plan was rejected by the railroad union leaders, who returned to the old "reward your friends and punish your enemies" policy. Hence, the C.P.P.A. movement literally fell to pieces then and

there. Thus ended the biggest effort ever made by the American working class and its farmer and middle-class allies to develop independent political action.

PROSPECTS FOR A PEOPLE'S PARTY IN 1948

Facing up to the vitally important Presidential elections of 1948, the stage is now being set for a much broader, clearer-sighted and more determined effort on the part of the workers and their allies to organize an independent anti-monopoly, anti-fascist party than was the case during the La Follette movement of 1924. A whole series of economic and political factors are pressing the toiling masses more urgently towards the foundation of such a party.

a) The general crisis of capitalism is far deeper after World War II than it was after World War I. Economically and politically, capitalism on a world scale has been weakened. Many nations are nationalizing their industries and moving toward the establishment of state capitalism and, in some cases, directly to Socialism. Despite the fact that American capitalism has emerged from the war as the strongest capitalist power, our national economy has nevertheless been fundamentally weakened by the world-scale debilitation of capitalism. During the past generation, with its wars, economic breakdowns, and fascism, the workers have had their faith in capitalism considerably shaken. The result is that now, although the country is in the midst of a record "boom," the workers generally realize that a dangerous economic crisis is on the way and they are keenly aware of the urgent need to protect themselves by political action from the ravages of mass unemployment. While their mood cannot yet be called mass class consciousness, they are nevertheless moving in this direction. They are ripe for a new mass party.

b) The power of the monopolies has grown enormously since 1924, especially during the recent war. Big Business now heavily dominates American economic and political life and it is also reaching out to establish its imperialist control over the whole world. The masses of the workers, although afflicted with much confusion regarding the world role of American imperialism, nevertheless realize that the great trusts are their enemies and grow increasingly aware that they must fight them politically. This realization is particularly keen now that the workers have seen the victory of the Republicans in the recent elections. They also see the beginnings of the big offensive that the capitalists are developing against the trade unions, the living standards of the people, and elementary American civil liberties.

c) Another important factor making for the new party is the fact that the trade unions are vastly stronger now than they were at the time of the La Follette campaign 23 years ago. Numbering some 15,-

000,000 members and entrenched in all the basic industries, they provide at least a five-fold wider labor basis for a mass party of workers, farmers, and city middle-class elements than they did in the days of the C.P.P.A. With clear-sighted and determined leadership, this party could roll up several times as many votes in 1948 as La Follette did in 1924. For many years, in the United States, a telling argument used by conservatives against independent political action by the workers was the contention that the trade union movement was too weak numerically to give a new party real strength. But this old-time argument has fallen to the ground with the tremendous growth of labor unionism during the past dozen years.

d) Since the days of the La Follette candidacy the workers and their democratic allies have had a wealth of economic and political experience. This also is pressing them on toward the formation of a new people's party. With the growing centralization of the Government, the workers have learned that most of the problems with which they now have to concern themselves, problems which they formerly considered matters for collective bargaining by the unions or which they left to the competitive workings of capitalism, have now become major national issues requiring organized political action by the democratic masses. Consequently, under the Roosevelt regime the workers for the first time developed an elementary political program, the basis of which is Big Three collaboration abroad and the New Economic Bill of Rights at home. They also began to mobilize their political strength through such organizations as the C.I.O.-P.A.C., the American Labor Party, etc. The most significant development in this respect is the newly formed Progressive Citizens of America. All this experience is laying the basis for a strong third party movement.

e) Not the least important consideration making for the formation of a broad anti-monopoly, anti-fascist party is the existence of a greatly strengthened Communist Party. Our Party, with its Marxist-Leninist understanding, its extensive political experience, and its broad mass contacts, will prove a source of strength to the new party movement far greater than could be furnished by the youthful Workers Party of 25 years ago.

f) The immediate factor that is providing the spark, so to speak, for the new third party movement is the betrayal of the people by the Truman Administration, by Truman's abandonment of the Roosevelt foreign and domestic policies, his cold-blooded breaking of the railroad and coal strikes, his surrender to the profiteers in the matter of price controls, his refusal to defend the most elementary rights of the Negro people, his capitulation generally to the offensive of the reactionary monopolists. Truman's course is convincing huge numbers of the work-

ers that the Democratic Party, like the Republican Party, is firmly in the control of Wall Street; that the old Gompers political policy of "reward your friends and punish your enemies" is obsolete; and that the workers' only hope lies in the formation of a great, new people's party. It is a case of either forming a new party or of surrendering to reaction. A recent Roper poll in *Fortune* stated that 23 per cent of the organized workers favor such a party. The recent Chicago Conference of Progressives and the other similar groupings that are taking shape—notably the formation of the Progressive Citizens of America—although still committed to the policy of working within the two old parties, nevertheless are basically expressive of the powerful mass trend toward the establishment of the much-needed new party.

PROBLEMS IN BUILDING THE THIRD PARTY

Conditions are ripe for the establishment of a broad people's anti-monopoly, anti-fascist party. The political situation promotes it; the workers and other democratic forces are increasingly demanding it. But in order to realize the new party in the great struggle around the 1948 Presidential elections, labor and its friends have many difficult problems to overcome. In doing so, they can learn much from the C.P.P.A. experience in the campaign of 1924.

a) *Build the party*: The most elementary requirement for success is that the third party workers must resolve consciously and set out actively to build the party. They must understand very clearly that the working class is now in the historical process of breaking from the political and that, along with its allies, it is tutelage of the two bourgeois parties actually forming the new people's party. One of the fundamental weaknesses of the C.P.P.A. movement was that its leaders, save for the Communists, had no definite plan of forming a new party. Hence, although the LaFollette campaign clearly mobilized sufficient forces to lay the basis for such a party, the whole movement was finally allowed to fritter away its strength for want of a definite perspective. There must be no such hesitation and confusion now. The new party, from the present on, must be systematically and resolutely built. The 1948 campaign must produce a new, broad, national people's party, regardless of whether or not that party puts up a Presidential ticket, or whether the progressive forces endorse a candidate of the Democratic Party.

b) *Coordination of party building*: As was the case with the C.P.P.A., the mass trends making for a third, people's party today are developing along two main lines. First, there is the broad stream of pro-Roosevelt progressives working within the Democratic Party (with a much weaker tendency inside the Republican Party), who hope to win the

Democratic Party for a definitely progressive policy and Presidential ticket. Then there is the second, consciously third-party stream, which will proceed immediately to the building of the third party directly or in preliminary forms. Both of these trends must be stimulated, although there must be no illusions that the Democratic Party as such can be won for the task that a people's party will perform. The movement must go ahead both within and without the old parties. The two streams should understand themselves to be parts of one general movement, and they should work out coordinated tactics. To do this will be very difficult, but it must be accomplished. A great weakness of the C.P.P.A. was its failure to coordinate these two streams of development. On the one hand, practically no serious preliminary work was carried on within the two old parties in preparation for the independent LaFollette candidacy. On the other hand, there was much harmful wrangling, misunderstanding, and working at cross purposes between the conscious labor party forces and those more conservative elements in the C.P.P.A. who, with their roots in the old parties, were not yet prepared to launch a new party.

c) *Composition of the party*: The breadth of the C.P.P.A. movement, whose composition is analyzed above, provides a fairly good pattern for the new third party that must be formed. The party should include the broadest masses of workers, farmers, Negroes, veterans, women, youth, and city middle-class elements. It must be truly a people's party, with the labor unions forming its base and its leading section. Social-Democratic tendencies toward a narrow labor party should be combatted. The Communists must form an active, recognized section of the movement. To mobilize the necessary broad democratic forces for the new party will require an early and systematic cultivation and winning of all kinds of people's organizations, far more than was the case in 1924. Aside from its generally weak preparatory work, a particularly important feature of the C.P.P.A. was its strength among the farmers, as evidenced by its heavy vote in mid-western and western agricultural states. At the present time, however, the ties between organized labor and the farmers are very feeble. This grave weakness must be drastically improved, as a basic condition for a successful political fight in 1948 and for the launching of the third party.

d) *The party's program*: The program of the third party must definitely represent the interests of the great mass of the American people. The party must speak out in the name of the whole nation and it must appear as the continuer and defender of American democratic traditions. Roosevelt's foreign policies of Big Three collaboration and the domestic policies embodied in his New Economic Bill of Rights, es-

pecially as elaborated by the C.I.O. and the Chicago Conference of Progressives, provide the skeleton for such a program of national demands. It will be necessary, however, as the movement develops, to strengthen this program by greatly sharpened attacks upon monopoly capital (by calling for the nationalization of key industries) and by clarifying and intensifying the attack upon the predatory policies of American imperialism. The new party should break with the whole monopoly-inspired concept of "free enterprise," even though, because of the political unreadiness of the masses at this time, it will not be able to declare for Socialism. The party program should be developed and popularized in active political struggle against the reactionary Congress and Administration between now and the 1948 elections.

e) *The party organization*: The new party should be built up on the basis not only of the affiliation of various people's organizations, but also of individual membership. It must be solidly organized on a national, state, city, ward, and precinct basis. Of course, the problem of preliminary organizational forms will require much study. One of the greatest weaknesses of the C.P.P.A. was its very inadequate organization. It was hardly more than a loose conglomeration of affiliated organizations, and never developed the indispensable strong local network of committees and clubs. Such organizational weaknesses must be guarded against this time.

f) *Getting on the ballot*: Opponents of a people's independent party have long urged that the difficulties of such a party getting on the ballot are insurmountable. But this is only a defeatist argument. The experience of the C.P.P.A. showed that a powerful independent movement could smash its way through the barriers of the two-party system. While in various states the ballot problems are serious, they can be overcome if the problem is tackled well in advance and if all available forces are mobilized for the job. As Eugene Dennis emphasized in his recent report to the National Committee meeting of the C.P.U.S.A., the hindrances to the third party are primarily political, not technical. Once the workers and their allies decide in sufficient masses to form a new party, we can be sure that they will find the means to get the party's candidates on the ballot.

g) *United labor action*: A fundamental requisite for the success of the new party and for victory in the Presidential struggle in 1948 is the achievement of the greatest possible unity of action between the A. F. of L., the C.I.O. and the Railroad Brotherhoods. The present disorganization in labor's ranks, if allowed to continue, can lead to disaster in 1948, Therefore, every effort should be exerted to get the three major groups of organized labor to cooperate on wage questions, in fighting reaction-

ary legislation in Congress, and generally in preparing for the 1948 election struggle. Pressure from the rank and file and lower officialdom will be necessary to break the reactionary attitude of the A. F. of L. leaders toward united labor action and political unity. It was one of the outstanding achievements of the C.P.P.A. movement that it was able to, and did, smash the Gompers clique's resistance to an independent ticket and progressive program. The present split in the labor movement is a great menace to the workers on every front, faced as they are by a general offensive of monopoly capital. This split absolutely must be bridged in the coming national elections. In the elections, as in various other phases of the workers' struggle, the alternative before the labor movement is *"United Labor Action —or Else!"*

h) *Red-baiting*: The peril of Red-baiting is another danger that must be fought in building the new people's party. Already in 1924 the Socialists did much damage to the C.P.P.A. with their Red-baiting, but in 1948 Red-baiting might well be disastrous. At present, with American imperialism engaged in an offensive both on the foreign and domestic fields, the reactionaries are using, as never before, Hitlerian Red-baiting and witch-hunting. With these methods they hope to terrorize and confuse the people sufficiently so as to enable the Republicans to carry the elections. Naturally, they will make the new party a target for this vicious Red-baiting. Hence, for the party to fall victim to this divisive tactic and to take up a Red-baiting line itself, as many liberals and Social Democrats propose, would mean to surrender to the people's big capitalist enemies.

The danger from Red-baiting is newly emphasized by the anti-Communist, anti-Soviet line of the Social-Democratic controlled Americans for Democratic Action. The Social-Democrats would gladly split the trade unions over the boss-inspired Communist bogey, and they are now trying definitely to disrupt, on this fake issue, the liberal forces making for the formation of the third party. Such divisive tactics must be defeated at all costs. A fundamental for the success of the third party movement is that it not only does not fall victim to corrosive Red-baiting but that it definitely fights against this deadly poison.

i) *A victory strategy*: To defeat Republican reaction (and its Democratic aids) must be the major objective of the 1948 campaign. All other considerations should yield to this supreme necessity. This means that any step taken in the direction of building the third party must obviously be so conceived as to strengthen the whole fight of the democratic coalition and to improve its chance to secure the election of progressives to Congress and the Presidency. There must be no policy on the part of the conscious advocates

of a people's party to separate themselves from the general progressive movements in the old parties (as happened in the early stages of the C.P.P.A. movement), with the perspective of building the party brick by brick, in isolation, and over a long term of years. Contrary to this, there must be the closest coordination of understanding and work between those progressives who work exclusively within the old party, and those who, outside, are laying the foundation for the new party. The new party must be a great mass party in its first campaign and make a powerful contribution to the defeat of Republican reaction.

j) *Securing a Progressive Presidential Candidate*: The test of the new party movement will come in its ability to get a progressive Presidential candidate in the field, if not on the Democratic ticket then on an independent ticket. (The same problem will also occur with regard to all other political offices at issue in the elections.) The election strategy of Big Business, aimed to cancel out the democratic will of labor and the mass of the people, is to confront the country in 1948 with a choice between two reactionaries, one each at the heads of the Republican and the Democratic presidential tickets. The Democratic party leaders are going right along with this strategy. They are interpreting the mood of the country as calling for a big move by them to the Right. They are entering into a sort of competition in conservatism with the Republicans. They will undoubtedly strive to put in the field a conservative Presidential candidate, but one with just enough liberal coloration, they hope, to fool the workers. The outbreak of a big economic crisis could, of course, seriously alter this Democratic perspective.

If confronted with such a situation, with both old parties putting up conservative candidates, as most probably will be the case, the new party must have the political understanding and courage to put its own Presidential candidate in the field; for a choice between two reactionaries is no choice at all. It was a great virtue of the C.P.P.A. in 1924 that it met this type of challenge squarely. For when the two old parties nominated their tweedledee and tweedledum reactionary candidates—Calvin Coolidge on the Republican ticket and John W. Davis (a Morgan man) on the Democratic ticket—the C.P.P.A. boldly launched its own presidential candidate, La Follette.

If the Democrats put up an open reactionary or a "phony" liberal as Presidential candidate, the progressives will have no real alternative other than to nominate their own ticket. Such a Democratic candidate, as a Truman, for example, would not only be valueless to the people, but also would have no chance whatever of election. Only if the Democrats put up a progressive candidate can they possibly hope to win. In a situation where both candidates are

unacceptable, the election should be best utilized to lay the foundation of the new party on the broadest foundations and to elect as many progressives as possible to Congress.

The only possible chance (a faint one at best) to get a progressive candidate from the Democratic Party leaders will be precisely by holding over their heads the threat of a new party. In preparation for the battle for a progressive Presidential candiadate, the workers and their allies should already be steeled, so that in no event will they allow themselves, in the 1948 elections, to be placed in the unhappy situation of being compelled to choose between two reactionary candidates.

THE ROLE OF THE COMMUNIST PARTY

The Communist Party, which played an important role in the events leading up to the big C.P.P.A. campaign of 1924, must play a much more important one in the 1948 political struggle and in the building of the third party. Our party must understand that the formation of such a party will represent a gigantic political advance for the American working class. We must, therefore, make the question of building the new party our major task and leave no stone unturned for its realization. Today our Party, far stronger than in 1924, can be a powerful factor in this great undertaking of the workers.

The Communist Party will have many tasks to perform during the course of this fateful movement. Especially vital will be the ideological ones. We Communists, fortified with our Marxist-Leninist training, must especially take the lead in analyzing and explaining the forces that are making necessary the formation of the new people's party. We must point out the historical significance of the new party movement in devoloping the class consciousness and class organization of the workers. We must show the grave fascist dangers inherent in a victory for reaction in 1948. We must make clear that only through a new party can the masses free themselves from the strangling grip of capitalist politicians and begin to strike blows in their own behalf. We must master every detail of the complicated general strategy and tactics necessary to lay the foundations for victory and the new party in 1948. We must especially free ourselves from all traces of the "Left"-sectarianism that handicapped our Party in 1924.

In this broad new party movement we Communists will have to strive to deepen the understanding of the masses regarding the growing general crisis of capitalism. With the working masses breaking loose more and more from capitalist ideological and organizational control, they will be responsive to our Marxist-Leninist lessons. We must ceaselessly stress the vital necessity of united labor action in all fields of struggle. We

must show the direct connection between the problems of American workers and those of the toilers in other countries. We must explain to the workers the need for the nationalization of key industries. We must educate them in the necessity and the principles of Socialism.

From an immediately practical standpoint, we should particularly impress three vital necessities upon the workers and their allies. These are, first, that there must be a progressive Presidential candidate in the field in 1948, without fail; if not on the Democratic ticket, then surely on an independent ticket. Secondly, that the foundations of a broad third, people's party must be laid down in the 1948 elections, regardless of whether the progressive Presidential candidate appears upon a Democratic or independent ticket. Thirdly, that reaction, in its Republican and Bourbon-Democratic aspects must be defeated, and that the whole progressive camp's strategy and tactics must constantly have this supreme necessity as a guiding principle.

To meet the heavy responsibilities that history is placing upon us American Communists, we must build and strengthen our Party as never before as a party of action. We must cleanse the Party of the remnants of the passivity, bureaucracy, and tailism that were foisted upon us by Browderism during the long, easy years of the Roosevelt regime. We must relentlessly fight against all "Left"-sectarian trends. We must exercise far more political initiative and more ideological leadership, while at the same time developing more flexible and more firm relations with our progressive allies. We must activate our Party membership and demand higher standards of efficiency from our leaders. We must raise the fighting morale of our Party by infusing it with an ardent love of Socialism and with an unconquerable Communist spirit. We must begin serious work now toward accomplishing our big goal of 100,000 members by the fall of next year. Only by thus raising the work of our Party to higher levels in every sphere shall we be able to do our necessary part in the great task of the workers in building a broad, mass, anti-fascist, anti-monopoly people's party.

THE DISARMAMENT QUESTION

By JOSEPH CLARK

On December 14 the United Nations accomplished the most important work of its nearly two years of existence—it unanimously adopted a resolution calling for the world-wide reduction of arms and troops and elimination of the atomic bomb.

Curiously enough, the week which saw this big achievement also witnessed a historical fiasco of U.N.—scrapping of the proposal for a world-wide and all-inclusive survey of troops and arms.

The disarmament resolution achievement and the troop survey failure are outstanding examples of two trends operating within the United Nations organizations. To understand the reasons for both is to know the possibilities as well as the limitations of the new world organization. To learn the reasons for the success as well as the failure is to understand the course that must be followed if we are to build this post-war world on the foundations of a just and durable peace.

Peace is the most important issue in the world today. The fight for disarmament is a vital part of the fight for peace. The question at hand is to what extent the U.N. disarmament resolution can and will contribute to a just and lasting peace.

The sad history of failure and hypocrisy which marked the record of disarmament conferences and discussions after World War I might predispose one to view the present disarmament decision with more than a grain of scepticism. If the circumstances surrounding the tragic failures following World War I are carefully examined, we shall be more strongly armed with a realistic attitude toward the possibilities of disarmament and peace today.

THE POST-WORLD WAR I PERIOD

Washington in 1921-22 was the scene of the first international conference to deal with this question after World War I. This conference took up the limitation of naval armaments as well as questions of the Pacific and the Far East. The United States, Great Britain, Japan, Italy, and France, victors in the war, were the major participants. Also there were China, the Netherlands, Portugal, and Belgium. The first group of powers were there to divide the spoils and spheres of influence, the vast riches, trade, and resources of the Far East. The latter group were either satellites of the bigger empires or, like China, victims of colonial exploitation.

At Washington the battleship tonnage of the powers was fixed in the ratio of Great Britain 5, the United States 5, Japan 3, France 1.67, Italy 1.67. The victors were at odds over the spoils, but still created the facade of a limitation of arms. It was at this same conference that the U. S., which

emerged as the strongest power and as the great creditor nation, forced not only battleship parity on Britain, but also the dissolution of the Anglo-Japanese military alliance. Squabbles over limiting other types of naval vessels led to a deadlock. But the naked fact of the race for Far Eastern advantage was clothed in a pious resolution on preserving the integrity of China.

The doom of the Washington Nine-Power Treaty was written for all to see when Japan, our Far Eastern ally in a war fought for pelf and privilege, invaded Manchuria. So when in April, 1934, a Japanese War Office statement announced that "the Nine-Power Treaty is dead," the declaration came as an anti-climax.

Failure was written all over the Washington conference because from the outset it was not conceived as an instrument for disarmament. It was an effort to settle the conflicts among the victors in a war fought for the redivision of the world's markets, sources of raw materials, and places for the investment of surplus capital. Settlement under such circumstances meant jockeying for special advantage. So, rather than disarmament, a new armament race resulted.

Since the ruling circles in both the victor and defeated capitalist states were intent on suppressing the new socialist state that had arisen in the old Russian empire, the germ of the appeasement of fascist aggression festered and created the plague culminating in World War II. From an agreement to limit naval armament and a pledge of the integrity of China came the Japanese war against China and the failure of Japan's imperialist rivals to halt this aggression.

The crowning glory of the Washington conference was the agreement signed between Great Britain and Hitler-Germany in 1935 allowing the German navy to establish itself at 35 per cent of the British navy, then the largest in the world. To boot, the treaty allowed Germany to achieve absolute parity with Britain in respect of submarines.

In 1922 after the 14-nation intervention against the young Soviet Republic under "commander-in-chief" Winston Churchill, failed, the Soviet Union was finally allowed to attend an international conference of the Big Powers held in Genoa. It was there that the first proposal for complete world-wide disarmament was made by the Soviet delegation.

The Soviet Union had been invited to the conference only because Great Britain was seeking to weaken its rival, the rising domination of France on the European continent. The Soviet disarmament proposals were not even allowed on the agenda. Postwar settlements at Genoa were drowned in a welter of efforts to impose foreign economic controls on the Soviet Union. Disarmament was farthest from the interests of the capitalist powers who participated in the Genoa conference.

Failure at Genoa was due to two over-riding factors dominating world politics: the conflicts among the capi-

talist powers themselves and their common antipathy for the Soviet Union.

In 1925 the capitalist powers finally decided to recognize the *word* disarmament, by creating a Preparatory Committee of the Disarmament Conference. For two years they argued, disputed, and managed to stay as far away from the reality of arms reduction as possible. But in 1927 the Soviet Union committed an unpardonable breach of accepted etiquette at a disarmament conference. It proposed universal and complete disarmament to be carried through in four years. *Disarmament* was a horrid word to mention at a disarmament conference.

These proposals were rejected by every single imperialist power, both on the Preparatory Committee and at the Disarmament Conference.

There were loud outcries about "propaganda" and bluff, but no nation dared to call the "bluff." By inference the official representatives of the imperialist nations were saying that disarmament may be possible under socialism but not under capitalism.

Following the 1927 proposals, the Soviet Union came forward with a modified disarmament plan in 1929. It called for the progressive and proportional reduction of arms, as well as the destruction of then existing weapons of mass destruction, such as heavy artillery and bombing planes. These proposals met the same reception as those of 1927—they were vetoed.

Then when the United States in 1932 proposed a one-third reduction of arms, as well as the abolition of tanks, bombers, large mobile guns, and chemical warfare—the Soviet Union quickly assented. But the proposal was rejected by the other imperialist powers. By 1934 the disarmament conference was dead. By 1934, too, another issue had come to the fore—the need of establishing a system of collective security to prevent fascist aggression. "Appeasement" of fascism, the effort to turn the "anti-Comintern Axis" against the East, which reached a climax at Munich, marked the beginning of World War II.

AFTER WORLD WAR II

Out of the failures of the post-World War I settlements came World War II. But out of the victory of the anti-fascist alliance in World War II came the conditions for a new peace settlement—one which could rectify the terrible errors made after the First World War.

Before the war was over the United Nations had been established at San Francisco. The new world organization was born with two conflicting tendencies contending for its soul. One bore striking similarities to the trends which spelled failure for world organization and disarmament after World War I. This trend has its roots in the same politics as pursued at the Washington conference in 1922, in the anti-Soviet intervention of 1918-1923, in the scramble for advantage and rejection of dis-

armament in 1927-1934, and in the appeasement of fascism during 1934-1939.

The other trend was based on the anti-Axis, big power collaboration which won the war and sought to build a just peace on that basis. It was this trend which prevailed when the disarmament resolution was adopted.

Let us first follow the reactionary trend as it led to failure on a world-wide count of troops and arms before turning to the trend based on collaboration and peace.

Prior to the meeting of the recently concluded session of the U.N. General Assembly, the Soviet Union introduced a resolution in the Security Council calling on all nations to account for the troops they have stationed in friendly lands. The issue was urgent because the intervention of U.S. troops in China was playing an important part in bolstering the corrupt regime of Chiank Kai-shek who was waging civil war against the Communist and other democratic forces of China. In Greece, a reactionary monarchy based on a military force officered by men who held commissions in the German army of occupation, was established and maintained only by grace of British occupation troops. In 1944 British troops massacred many of the members of Elas and E.A.M., the united resistance forces who had so valiantly fought against the German and Italian invaders.

For that matter even the Republic of Panama had asked the U. S. government when it would evacuate its troops who had been stationed in Panamanian bases just for the duration of the war. And the Indian delegation in the U.N. expressed concern about the British use of Indian troops to suppress the Indonesian people's struggle for independence.

In view of the fact that Soviet occupation troops were located primarily in former enemy countries a loud outcry appeared in the commercial press which impugned the sincerity of the Soviet proposal because it asked an accounting only of troops stationed in allied and friendly countries. This argument was strange, in view of the fact that all the major allies had troops in former enemy countries as a result of a solemn agreement to occupy those lands until every vestige of fascism was eradicated and until militarism and the danger of future aggression were wiped out.

On October 29 the Soviet Union proposed a plan for word-wide reduction of armaments. At the same time, it also reintroduced the troop count proposal.

One of the most revealing sessions of the entire Assembly meeting was held on the night of December 10. On the agenda was the troop survey question which had become linked to the entire disarmament question. In order to meet the objections of the American and British delegations, the Soviet Union had agreed to accept the inclusion of troops stationed in former enemy countries as well as in friendly nations.

But then the U. S. and British delegations discovered a new objection to the troop count—it did not include armies stationed at home. Obviously this was another matter. At stake was the question of withdrawing troops which were intervening in the internal affairs of other countries. Troops stationed within a nation's own borders were properly the subject matter of the still pending resolution calling for the general reduction of arms and armies. Furthermore, the question of troops stationed abroad was linked logically with another matter before the U.N.—the creation of an international police force for world security.

With debate at an apparent deadlock the Soviet Union came forward with another proposal. It would agree to include home troops. But as long as the matter was now broadened to that extent, the Soviet representatives declared that a count of troops should also include a count of arms. Men do not fight with their fists. Now the issue was clearly drawn. This new proposal would obviously facilitate the entire disarmament discussion and help carry out any decision to reduce arms and the men who bear arms.

But the British delegation was still dissatisfied and its ineffable Sir Hartley Shawcross rose to point out that if such a count was to be of any value it must include an international system of inspection and control.

"I invite Mr. Molotov to say that he is prepared to agree now to the establishment within the framework of the Security Council of international machinery . . . which shall have the task of verifying and controlling and supervising the giving of information not only about the troops, but also about the armaments in the territory of the Soviet Union," Shawcross stated.

Before Sir Hartley had left the platform, Soviet representative V. M. Molotov was on his feet, declaring: "You are too late; we have submitted such a proposal long ago."

What the Soviet representative had reference to was his previous declaration that the Soviet Union favored a strict system of international control barring atomic weapons and governing disarmament. He had made it plain that such a system of day-to-day control and inspection would not be subject to the veto.

Now the whole matter was neatly wrapped up in one package—a world-wide troop survey, including all arms, from bayonets to the most dreadful weapon of mass destruction, the atom bomb—including an international system of inspection and control. The last argument against such a resolution had been removed. This was a historic occasion, Sir Hartley Shawcross declaimed. He made a gentleman's agreement with the Soviet delegates to work out the details of that all-inclusive resolution the next day.

But meanwhile the bumbling representative of the U. S., Texas' poll-tax gift to the United Nations, Tom Connally, was in a quandry. His speeches of the same evening had all

been premised on the Soviet objection to inclusion of a survey of home troops. Now that had been accepted by the Soviet Union. But something else had been accepted—an accounting not only of Soviet infantry, which Connally said was a menace to the world, but of the atom bomb, which was not a dangerous subject in Connally's opinion.

The meeting of December 10 adjourned and it was not long before the "historic occasion" and the "gentlemen's agreement" both vanished into the cold gray daylight of December 11.

Secretary of State Byrnes called his British junior partner, Foreign Secretary Ernest Bevin, into hasty consultation at the Waldorf Astoria. The results of that meeting were soon apparent at the meeting of the political and security committee on December 11 which was supposed to translate the historic agreement onto paper. It was a much chastened Sir Hartley who reneged on his previous agreement. Gone was the all-inclusive resolution. Gone was the accounting of arms and the men who bear arms. Gone was a chance to find out the facts of military threats to the world and the basis for the most immediate implementation of a general reduction of arms and troops.

These things were gone because in place of the grand alliance upon which the late President Roosevelt had based his hopes for the world organization, was the naked fact of Anglo-American power politics. The politics took the form of a bloc directed against the Soviet Union. When Big Three unity failed to function the single package resolution went out the window.

In contrast, however, was the unanimously supported resolution for the general regulation and reduction of armaments adopted on December 14.

What is there in the relation of forces on a world-wide scale which made possible this achievement after the ignominious defeat of the troops and army survey resolution? To answer that is to see the second trend operating in the United Nations. It is to see the changes that have taken place following World War II as compared with World War I.

BASIC REASONS

The changes are due in the first place to the different character of the war we just fought. While World War I was a conflict for world domination, with both sides equally bent on securing material advantage for bankers and industrialists, World War II developed as a titanic struggle between fascism and nations—both capitalist and socialist—whose very existence as nations was threatened.

The close of World War II found a radically altered line-up of international forces. Throughout Europe, the working class and its leading parties, the Communists, had led the resistance struggle against Hitlerism. In eastern Europe a new pattern of popular democracies emerged based on an alliance of the workers, farm-

ers and city middle classes. The old capitalist and feudal ruling classes, who, in the main, betrayed the national interest to Hitler, were defeated in the resistance struggle itself. There are Communist premiers in Czechoslovakia and Yugoslavia. There are popular coalition governments including Communists, socialists, liberal and peasant parties in Poland, Bulgaria, Romania, Hungary and Finland.

In western Europe the Communists emerged as the leading working-class parties in France and Italy. In Great Britain military victory was followed by a victory over the man who had led the anti-Soviet crusade after the First World War and who aspired to the same leadership after this war—Winston Churchill.

In Asia, Africa, Latin America and the East Indies a liberation movement was shaking the very foundations of the old established empires.

And the Soviet Union came out not weaker but stronger than ever before.

Even a superficial analysis would bear out the fact that two major powers are decisive in international affairs—the United States and the Soviet Union.

But in addition, the working class internationally had formed bonds of unity and organization which it had never had before—exemplified in the World Federation of Trade Unions, 70,000,000 strong.

True, there was a reactionary trend in world affairs, and operating within the United Nations. But it could not operate freely and unhampered. There was the altered relation of forces and power on a world scale. Diplomacy does not function in a vacuum even on its most secret levels. And above all the new world organization, the U.N., felt the impact of the new forces at work in the world.

When the U.N. General Assembly met to discuss disarmament it was not a replica of the Washington conference or of the preparatory conference on disarmament. Now it was the arena of struggle between two tendencies. One sought to use the organization as an instrument for creating old power blocs, directed primarily against the Soviet Union. The other sought to maintain the alliance which operated so successfully in the war against the Rome-Berlin-Tokyo Axis. Through the unity of the big powers the true equality and rights of all nations small and large could be protected. And through the impact of the new world relation of forces, through the peoples' struggle for a peace based on justice all over the world, the U.N. could be fashioned to serve the peoples' interests.

When the U.N. turned down the troops-and-arms survey, the first tendency won out. When the U.N. adopted its disarmament decision, it was the second which was victorious. In the latter case the warmongers were bridled.

But now, when the issue is to carry the disarmament resolution into effect, the old contest between the

two trends assumes new forms.

The successes achieved at U.N., on disarmament, the partial victory on the Spanish issue, the condemnation of South Africa's Jim-Crowism were won at a time when foreign affairs exploded into the arena of domestic struggle in both the U. S. and Britain. Here the Henry Wallace declarations against the Byrnes-Vandenberg "get tough with Russia" policy should not be underestimated. On the other side of the ocean the British Trades Union Congress voted against the Bevin-Attlee government stand on Spain by a three-to-one vote. It also rang up a 40 per cent vote for condemnation of the entire British government foreign policy. Following this there was the British parliamentary Labor Party revolt against the anti-Soviet trend of government policy.

Every effort is being assiduously made in the commercial press to convince the people that the improved relations among the powers is the result of the "get-tough" attitude. If the debates in the U.N. prove anything, it is that the "get-tough" and anti-Soviet bloc policy leads to nothing but failure. The best case in point is the troop survey issue. Nor was the opposite hard to see. A spirit of cooperation was created on the disarmament issue. Soviet-U.S.-British agreement made possible 54-nation unanimity. Not a spokesman for any nation dared to oppose it. Despite the disputes on the veto, on inspection, and on atomic weapons, agreement was possible because of the tremendous force of public opinion. This public opinion was not some vague sentiment for peace. It had a concrete relationship to the debates in U.N. It was promoted by those forces who led the fight for disarmament and peace in the Assembly.

THE STRUGGLE AHEAD

Between the word and the deed on disarmament lies a tremendous struggle between the people who want that Assembly resolution carried into life—and those who as always use diplomacy and talk of disarmament to jockey for position.

Diplomatically the arena is now the Security Council. It is not mere rhetoric to say that what labor in the trade unions, and the common people all over the world do in the fight for disarmament will help decide which trend will prevail in the Security Council discussions.

The General Assembly resolution provided the broad outlines for an all-inclusive program of arms and troop reduction. It lays great stress upon the elimination of the atomic bomb and all other weapons adaptable to mass destruction. To understand the nature of the victory achieved merely in the adoption of the resolution it is well to recall the reception given to the Soviet proposal when it was first made. After Warren Austin tentatively agreed with Molotov's disarmament proposal, but put forward a number of reservations about "effective safe-

guards" and an international police force, the *New York Times* commented:

> Rightly or wrongly the belief is almost universal that the Soviet disarmament proposals will not get anywhere.

But now that all the nations of the world are on record in favor of the resolution the advocates of atomic diplomacy caution us that even talk about disarmament must be conducted in such a way as to insure domination for an expanding U. S. imperialism. Walter Lippmann demands that we must achieve a world political settlement before we discuss disarmament. George Fielding Eliot bluntly states that not the U.N. and its collective will but "American military power is in fact the principal stabilizing force in the world today."

Whatever the achievement in getting the Assembly to adopt the disarmament resolution the hardest row to hoe is still ahead. In what form does the dispute arise between the two trends today as the Security Council undertakes this discussion?

Basically it revolves around the Baruch plan on atomic enegry control. Although a wide margin of agreement has been achieved between the U.S.S.R. and the U.S.A. on the atomic control plan there should be no illusions about the intent of the Baruch plan.

Previous issues of *Political Affairs* (June and August, 1946) have analyzed the Acheson-Lilienthal plan upon which the Baruch proposals were founded as well as the Baruch statements themselves. As originally outlined and reiterated, the Baruch plan seeks to take advantage of the U. S. monopoly of the atomic bomb and preserve that military advantage.

Much of the discussion about atomic disarmament seems to originate in a never-never land. It was the New York *Herald Tribune* which finally presented the dilemma about the Baruch plan debate. Here was a proposal supposedly providing for the abrogation of the U. S. monopoly on the bomb. It is supposed to establish complete equality among all nations in controlling atomic energy. And yet, strange as it would seem, if those were the facts, other nations, and specifically the U.S.S.R., seem reluctant to accept this magnificent gift.

Banker and millionaire in his own right, surrounded by a select group of other bankers and corporation directors, Baruch was not going to give away anything. At which point we might interject that the issue is not one of getting anyone, including the U. S., to give something away. The point at issue is established in the General Assembly resolution. That resolution calls for the elimination from national armaments of atom bombs and all other weapons of mass destruction.

What the Baruch plan provides however, is that an international agency shall be established for atomic energy in which U. S. control is guaranteed from the start. Thus the

opening arguments in the Security Council revolved around "priority." Shall it be atomic weapons or all weapons which are the first subjects of discussion? This was a dishonest statement of the question because it is not one of banning atomic weapons before all others—but whether the full intent of the Baruch plan is accepted as a basis for any further discussion of the entire disarmament question.

One obvious stumbling block has been the Baruch insistence on removing the atomic question from the framework of the U.N. Security Council. The General Assembly disarmament resolution calls for a system of disarmament governed by the Security Council.

And it is here where the veto bugaboo makes the headlines. This is a false issue because agreement has been reached between the U.S. and U.S.S.R. on the principle of international control of atomic disarmament. Furthermore, it has been made plain that no veto will operate in the day-to-day operation of the control and inspection system. When the opponents of the veto now demand that the U.N. charter be revised by eliminating the required Big Five unanimity in the Security Council, the whole edifice established at San Francisco is shaken. It was the U. S. which had traditionally and also in regard to the U.N., insisted that punishment of nations charged with aggression be based on agreement among the five permanent members of the Security Council. If that unity breaks down, there is no U.N. and peace is jeopardized.

The U.N. was founded on the idea that there must be unity among the five permanent members of the Security Council—the U. S., Great Britain, U.S.S.R., France, and China. Failure to establish that kind of unity allowed Hitler to get away with aggression and hurled the world into unparalleled slaughter. If the discussion of disarmament now becomes a means of eliminating that which victory over Hitler achieved, the reactionary trend in U.N. will have triumphed.

However, if the disarmament discussion is resolved on the basis of maintaining the alliance which brought our country and its allies victory, the trend which works toward a just and durable peace will be victorious.

Despite the obvious atomic diplomacy in the Baruch plan itself—the possibility of agreement on general, including atomic disarmament, exists. It exists because the peoples' army of peace all over the world has so drastically altered the world situation that the warmongers can be stopped dead in their tracks. This same new and favorable relation of international forces has created the possibility of the peaceful co-existence of the socialist and capitalist worlds. The fight for peace under such conditions will advance the ultimate triumph of socialism—which forever eliminates the causes of war.

THE REAWAKENING OF THE AMERICAN STUDENT MOVEMENT

By MARVIN SHAW

THE RE-EMERGENCE OF A national student movement in the United States was signalized by the Chicago Conference of Students which met December 28-30. Six hundred delegates and observers, representing two-thirds of the campus population, agreed to establish an all-inclusive, non-partisan federation of local student councils and national student organizations. Three hundred colleges and universities in 42 states sent delegates to Chicago. Leaders of 22 major national student organizations, representing the most active section of the student movement, were there too.

The representation and scope of the Chicago Conference was unprecedented. But the event itself marked the resurgence of a movement which in the past contributed much to the struggle for democracy. During the 1930's, student organizations, both nationally and on many campuses, participated actively in campaigns for the extension of education, for economic aid to needy students, against racial and religious discrimination, and against the war they saw threatening. The movement was marked by great militancy, and not a few victories.

The outbreak of the war and the entrance of hundreds of thousands of students into the armed forces and war industry emptied the universities and inactivated the student organizations within them. Of necessity, research, specialized training, and war services took precedence over student activities.

The postwar student movement—the student movement of today—differs from that of the 'thirties. It reflects the changes that have taken place on the campus with the end of the war and the return of servicemen.

The G.I. Bill of Rights lifted for many thousands of veterans some of the economic barriers which make higher education imposible for the majority of the population. Over 2,000,000 students now attend our colleges and universities and thousands more are attempting to gain admittance. This compares with a peak pre-war enrollment of but 1,250,000.

PROBLEMS OF POSTWAR EDUCATION

The presence of 1,080,000 veterans, as well as many former war workers, has created a more mature student body than before. Many are workers or the children of workers. Those who were in the armed services or in industry have had experiences which no "Ivory Tower" concept of educa-

tion, ignoring reality and the problems of our society, can erase.

The educational system, however, has not kept pace with either the expansion of the student body or its new character.

The grave housing shortage faced by the country as a whole is more severe on the campus, due to the semi-transient nature of students who leave their own homes to attend school. Emergency programs have provided little more than sub-standard accomodations, and that for only a small number of those who need housing. The many married veterans are most seriously affected. Classroom space and other facilities were less than adequate before the war. Today, enrollment is greatly limited and the quality of instruction adversely affected by crowded and overburdened libraries, laboratories, and lecture halls. Years of low salaries and insecurity have deprived the universities of thousands of instructors. Many now teaching are incompletely trained and do not meet established educational standards.

For many thousands of young people, getting into college entails more than simply picking a school which is not overcrowded. Investigations by various agencies during the past few months have turned new light on discriminatory practices against Negro, Jewish, and Catholic students. Southern schools are, of course, the worst offenders, but Northern private colleges, and professional schools in particular, are too often guilty of instituting "quota systems" which outrageously limit the attendance of students from minority groups.

These are problems which time alone will not solve. The increase in college enrollment is not a temporary phenomenon. In a report to President Truman, the Office of War Mobilization and Reconversion emphasizes the necessity of long-range planning, predicting, by 1950, a total of 3,000,000 college students. The question of guaranteeing adequate and equal education today thus becomes one of providing for the increasing democratization of higher education in the United States.

THE STUDENT VETERAN

The 50 per cent of the campus that is veteran is, of course, tremendously concerned with these problems. The veteran faces others in addition. Most important is the growing economic impossibility of finishing the education he has begun. The end of price control and the resultant profiteering at the expense of the people have made the payments to veterans taking educational training clearly insufficient. A poll taken at Columbia University (reported in the *New York Times* of January 12, 1947) showed that 92 per cent of the veterans questioned found the $65 paid to single men and the $90 paid to married men totally inadequate. Results of other polls have been similar. The little the men saved during the war is being used up, many are tak-

ing part-time jobs, and others are being forced to leave school entirely.

A less immediate but nonetheless strong undercurrent of anxiety about the future exists. There are, of course, many illusions regarding the ability of professionals to "rise" to economic security, but the memory of Ph.D.'s on home relief in the '30's gives pause to many budding scholars. They want to use the technical skill and academic training they are mastering and they know that another economic crisis will not allow them to do so. Veterans also expressed concern over the ways and means of preserving peace. In discussions, debates, and "bull sessions," problems like these are "batted around." If their ideas are not yet matured, it can still be said that the students express anxieties most Americans, and particularly young people, share.

THE I.U.S.

It was not alone the problems facing the campus, however, that led to the Chicago Conference of Students. A great debt of gratitude is owed to the international student movement.

In the fall of 1946 an American delegation of 25 students, representing 10 universities and 10 major national student organizations, attended the World Congress of Students in Prague. The congress was called by the student delegates attending the founding Congress of the World Federation of Democratic Youth in 1945. Student organizations from 43 countries, representing 85 per cent of the organized, and 60 per cent of all, student youth in the world, participated. It was an inspiring, historic occasion. Young men and women who had fought in the armed forces, in partisan detachments, and in the underground—from every corner of the world—met together to establish the international fellowship and unity of those engaged in learning. They set up an International Union of Students and agreed upon a program of cooperation. In spite of differences, students joined hands for reconstruction, the extension of democratic education, and student exchange and travel. They pledged their support of the struggle to destroy the remnants of fascism and to strengthen democracy in all countries.

Meeting at the same time as the Paris Conference of Foreign Ministers, the delegates emphasized their desire to work together for world peace. The resolution passed pledged support to the U.N., and called for the "liberty, independence and self-determination" of all nations. The delegations representing countries with the largest numbers of students —the Soviet Union and the United States—began to make plans for the exchange of student delegations as a concrete way to strengthen understanding between nations.

The American students participated actively in the Prague congress. Five of their members were elected to the International Council of the I.U.S., and William Ellis of

the National Intercollegiate Christian Council was chosen as an international vice-president.

But the Americans were one of the few groups which came to Prague divided among themselves, coming from different organizations and campuses rather than from the type of national student center that exists in most countries of the world. The American delegation, after discussing this in the light of the problems facing the U. S. student body and the need to strengthen international ties, set itself up as a preparatory committee for a conference to form an all-inclusive national student organization in the United States.

THE CHICAGO CONFERENCE OF STUDENTS

The fruit of the committee's work was the conference held at the University of Chicago during the last few days of 1946. Called in a relatively short amount of time, the long months of preparation that usually go into such affairs was lacking. Nevertheless, the campus responded in an unprecedented manner. Discussions took place in the schools, delegates were elected, and by train, bus, car, and plane, they poured into Chicago in time for the opening session.

The delegates made up a good cross-section of the student body. The majority were men and veterans, yet women took an equally active role. There were many Negro students, both from Negro colleges and from other schools and organizations. Some delegates were members of state legislatures, indicating a new development in the student field in the election of student veterans to public office in many states in the South and West.

Among the 28 national organizations present were the National Intercollegiate Christian Council, B'nai Brith Hillel Foundation, N.A.A.C.P. Student Division; American Youth for Democracy; Lutheran, Methodist and Congregationalist student organizations; the Association of Internes and Medical Students, American Veterans Committee; United States Student Assembly; and the Student League for Industrial Democracy. For the first time in the history of the student movement, the two Catholic student organizations, the Newman Federation of America and the National Federation of Catholic College Students, participated in a conference of this nature.

Approximately 30 per cent of the delegates came from Catholic schools and organizations. Perhaps another 10 per cent had had any previous contact with the organized progressive movement. The majority of the delegates were middle-class Americans, with strong idealistic and liberal tendencies. An extremely small group was made up of Social-Democrats coming chiefly from organizations they control, such as the Young Peoples Socialist League and the Student League for Industrial Democracy.

The conference achieved its major objectives. It was agreed to set up a non-partisan national organization to speak for the students of this country on matters of common interest. A continuations committee and temporary officers were elected to write a constitution and organize a convention which would mark the official beginning of the new organization. A draft program of domestic aims and activities, and of international student cooperation, including eventual affiliation to the I.U.S. was worked out in panel sessions.

THE BASIS OF UNITY

Not every problem was solved at this first meeting. Many incomplete decisions were made, and it will remain for the constitutional convention (to be held no later than Sept. 30, 1947) to take final action. If solutions for these and other problems are to be found, particular attention must be paid to the general concept of the movement.

Every campus has a wide variety of student clubs. Most of them can be characterized as "service organizations" which provide for the special needs of various groups. Extra-curricular study groups in educational subjects are a second section of the campus, and student clubs of a political or semi-political nature make up another. Student Councils usually serve, in the schools where they exist, as the representative student "self-government."

On the national scene it is the service organizations, particularly the religious ones, and the political groups that are most important.

In past periods cooperative relations have been developed between the different groups. These relations have been of a temporary nature, however, and around single, immediate problems. The United Student Peace Committee of the 1930's was an alliance of this type.

European countries have seen the growth of a different kind of student cooperation. Nearly everywhere there exist great national unions of students of a permanent nature. They represent the entire campus and draw together students of every conceivable interest and of every variety of organization. In doing so they do not attempt to serve every interest, or to take the place of any single organized group. The religious, political, and cultural societies function in fact more actively than before. The function of these national unions of students is rather that of representing all the students and working on the problems they face as a whole.

It is a permanent organization of this nature that the American campus needs. The crisis in higher education will not be solved in any short period of time. Democratic education is a goal only hard, consistent work will achieve. New problems will have to be continuously faced.

Such a movement must be both political and non-partisan at the same time, political in that it will have to

work in the legislative arena, and non-partisan in that it must include students of all beliefs, without restriction. It must find no place for Red-baiting in its ranks. Left and Communist students are part of the educational community. They claim no special privileges; they expect the right to participate on a level of equality with all other groups.

As a real center for the solution of student problems, the new organization cannot isolate one section of the campus from another. If it were simply a federation of Student Councils, on the one hand, or a council of national organizations without local campus representation on the other, it would be but half a movement. The campus must give it a grass-roots, democratic character; the national organizations, with their long histories of service to the campus, can provide continuity and stability. Together they can guarantee that the program adopted is given life and meaning.

It is this program that will most completely characterize the organization. Students are not a homogeneous group. Their class composition is mixed, and every variety of political opinion finds expression on the campus. The desire for world peace and an economy of plenty exists, but there is no agreement on how to achieve this.

The student population shows very little division round the points of program that can logically become the heart and soul of the new organization. They see quite clearly their educational problems and they understand their responsibility of continuously democratizing their colleges and universities. Around these issues, all-inclusive, non-partisan unity can be established.

The draft program worked out in Chicago is an excellent beginning.

The resolution unanimously passed in the panel on aims states:

> . . . that this organization be founded on the common needs and desires of all American students; that these needs and desires are clearly defined by the concern of the student for peace, democracy, the perpetuation and strengthening of international friendships, understanding and cultural exchange, and in the discussion and solution of their educational and economic problems; that racial and religious prejudice, bigotry and discrimination be totally disavowed. . . .

In many ways this marked a high point in the conference.

In the desire to formulate a long-range program, important immediate issues were sometimes not sufficiently emphasized. More important, while it is quite correct to avoid adopting an extreme approach on any issue, it is equally wrong to compromise on principle. This means, for example, that in working out a program acceptable to Southern students, who must contend with educational "Jim Crow" written into state law, it should be made clear that the organization's aim is the end of discrimination and the guarantee

of complete equality of opportunity for Negro students.

Democratic control of the new movement is a question of both program and organization. Students do not want to be controlled, "run," or dominated. In fact, the organization's success will depend on the degree of student participation and leadership. It is similarly true that democratic control involves the methods of representation finally evolved for conventions and in the executive committee. The presence in the American educational world of colleges of 100 students and universities of 40,000 necessitates working out a system of weighted proportional representation wherein due allowance will be made for differences in the size of both regions and schools.

Close and cooperative relations should be worked out with non-student organizations, in and out of the educational world, whose advice and guidance can be helpful. Faculty groups are important in this respect. It should be remembered, however, that the dead weight of faculty control has stifled other student movements.

THE PARTICIPATION OF CATHOLIC STUDENTS

It is precisely because this movement is so important, and holds so much promise that attention must be paid to guaranteeing its inner democracy. Immediately, and in the years ahead, this will be one of the most important factors in assuring students that they have a sensitive, active spokesman.

In the past the Catholic hierarchy has always kept a very real "iron curtain" between Catholic young people and the rest of the youth movement. Catholic youth never participated in cooperative activities in which every other segment of youth had been represented. They did little, aside from some independent activities, to help solve the pressing problems youth faced in the depression days of the '30's.

Since the end of the war the Catholic Church has become increasingly active in spheres of secular activity. This is most clearly evident in Europe, where clerical and semi-clerical parties are important political factors in France, Italy, Belgium, and Holland. In the new democracies of Eastern Europe, anti-government elements find the Catholic hierarchy an important element of strength, and the close relations between the Vatican and Franco Spain are, of course, well known. It would not be correct to say that there are no democratic tendencies present in the various Catholic-led movements. On the whole, however, they have become centers for the most anti-democratic groups and ideologies, who use a religious cloak for reactionary political interference.

A similar development has taken place in the U. S. The activity of the Association of Catholic Trade Unionists in the labor movement is notorious. Cardinal Spellman, Clare

Booth Luce, and other Catholic leaders are spokesmen for the most bellicose, anti-Soviet elements in American public life.

The participation of Catholic students in the student movement has often seemed to fit into this pattern. In the early stages it was marked by the appearance in the influential Jesuit weekly *America* (issue of April 13, 1946), of an article by Father John Courtney Murray entitled "Operation University." Discussing the coming World Student Congress, it posed a problem: "how Catholic youth can be put on the move, in the international field, in a solidly organized movement, with a truly conquering spirit, that will carry through a positive program and also combat communist influence." Father Murray answered his rhetorical question by proposing:

> . . . that a group of twelve students be selected, carefully and intensively trained, and sent over to the Prague meeting . . . with the quite sober and entirely feasible intent of "taking it over." . . . They would not be without allies among European Catholic students.

Four representatives of the National Catholic Youth Council did go to Prague. Together with a small minority of other delegates they played a negative, reactionary role. They were opposed to a condemnation of Franco-Spain; they felt there was too great an emphasis on "anti-fascism." Their stand met with little response, however, and it was particularly noteworthy that the 21 other American delegates, including two Catholic students representing non-Catholic universities, unanimously opposed their position.

On their return to this country, another article appeared in the December 14 issue of *America,* written by one of the delegates, Martin McLaughlin. Although typically unjust charges of "Red-domination" were levelled against the I.U.S., cooperation with it was supported and any desire for "control" disavowed. Mr. McLaughlin said: "We are not looking for Red-baiters and rabble rousers."

One wonders, however, if the leaders of the Catholic student movement have really learned how to participate honestly in a broad, nonpartisan organization. At the Chicago conference, it was well known that a so-called "Catholic Caucus" was meeting nightly. A dozen or so priests, who mingled actively with the delegates, were the largest group of non-students present. And an article by Curtis Farrar of the Student Federalists in the *Nation* of January 11, 1947, spoke of the elections being decided, not on the floor of the conference, but "in all-night private caucuses" of Catholics and so-called liberals. Parenthetically, it might be pointed out that the "liberals" referred to consisted mainly of Social-Democrats who, during the entire

conference, acted as the errand boys and lieutenants of the Catholic "bloc."

The fact of Catholic participation is a welcome one for the student movement. The problems of the educational community do not draw religious lines. Students in parochial as well as secular schools must find the ways and means of increasing educational facilities. Catholic students are not far behind those who are Negro and Jewish in the extent of discrimination they face in trying to enter professional schools. The desire to strengthen world student friendship as a contribution to peace exists among all sections of the campus.

Prejudices must be put aside. The road to failure and defeat for the student movement is through the creation of "blocs" and "caucuses." The groups in our society opposed to an expanded, democratic system of higher education will seize upon and promote division. The purposes of the organization will be forgotten; factional struggles will destroy it. Deals and maneuvers for positions of power must have no place. It is through the open and democratic participation of all groups that unity and action will be furthered.

The small group of Left and progressive delegates adopted such a policy. They organized no bloc, held no previte meetings. Their proposals were made only on the floor of the meeting. If there is any criticism that can be levelled against them, it is that they did not contribute as much as they were capable of doing. This was particularly true in the discussions on the resolutions on segregation and on the International Union of Students. The independent, progressive position, one which may very well be in advance of the thinking of other groups, should be expressed. If a compromise is necessary, or a unanimously approved resolution introduced, it does not follow that there is no room for discussion which can add to the understanding and knowledge of everyone. On organizational and technical questions as well, progressives must contribute on the basis of their experience and their deep concern for the effective and democratic functioning of the organization. It is by means of such contributions that they will win respect and leadership.

THE FUTURE OF THE NEW MOVEMENT

The broad scope and representative character of the Chicago conference was an excellent beginning for the new organization. In spite of shortcomings, not least among which was the continual parliamentary bickering, the delegates left Chicago feeling that they had participated in an historic event. With a great deal of insight and understanding, most of them felt that their reports to their campuses should emphasize the draft program of domestic aims and of international student cooperation.

It is this, and not the technicalities which necessarily take up so much time when an organization is founded, that will determine the real success of the movement. The temporary officers and the executive committee elected have a tremendous job ahead of them in the few months before the summer constitutional convention. If that meeting is to be even more widely representative than the last, and it must be, it will be necessary to present to the campus more than simply a proposed constitution. The ways and means must be thought of to bring discussion of program to the campus, and to develop at least local activities on the issues of the educational crisis.

The regional meetings that will be held in 30 areas during the spring provide the best opportunity for this. The major purpose will, of course, be to discuss the first draft of the constitution and to draw other schools into the work of the organization. Regional programs can be worked out at the same time, and recommendations made for concrete action. The history of student organizations is replete with examples of those whose programs never left paper. The beginning is the time to dispense with that pattern.

In the development of program, it would be well if the students remembered that they cannot achieve their objectives alone. They must look for allies among all groups. Nowhere will they find stauncher ones than in the ranks of the labor movement. The first efforts to achieve free public education were made by a labor movement in its infancy. Today, immeasurably stronger, it has already taken a firm stand in favor of the extension of educational facilities. In many states it is leading in the campaign against "quota systems" and discrimination, and for equal educational opportunity. The efforts made by the trade unions to protect the living standards of its members parallel the attempt of student veterans to increase their subsistence payments.

The relation between students and labor should be more than one of convenience. Labor is not simply another section of the population with whom temporary agreement can be found. Let the men and women in our colleges and universities study and analyze our society, (in this they can learn much from the science of society, Marxism) and they will find in the labor movement the staunchest defenders of democracy, peace, and progress. The needs and interests of students, as well as all professionals and intellectuals, in both the immediate and long range sense, will be best served by close ties with the organizations of America's working people.

THE JOB AHEAD FOR PROGRESSIVES

Although progressive students and their organizations make up a relatively small section of the campus population, they have already con-

tributed much to the success of the new organization. They worked hard in the regional areas and nationally to assure the greatest attendance at the Chicago conference. One can be sure they will continue to participate actively and loyally in the building of the organization. They have no ulterior motives. They realize that only by students of all beliefs and political views working together can the common interests of the entire educational community be advanced.

Participation in the broad unity movement must not mean neglecting the particular contribution student progressives can make to the thinking and activity of the campus. It is, in fact, the consistent activity and building of the major progressive student organization, American Youth for Democracy, that will bring the campus to new levels of participation in solving the problems they face.

As the outlook of the campus broadens, students will see that they cannot draw an artificial dividing line between "non-partisan" political activity and full participation in the affairs of the nation and the world. They are citizens whose interests are no different from those of the majority of the people. Even those concerns which are, nominally, purely of a student nature, are reflections of broader problems. The veteran who needs higher subsistence payments must answer the same arguments faced by the trade union member. The housing needs of students will be met only when a genuine, low-cost governmental housing program is won for all the people. And as important as the contribution of world student friendship to a lasting peace is, students know the reasons for war lie deeper than the level of cultural relations. The American student body will make itself most effectively felt in the struggle for peace when it is ready to join with students in all countries to stop the imperialist forces which continually create the conditions for war.

This will be "partisan" political activity. Sides will have to be chosen. As the student movement grows and matures, it will see that this is not a development to be feared. It will be the logical continuation of the efforts it makes on behalf of the immediate, every-day "pork-chop" needs of the campus.

The events of the past few months have begun to reawaken the campus. Much remains to be done. In particular, the campus, which produced the great, united, anti-fascist peace strikes of the thirties, cannot afford to ignore the effects of the maneuvers of American foreign policy. Anti-Soviet intrigue in Europe and U.S. imperialist intervention in China create the conditions which make possible new demands for the militarization of American education. The proposals for permanent conscription have met the opposition of nearly every educational organization in the nation. The student

movement cannot lag behind. The threat to their schools, and the threat to the peace so many of them fought for, is very real.

The members of the student clubs of the Communist Party will meet their responsibilities in both the broad student movement and in the advanced, anti-imperialist, anti-fascist student movement. They will loyally carry out the programs of the organizations to which they belong, and at the same time they will contribute their Marxist knowledge and understanding to the work to be done. The program of the Communist Party can become a beacon, pointing the way forward to the student movement.

The Communist clubs on the campus must become increasingly active. They have a role in immediate student struggles that no other organization can fulfill. They can provide their fellow students with the "whys and wherefores" of the problems they all face. To students concerned with their education, with war and peace, with the future, they can point to the solution of socialism—to the system of society where the talent, knowledge and skills of students will be used in the building of a better life in a peaceful world.

THE ECONOMIC BASIS OF CURRENT U.S. IMPERIALIST POLICY

By JOSEPH ROLAND

THE KEY TO AN UNDERSTANDING of the special features of the present United States imperialist drive is provided by its position with respect to capital supply and investment. Lenin in his classic work, *Imperialism, The Highest Stage of Capitalism,* pointed out that "an enormous 'superabundance of capital' has accumulated in the advanced countries." At the present moment only the U.S. has such a "superabundance," since its imperialist rivals, Britain, France, Germany, and Japan are temporarily at least among the capital-poor countries because of the expenditures and devastations of war.

The "superabundance of capital" in the imperialist countries is, as Lenin explained, an important aspect of monopoly development. The concentration of capital which provides the basis for monopoly, leads in turn to the centralization of ownership and control of productive enterprise, to the integration of bank and industrial capital, and finally to the concentration and centralization of ownership and control of capital in all forms in the hands of a handful of business power groups which are the real economic masters of the country. Concentration and centralization of capital leads directly to a high concentration of income other than wages. It is from such highly concentrated incomes—profits, dividends, interest, and rents—that the bulk of the capital supply available for fresh investment is derived. It has been well established, not only logically but on the basis of historical and statistical evidence as well, that the greater the concentration of income the greater is the capital supply in relation to the total national income.

The basic facts regarding the year-by-year development of the new capital supply of the U.S. are exhibited in the following table based on U.S. Department of Commerce compilations:

Year	Gross National Product	Gross Private Savings Billions of Dollars	Gross Private Capital Formation	Excess Private Savings (Govt. deficit)
1929	$ 99.4	$19.1	$17.6	1.5
1932	55.4	5.5	2.2	3.3
1936	81.7	13.2	10.0	3.2
1940	97.1	16.3	14.8	1.5
1941	120.5	23.3	19.4	3.9
1942	151.5	39.4	7.7	31.7
1943	187.8	50.3	2.1	48.2

1944	198.7	54.1	1.8	52.3
1945	197.3	47.2	9.4	37.8
1946	183.0*	31.0**	22.0*	9.0

Although the above-given statistical figures are subject to many qualifications, they are useful in analyzing the present position of American capitalism. Note especially the "Excess Private Savings" column representing the excess of private savings over private capital formation. These amounts are approximately equal (according to the accounting and statistical concepts on which they are based, they should be exactly equal) to the annual deficits of the national and local governments. They thus represent the portion of government expenditures which are financed by loans rather than by taxes, *i.e.*, the growth of the state debt. It is these deficits and the government bonds issued to cover them which underly the prolific growth of liquid or money capital assets held by U.S. corporations and wealthy individuals. Thus, according to a recent Securities Exchange Commission report, liquid savings of individuals in the form of currency and bank deposits (secured in the main by government bonds) increased in 1945 alone by $20.2 billion, while direct holding of U.S. securities by individuals increased in 1945 by $10.3 billion.

* * *

Another study prepared for the Federal Reserve Bank by the U. S. Bureau of Agricultural Economics showed how concentrated the ownership of this wealth is: 74 per cent of the people covered in this study owned less than $500 in U. S. Savings Bonds while 77 per cent had savings bank deposits of less than $500. Ownership of other bank deposits (checking accounts) was even more concentrated. Only 15 per cent of the people studied owned deposits

* Based on rate in first half of 1946, as reported by Department of Commerce.

** Department of Commerce figures not available—estimated on assumption business savings will be at same rate as in 1945 and individual savings at rate reported by Department of Commerce for first half of 1946.

Note: Gross national product is the money value at current prices of all goods and services produced. It values the services of civil servants and the armed forces on the basis of salaries, and pay and subsistence costs, respectively. It includes also interest on the government debt as representing the value of the services rendered to the national economy by the government creditors in placing their capital at the government's disposal. The annual consumption of fixed capital, *i.e.*, depreciation of plants and equipment, depletion of natural resources and similar charges on the national economy are *not* deducted in computing gross national product.

Gross private savings in part represents the money income of individuals which is not spent on consumers goods and services or in payment of taxes. Rent payments are treated as a consumer expenditure but purchases of residences are considered to be capital investments. The balance of gross private savings consists of the undistributed profits of business units as shown on their books plus amounts charged off as expenses of depreciation, depletion, for special reserves, and similar categories.

Gross private capital formation represents the amounts spent on real investments in the domestic economy by private individuals and businesses, including also repairs and replacements of depreciated plant and equipment. It includes further the net export of private capital or net increase in foreign investment (excess of U.S. investments abroad over foreign investments in U.S.). Finally it includes the costs of residential construction.

It would undoubtedly be preferable to compute all these amounts on a net basis, that is, with proper deductions for consumption of fixed plant capital, etc.; but the latter, as shown on corporation books of account, are notoriously unreliable and greatly overstated. The peculiarities of these statistical aggregates are often overlooked in comparing U.S. national production with other countries, particularly the Soviet Union, which have other conceptions of what constitutes productive effort, savings, and investments.

of $500 or more and only 2 per cent had accounts of over $2,000.

Even more significant than the concentration of liquid assets in the hands of wealthy individuals is the tremendous increase in the liquid capital supply held by the leading corporations. Not only had $25 billion of new plant and equipment been added to American industrial capacity during the war (an increase of 40 per cent) but the potential for further increase in industrial capacity, represented in the first instance by accumulated liquid or money capital and, secondly, by the high rate of current private savings, has sharply increased.

According to a recent S.E.C. survey of 1,278 industrial corporations, net working capital (excess of liquid assets over short term liabilities) increased by 56 per cent in the four-year period 1941-45 to $23 billion. 133 leading companies in this group owned 53 per cent of the total and had increased their net working capital by 80 per cent in the six-year period 1939-45 (Labor Research Association, *Economic Notes,* October, 1946). These vast sums of liquid capital were supplemented by the tremendous accumulations of wealthy private individuals in banks and insurance companies which they were only too eager to make available to industry.

Supplementing these vast supplies of accumulated liquid capital are the sums currently accruing from total national production. Under the present conditions of high concentration, which have resulted from the whole historical development of capitalist production, the American economy, operating at a level of nearly full employment (gross national product of $200 billion) will tend, according to many estimates, to produce under peace-time conditions of consumption, new capital supply (gross private savings) at the rate of about $40 billion per annum. We say "tend to produce" advisedly because the deep contradictions of capitalist economy "tend to abort" the formation of new capital and to prevent potential new capital from being realized as actual new capital.

It would be well at this point to clarify the several senses in which such terms as "superabundance of capital," "excess capital supply," and the like are commonly used. One meaning is that the existing accumulations of real productive capital (plants, mines, machinery, stocks of material, etc.) represents, in conjunction with labor, productive forces and potential production which are too large for available markets to absorb with profitable returns to the capitalists. Another meaning is that the existing accumulation of liquid or money capital is larger than needed to finance the operation of industry at either the existing rate of production or such expanded rate as is consistent with profitable returns to the capitalists. A third meaning is that the rate of current production involves such a high proportion of potential surplus value that its realization would require

sales of capital goods (machinery, new plant construction, etc.) at a rate which would exceed the rate of new investments which the capitalists as a whole are willing to make —in other words, that there is a contradiction between the rate of production and of potential surplus value and the conditions of realization of surplus value.

Normally, all three forms of excess capital supply exist together—certainly this is the case in the United States at the present time. However, it should be noted that the supply of liquid or money capital may, within limits, be independently increased or diminished. This can be done by manipulations of bank credit and by numerous devices that governments can employ in expanding or diminishing the money supply. Where government bonds circulate virtually as cash or can be used as security for bank deposits, as in the U. S., every expansion of the national debt leads to a corresponding expansion of the supply of liquid capital.

The chapter on "Genesis of the Industrial Capitalist" in Vol. I of Marx's *Capital* discusses the very important role played by the expansion of the government debt in creating new supplies of liquid capital to serve as a basis for expanding capitalist production. In earlier times the state debt increased only during war or special national emergencies, and following each such increase there was a new burst of capitalist expansion. But such expansion operated in a context of widening markets and an increasing labor supply, both being due to the expropriation of the agricultural populations and the related disruption of petty industry, as well as the exploitation of colonies and foreign markets.

Since 1929 the state debt in the U. S. has increased continuously, by tremendous leaps during the war, but by substantial amounts at all times, as shown in our table on U. S. capital formation. Correspondingly the liquid capital of the corporations has grown and with it the power of rapid and enormous expansion of real production and employment. The rub, however, is that if the tremendous liquid capital resources of the U. S. were applied to the expansion, on its present technical basis, of the domestic productive industry, there would tend to occur a vastly increased demand for labor and, unless wages were very sharply increased, a great shrinking of the domestic market. The result in any event would be a sharp drop in the rate of profit and the onset of economic crisis.

Such an investment of the tremendous capital resources of the United States could not but lead toward a change in the organic composition of domestic capital (ratio of constant to variable capital) and the technological unemployment that this would cause would keep the domestic labor supply in hand and wages "satisfactorily" low. But the volume of plant construction and machinery sales would need to be so great, if markets were adequately to absorb produc-

tion, as to disrupt all monopoly limitations of productive capacity. Not only would monopoly controls and super-profits tend to be wiped out, but the rapidly increasing organic composition of capital would tend to decrease sharply the normal rate of profit, resultant in this case, too, in an economic crisis.

In the monopoly investigation of the Temporary National Economic Committee much attention was devoted to the problem of balancing savings and investment (capital formation); in other words, to the problem of promoting the conditions for "realization" of surplus value. The unusual instability of the American economy was there correctly ascribed to its advanced monopoly character under which a high level of employment and production is inevitably associated with such a high volume of profits and savings as to exhaust quickly the possibilities of profitable investment.

* * *

The New Deal "solution" of the problem of maintaining capitalist production, threatened, as it is, by the disruption of the conditions for realization of surplus value, revolved essentially about the use of government intervention in economic life. On the one hand, through progressive labor legislation, social security, and tax programs, the rate of profit was to be moderately reduced. On the other hand, public spending and investment (*i.e.*, the growth of the state debt), together with government-sponsored and guaranteed forms of capital export, were to provide the means by which, it was hoped, the American economy would be kept in balance at a high level of production and employment.

Broadly speaking, Roosevelt's program aimed at substituting for the generally high but violently fluctuating rate of profit which characterizes American capitalist production, a lower but more stable, "government-insured" rate of profit. This program, according to its proponents, would require a permanent New Deal, not only at home but abroad, and therefore the existence on a world scale of capitalist governments devoted to maintaining the equilibrium point "a little to the left of center," to put the matter in one of F.D.R.'s pet phrases. The "Good Neighbor" policy, as F.D.R. conceived it, would be supported by a program of U. S. capital export. This was to be so planned and controlled as to contribute to a well-balanced industrialization of the backward countries. With expanding production and employment and improved standards of living such countries would, it was hoped, become good markets and good credit risks. They would thus support the stability and progress of the American economy as well as the world economy.

This bourgeois reformist dream of an "organized" world capitalism operating under the leadership of a benign and soft-spoken American imperialism has been rudely shattered by the realities of monopolist power and tendency. The current American

imperialist drive is monopoly's answer to such dreams. American monopoly bitterly opposes any form of government intervention which is designed to keep the rate of profit under some form of stable, long-term control. It is convinced that such control necessarily involves a substantial decrease in the rate of profit. It fights, as by its nature it inevitably must, for the unlimited expansion of profits both at home and in its expanding areas of control abroad. Accordingly, it seeks unlimited expansion of world markets and unlimited domination of possible areas of profitable investment. It demands a sudden and gigantic expansion of its foreign outlets, knowing full well the narrowed capacity of domestic markets in relation to its war-expanded productive powers. It counts heavily on the political and military force of the state power to blast all barriers to this expansion. It relies finally in a very basic sense on "armament economics," which is one of the distinguishing characteristics of fascism, for war is its ace in the hole, the one form of profitable "investment" it can always fall back on if all others fail.

Big Business, as might be expected, has its own policy of capital export —which is in sharp contrast to the New Deal policy. The preferred form of capital export is the so-called direct investment form under which American corporations own and operate their own plants, mines, and properties in foreign countries. Such direct investments are of course in no way concerned with any national program for balanced economic development of the countries in which they are made. They are related mainly to the production of raw materials, fuels, foodstuffs, etc., which are saleable in U. S. and world markets.

The tremendous scope of operation in America's giant corporations, their wartime expansion, their overflowing supply of liquid capital amassed out of war profits, the strong exchange position of the U. S. dollar and the ample U. S. treasury gold reserves which eliminate the necessity of limiting private capital export—all these factors favor the growth of direct U. S. corporate investments in foreign lands. Along with "free access" for their investments in foreign lands, our corporations want "free government" there. By this they mean governments which can guarantee them freedom from all forms of state intervention, regulation, and control, above all from nationalization or expropriation. In reality they have confidence only in foreign governments which are under American domination; only such governments are "free governments" to American monopoly.

American capital, it should be noted, has always preferred direct investment. At the end of 1945 the U. S. Department of Commerce reported that out of $10.9 billion of private long-term U. S. investment abroad $7.0 billion was in the form of direct investments.

Second in the list of reactionary preference as to forms of capital export is the Wall Street type of private loan of ill-famed memory. Under this form foreign governments and corporations negotiate directly with the big Wall Street banking houses which float bond issues in the U. S. capital market. These involve for the borrowers high interest rates and various forms of oppressive guarantees which are miraculously converted into large "underwriting" profits for the bankers. Well down in the list of preferences are U. S. government loans, unless they involve tie-ins with exports (Export-Import Bank) or special conditions and agreements guaranteeing foreign "cooperation" with and support for U. S. economic policies of "free trade" and "free access."

At the very bottom of the list of reactionary preference are the type of international loans that would be made under the aegis of the International Bank for Reconstruction and Development which was set up under the Bretton Woods agreements. Such loans, if the spirit and letter of the agreements are carried out, would enable foreign countries to draw on the U. S. capital supply with a minimum amount of political and economic domination by American business or the American government.

But one cannot be too sanguine about the future of the International Bank. That a drive is on to harness the Bank more closely to the American imperialist drive was clearly shown in a speech by Spruille Braden, Assistant Secretary of State, when he told the Executives Club of Chicago, on September 13, that the Bank should adopt rules under which it "should undertake no financing that interfered with American investment or foreign trade."

From the economic viewpoint American imperialist policy is nothing more than a reckless gamble that by the time the domestic postwar capital expansion comes to an end, a matter of a few years at most, American monopoly will have succeeded in blasting open the rest of the capitalist world as an enlarged domain for the expansion of American capital. The truculent character of this policy reflects on the one hand the capacity and unusual opportunity for achieving this expansion in view of the temporary American monopoly of exportable capital (in conjunction with other favorable conditions, political, military, and economic) and, on the other hand, the necessity of getting the world expansion well under way before the unstable American economy begins to collapse.

The contradictions of the American imperialist policy, even when considered from the narrow economic viewpoint, are many indeed. In the first place, its atom bomb diplomacy, its "get tough with Russia" policy, and its support of reactionary semi-feudal and semi-fascist movements have succeeded in so disorganizing the capitalist sector of the world economy as to create very poor

conditions for foreign investment of American capital and the development of American exports. For example, only a peaceful, united China devoted to industrial development and the liquidation of the feudal land system could provide a base for profitable investment of American capital or a broad market for American manufactures. In the second place, the rest of the capitalist world cannot and will not gamble its welfare on the chance that American monopoly will succeed in stabilizing the violently fluctuating American economy through its world-wide "free trade" and "free access" campaign, the real content of which is so different from its appearance. A growing number of capitalist countries must be and are seeking means of immunizing themselves from the infection of this violent fluctuation. And, finally, other capitalist countries, Great Britain in particular, have plans of expansion of their own which necessarily lead them to oppose the American drive for world domination. Despite the American loan and its conditions the British are intensifying the use of state interventionist measures to the limit in their attempt to recapture and extend their export markets.

The main question in the field of economic problems which confronts the American people and the labor movement is how to prevent the economic intervention of government power from continuing in its present reactionary course, tending toward fascism. Clearly, this can be done only by fighting for an immediate program of action as outlined by Eugene Dennis in *The People Against the Trusts,* and by developing a "more extensive program for curbing the monopolists, including a more developed program of nationalization under democratic controls."* And, most immediate and basic, this entire struggle must become part and parcel of the struggle for the development of the labor-democratic coalition, of a new, third-party alignment, of the battle for the election of a progressive presidential ticket and Congress in 1948.

* Eugene Dennis, "Remarks on the Plenum Discussion," *Political Affairs,* January, 1947, p. 18.

FOR A STRONGER, MORE ACTIVE COMMUNIST PARTY!*

By WILLIAM Z. FOSTER

THE YEAR 1947 must bring about a radical strengthening of the Communist Party. This is made imperative by the dangerous political situation in our country, and by the heavy new responsibilities which this puts upon our Party, as well as upon organized labor and the progressives. Not only must our Party this year achieve the goal of a membership of 100,000 it has set for itself, but, no less important, it must also drastically improve the quality and quantity of all its work. It must develop more political initiative, greater flexibility in working with its allies, more intense membership activation, and a higher Communist morale generally.

Imperialistic, fascist-minded, Big Business reaction is on the offensive. During the past few months it has administered several serious defeats to the labor unions and their allies. It won the November elections, which placed the Republicans in full command of Congress and put them in a good position to capture the Presidency in 1948. It gravely weakened the pro-Roosevelt democratic coalition by taking President Truman into camp and by overwhelming the Democratic Party in the elections. And with the help of the Truman Administration, it brutally broke the national strike of the coal miners.

The big capitalists have tasted the red meat of victory and their appetite knows no limits. From now on, faced by the aggressive reactionaries, it will be increasingly difcult for the people to defend their living standards, to protect their unions and civil liberties, and to guard world peace. Only the most powerful struggle by the democratic masses will prevent our country from being forced in the direction of economic chaos, fascism, and war. Only the utmost determination and clear-sightedness will start it off in a progressive direction.

Organized labor and its allies, to pull their badly shaken forces together and to put a halt to the drive of reaction, urgently need new leadership, a new program, and a general political reorganization of the democratic coalition. This will require a higher type of political activity and organization than the workers have ever developed before. Our Party, which is a living part of the American people, naturally must also respond to this need for greatly improved political work. The situation is one that demands the utmost in Communist thinking, activity, and

* Excerpts from a speech delivered at the meeting of the National Committee, C.P.U.S.A. held in New York City, December 3-5, 1946.

leadership that we shall be able to produce.

For the last ten years of the Roosevelt regime our Party went along relatively easily, supporting the Administration and working as part of the victorious pro-Roosevelt national democratic coalition. But now the situation is fundamentally altered. Now we find ourselves in opposition to the Administration, and as for the democratic coalition, it has been betrayed and defeated and is in a seriously weakened condition. It is this radically changed situation that confronts our Party with the imperative necessity of improving its own work all along the line.

In strengthening our Party and its work we must realize that during the Roosevelt regime, the Party, under Browder's revisionist leadership, developed many opportunistic habits and moods. It lost much of its political initiative, it became infected with bureaucratic practices, its discipline was lessened, the requirements for membership were watered down, our Communist morale was weakened, and golden opportunities to build the Party were shamefully neglected.

During the past year and a half, since Browder was removed from leadership and expelled from the Party, very much progress has been achieved in freeing the Party from this pest of opportunism. The Party, once again, is displaying active political initiative, the ideological level of the Party is being raised, its mass work is improving on every front, membership activity is being increased, the Party is full of fighting spirit, and the building of the Party is being undertaken on the basis of its being a major political question.

But we have no grounds whatever for self-complacency. There are still lingering traces of the Browder revisionist period in our Party. There is far too much passivity among the membership, too much hesitancy in displaying proper Communist initiative in mass work; there is much bureaucracy, and there is slowness in building the Party. These weaknesses have been all too evident in a number of our recent campaigns. Moreover, largely as a reaction against Browder's opportunism, we now also have certain "Left"-sectarian tendencies that have to be resolutely combatted. Never more than at the present moment in the life of our Party was it necessary to be keenly alert to the need to fight simultaneously both dangers—Right opportunism and "Left"-sectarianism.

We must check over our Party's work in all its aspects and thoroughly renovate and revitalize it. From our members and leaders we must demand altogether higher levels of Communist understanding and work than we have done before. A drastic end must be put to remnants of the passivity and sluggishness that crept into our Party, particularly during the last years of the Browder regime. We must put into effect with a new vigor and enthu-

siasm the policies outlined by Comrade Dennis in his report.*

The American labor and progressive movement now faces a most critical period. What will it do—develop a counter-offensive against Big Business, or embark upon a disastrous policy of retreat? After World War I, organized labor, because it refused to unite its scattered forces, was heavily defeated in a whole series of strikes, after which it slumped into a disastrous period, lasting several years, of passivity, retreat, and class collaboration. This ruinous course reduced the unions to the lowest state of morale they have ever known.

Now, after World War II, Big Business is again on the offensive. It is arrogant, powerful, reactionary. Already, as remarked above, it has dealt the unions several heavy blows and it is increasing its attacks. The masses of workers and many progressive leaders, reading aright the signs of the times, want to unite their forces and fight to realize their progressive demands. But there are also powerful conservative labor leaders, of the Green, Woll, Lewis, Dubinsky type, who would turn tail and flee, as they did so disastrously after World War I. This stupid and cowardly surrender to fascist-minded Big Business would surely lead to a far greater disaster than it did in the 1920's.

In helping develop labor and its allies toward the offensive, the Communist Party has an important role to play. On the basis of its Marxist-Leninist understanding, it must help point out to the workers the dangers they confront; it must assist in outlining immediate demands and fundamental policies; it must spare no efforts to reconstruct the national democratic coalition; it must infuse and inspire the whole movement with its own indomitable fighting spirit, it must work day and night to make united labor action a reality. But the Communist Party will not be able to fulfill these heavy responsibilities which history is placing upon it unless, in the spirit of Leninist self-criticism, it systematically combats its every internal weakness and raises all its mass work to the highest possible political level. The Party must clearly realize the new and difficult situation in which it and the workers find themselves and must draw all the necessary implications. The year 1947 must register vast strides forward to the achievement of that greatest necessity of the American working class and nation, a strong, alert, mass Communist Party.

* Eugene Dennis, *The People Against the Trusts*, New Century Publishers, New York, 1946.

RESOLUTION ON THE QUESTION OF NEGRO RIGHTS AND SELF-DETERMINATION

(*Adopted by the National Committee, C.P.U.S.A., at its December 3-5, 1946 meeting.*)

THE PRESENT DRIVE of reaction against the Negro people is an attack upon the living standards and democratic rights of all the American people. It is an effort to halt the vital upsurge now taking place among the Negro people, to stop the growth of Negro and white labor and progressive unity, and to split asunder all progressive alliances and groupings.

Defense of Negro rights has become an imperative and inescapable task of the American labor-progressive coalition in the struggle against reaction and the threat of fascism. Such a coalition must be based solidly upon alliance with the Negro people.

North and South, the Negro people are attaining a new high level of fighting unity in defense of their rights and of gains won during the recent period. Their organizations, which are being strengthened and extended, are fighting for those democratic rights here at home which were proclaimed as our nation's war objectives abroad.

In sharp contrast with the situation following the First World War, masses of Negro workers are now actively participating in the trade unions. In the major wage struggles and strike movements since the end of the war, the employers have not been able to divide the workers on the "race issue." A growing confidence in the labor movement exists among the Negro workers, while the white workers realize better than previously the role of race and national prejudices in dividing their ranks.

* * *

A new wave of the struggle for democracy is arising in the South. In their courageous resistance to lynch terror, the Negro people are playing a leading role in the fight for democracy. For the first time since Reconstruction (1865-1877) and since the Populist movement of the 1890's, important sections of the white masses of the South are beginning to ally themselves on a significant scale with the Negro people in their common struggle against the trusts, and against the Bilbos, Rankins and Talmadges.

Irrespective of its immediate objectives, this struggle is directed at the semi-feudal sharecropping-plantation system of the South, the source of the most brutal forms of Negro oppression. The sharecropping system, descended from slavery, perpetuates conditions which are essentially semifeudal. This system is a cesspool of reaction which poisons

American political and economic life. The Nazi-like doctrines and practices of lily-white superiority, the main stock-in-trade of the Southern Bourbons, constantly inspire fascist groups and tendencies all over the country. The relation of Southern semifeudalism with the northern big trusts promotes the drive of the monopolies towards full-scale reaction, towards fascism.

* * *

Just as the Truman Administration receded from and finally betrayed the Roosevelt program in practically every field, it failed to resist the reactionary drive upon the Negro people. Federal F.E.P.C., anti-lynching and anti-poll tax legislation, action against anti-Negro terrorism, uprooting of the K.K.K. and similar fascist organizations and other pressing tasks went by the board entirely. In the recent elections the Republicans capitalized on these failures, and are now seeking the Negro vote for 1948.

Dependence upon the N.A.M. and pro-fascist Republicans, no less than upon the reactionary leadership of the Democratic Party, can only prove disastrous to the Negro people. Only the most determined resistance by a coalition of labor, the poor farmers, the Negro people and all other progressives can prevent the 80th Congress from passing further oppressive legislation.

Only such a democratic coalition can wrest concessions from a Congress composed almost entirely of reactionary Republicans and Bourbon Democrats. It can do this by rallying labor and the people to a program of equal rights legislation, abolition of Jim Crow in the Army, adherence to the Supreme Court decision outlawing the white primary, establishing housing on a non-discriminatory basis, and securing Federal action against the inciters of race hatred.

Such a democratic coalition can rally all the progressive and independent political forces in the country to defeat reaction in 1948.

* * *

A principle task of all labor and progressive forces throughout the country is the struggle against reaction in the South. This is a key to breaking the power of the Bourbon Democrats, now allied with the reactionary Republicans.

The main obstacle to the progressive modernization of the South is the sharecropping-plantation system which keeps millions of Negroes in semi-serfdom and which also affects millions of poor white farmers. Basic land reform in the South is thus essential to the defeat of reaction in the country as a whole, to overcoming the backward and distressed conditions of the South, and to the nationwide struggle for Negro rights. Hand in hand with the struggle for the vote and the right of Negroes to hold office, the struggle against Southern landlordism will rally the Negro and white sharecroppers and poor farmers to a broad la-

bor-progressive coalition of all anti-fascist Americans.

Just as the coming economic crisis threatens to depopulate the factories, especially of Negro workers, it will also render hundreds of thousands of Negro farm families homeless and jobless. To anticipate this catastrophe and prepare against it, Negro and white sharecroppers and agricultural workers should be organized into unions alongside the industrial unions now spreading in the South.

* * *

As always, the Communist Party stands firmly in the forefront of the struggle for full economic, social and political equality for the Negro people.

In fighting for their equal rights, the Negro people are becoming more unified as a people. Their fight for liberation from oppression in the Black Belt—the area of Negro majority population—is a struggle for full nationhood, for their rightful position of full equality as a nation. In recognizing the struggle for equal rights in the South as a movement towards full nationhood, the Communist Party supplies new power to the Negro liberation movement and also advances the perspective of full freedom for the Negro people. This understanding, growing out of a constant fight for Negro rights, strengthens white and Negro solidarity, based firmly on working class unity, and provides the program of permanent alliance between the Negro and white masses.

Today, the struggle for Negro liberation is concerned with gaining equal rights throughout the country, which includes in the South the struggle for attaining representative government and land reform. As our own history shows (Reconstruction) the development towards full and equal Negro participation in State and Federal government also moves in the direction of various forms of self-government by the Negro people, together with their white allies, in the Black Belt areas where they are in the majority.

This movement provides the basis for the full realization of Negro nationhood, whether it be achieved under capitalism or socialism. The Communist Party supports the right of self-determination for the Negro people, that is, their right to realize self-government in the Negro majority area in the South. Only on this basis will the relation of the Negro people to the State and Federal governments be determined on the basis of freedom.

The Communist Party does not attempt to impose any specific solution in advance of the form in which the right of self-determination will be exercised; nor does it prematurely raise self-determination as an immediate slogan of action. The future solution of this question must arise from the living movement itself, out of the current and future struggles for democracy and equal rights. Its form will be determined by the relationship of social forces in the country as a whole and by the rela-

tion of the Negro people to the progressive coalition.

* * *

A firm alliance of labor and the progressives forces generally with the Negro people is required by the present struggle against reaction. This alliance demands, in the first place, a constant fight to eradicate the doctrines and practices of white chauvinism in all their forms, among all sections of the population and especially whenever they manifest themselves in the labor and progressive movement.

In the trade unions, even in some of the most progressive, discrimination against Negro workers still persists. As in the past, the Communists insist upon the fullest participation of Negro workers in the unions on an equal footing, including in positions of top leadership. The unions cannot successfully combat the divisive tactics of the employers without fully recognizing and fighting against the present unequal position of the Negro workers in industry. This requires that the militant trade unionists raise the special demands of the Negro workers, such as seniority readjustments as well as other provisions, to permit equal opportunity for advancement and to protect the Negro from being the last to be hired and the first to be fired.

Especially as it influences the labor and progressive movement, white chauvinism feeds separatist tendencies and distrust of white workers among the Negro people. Therefore, the encouragement of every movement among the Negro people towards greater integration with their white allies, requires a simultaneous struggle against white chauvinism, especially whenever it shows itself within the labor and progressive movement.

By its own actions, the Communist Party must set an example before the whole labor movement. Every influence of white chauvinism within its ranks, whether it manifests itself openly or in concealed form, must be systematically combatted and expunged. It is the over-riding responsibility of white Communists to fight white chauvinism relentlessly.

Negro Communists should systematically combat separatist tendencies and distrust of white workers among the Negro people, while building working class unity and alliance with other minorities and nationality groups also suffering from discrimination, such as the foreign born, the Jewish people and Catholics.

Towards this end, the Communist Party will develop constant educational work within its own ranks, as well as on a broader scale. As part of its constant fight for Negro rights, it will strive to uproot false theories and ban race prejudice from the labor and progressive movement. This is imperative for welding firmly the alliance of the labor and progressive movement with the Negro people in the common struggle against reaction and the threat of fascism.

BASIC ASPECTS OF THE NEGRO PEOPLE'S STRUGGLE*

By ROBERT THOMPSON

THE DECEMBER MEETING of the National Committee of our Party devoted major attention to a thoroughgoing examination of the theoretical basis of our approach to the Negro question, and to our Party's immediate tasks arising from the present stage of the struggles of the Negro people for full equality in all phases of American life.

At the outset, I want to say that no report of mine will be able to incorporate the full richness of the material and the Marxist reasoning of the extended discussion on the Negro question in our National Committee meeting. Comrade Davis' main report will undoubtedly be recognized throughout our Party, as it was in our National Committee, as a basic contribution to our Party's theoretical approach and political activity on the Negro question. The discussion under Comrade Davis' report was marked by its high theoretical level. It was also marked by its free and polemical character. Comrades who had a viewpoint opposed to the position presented in Comrade Davis' report, or had doubts on the question, spoke very aggressively and freely. You have already, I am sure, read the contributions of Comrades Foster and Dennis to this discussion in the January issue of *Political Affairs*. Many other comrades, and especially a number of our leading Negro comrades who are veterans, made outstanding contributions.

The full material on this question from our National Committee meeting must be studied by every comrade here, by our entire Party. Let no one think that this material is of importance only, or even primarily, to comrades engaged directly in the Negro people's movement. The level of understanding of our Party as a whole of the Negro question, and the correctness of its policies in relation to the Negro people, has always been, and remains today, the measure of its theoretical maturity and its ideological health. Further, there is not a single major problem confronting the working class—whether it be the wage issue, the defense of the trade unions, the building of a people's party, or the longer range questions of socialist emancipation—which does not demand a Marxist approach to, and an understanding of, the national liberation movement of the Negro people.

The adoption by our National Committee of a fully definitive position on the basic aspects of the Negro question, including the key question of self-determination, does not close the discussion opened up by our July, 1945, convention. It places

* A Report delivered at a meeting on January 13, 1947, of club, section and county leaders of the Communist Party in New York City.

this discussion on a new and different basis. The political task before our Party now is fully to master, learn to apply, and help further develop the established position of our Party on the Negro question, as contained in Comrade Davis' report and the National Committee resolution. To this end, as you know, our Party in New York, in addition to this meeting tonight, is organizing a wide network of seminar discussions and classes and is preparing for discussions on this question in every Party branch.

In my report tonight, I will deal with three main questions:

1. The present level and direction of the activity and struggles of the Negro people's movement;

2. Our Party's position on the right of self-determination as it affects the Negro people generally and as it applies to areas of Negro majority in the South;

3. Our Party's main immediate tasks in the struggle for full Negro equality, and against the special forms of oppression to which the Negro people are subjected.

[Comrade Thompson, at this point, dealt with the significance of the withholding of Bilbo's seat in the Senate and with the scope of the offensive against the Negro people.]

The intensive drive of Wall Street and Southern landlord reaction against the Negro people has its roots in the Jim-Crow system of national oppression of the Negro people. The chief objectives of this drive are:

1. To destroy the gains made by the Negro people under the Roosevelt Administration and especially during the war; to increase anti-Negro wage differentials in industry; to create a mass reserve of unemployed and low paid Negro workers; and, if possible, to turn the Negro workers in large numbers against the trade unions.

2. To check and, if possible, destroy the growing Negro people's movement and the alliance between this movement and labor. Above all, in this period reaction wants to smash the militancy of the Negro veterans.

3. All of these attacks have the objective of fastening the Jim-Crow system more securely on the Negro people and the life of the country. *All of these attacks have as one of their cardinal objectives the poisoning of the minds of the American working class and people with the white-chauvinist and Nazi-like ideologies and practices of "white supremacy."*

In the South this postwar offensive by reaction against the Negro people has certain special objectives:

1. To block the C.I.O. and A. F. of L. Southern organizing drives and to smash the growing unity between the Negro people and poor whites in the South.

2. To smash the growing right-to-vote movement of the Negro people which is enlisting wide support from white progressives and which is spearheading an upsurge of democ-

racy in the South unparalleled since the Reconstruction period.

3. To maintain and entrench the semi-feudal system of sharecropping, farm tenancy, and peonage which is the basis for the special oppression of the Negro people and the mass impoverishment of the white workers and farmers in the South. In this connection, reaction in the South wants to retard the industrialization of the South and together with this the emergence of such Roosevelt forces as Arnall of Georgia, Folsom of Alabama, and Pepper of Florida.

The most important fact about the drive of reaction against the Negro people since V-J Day is that the Negro people are reacting to it, and standing up against it in a very different way than was the case after the last war.

There are a number of basic reasons for this, among them the following: The trade unions are enormously greater in size and strength, and Negro and white workers in the basic industries are now organized; the mass organizations of the Nego people are much larger and better led than after the last war; there is today a Communist Party whose contributions in theory, program, and fighting leadership strengthens every phase of the Negro people's movement. As a result of these as well as other basic factors, the Negro people's movement has not been smashed or set back by the drive of reaction since V-J Day, but, on the contrary, has developed a degree of militancy higher than at any time since the post-Civil War period.

Along what main lines and in what direction are the Negro people developing their activities and struggles in this period since V-J Day?

1. They are fighting for full citizenship in every walk of life; they are fighting for full political, social and economic equality. This is the meaning of the struggles which they are waging, together with white progressives, against Bilbo, job discrimination, lynching, the poll tax, and Jim Crow in the armed forces. It is the meaning of their fight for increased representation in public office, which, despite the general Republican victory last November, resulted in an increase in the number of Negroes elected to public office, in New York as well as nationally.

2. The Negro people are fighting for and achieving an ever-growing unity within their own ranks. This is expressed in the degree of unity which the various Negro people's organizations and movements are displaying around the principal issue of equal rights. It is expressed in the fact that they are developing their struggles on a national basis, with a unity between North and South unmatched since the Civil War. It is expressed in the fact that Red-baiting is being rejected more overwhelmingly by the Negro people than by any other section of the people. In this connection, our Party in New York can be especially proud of the place of high prestige and respect

which Comrade Davis has won in the Negro people's movement.

3. Despite all the efforts of reaction the Negro people have not, in the period since V-J Day, moved in the direction of severing their alliance with labor and the progressive movement. Especially in the strike struggles of last year, as well as in the elections last fall, the Negro people generally played the role of labor's chief and most important ally. At the same time it is necessary to say that both in the trade unions, as well as in the political field, there are indications that, unless the labor movement and white progressives greatly improve their fight on behalf of the special needs and demands of the Negro people, this alliance which is so vital for blocking reaction may be seriously weakened in the coming period.

4. The Negro people are aggressively and successfully building their own people's organizations. The most significant example of this is the tremendous growth of the N.A.A.C.P. Since 1940, this organization has grown from 75,000 to over 555,000 members. Together with this the Negro people are also building such organizations and movements as the Southern Negro Youth Congress, the United Negro and Allied Veterans, the National Negro Congress, the National Urban League, and others. Of basic importance, also, is the fact that Negro workers have made their full contribution to the growth of the trade unions since V-J Day, especially in the South.

5. The Negro people and their organizations in the South are fighting with remarkable bravery and initiative against all forms of special oppression and terror directed against them. Our Party must help to imbue the whole labor movement with an understanding of the significance of such developments as the actions of self-defense undertaken by the Negro veterans and their friends and families in Columbia, Tennessee, and in Mississippi; and the heroism of the Negro people in many parts of the Black Belt who have spearheaded the fight for democracy by casting their votes in the face of lynch terror.

Of special importance is the fact that today, more than during any period in the last 70 years, large numbers of white workers, farmers, and progressives, are beginning to join with the Negro people in the South on many issues such as the fight against the poll tax and the white primary. This development is also expressed in the successes which have been achieved in the C.I.O. and A. F. of L. organizing drives in the South in the setting up of a number of mixed locals.

The outstanding feature of the progressive developments in the South is the determination which is being displayed by the Negro people to vote, to hold office, and to win a measure of representation in public office and self-government.

I have spent quite a bit of time on this first point in an attempt to sketch at least the main features of the present level and direction of the

activity and struggles of the Negro people's movement. It seemed to me necessary to do this because our theoretical approach to the Negro question can only be sound if it is based firmly and solidly on the actual main trends, developments, and relationships of forces affecting the struggles of the Negro people. In this connection, I am reminded of some words by a very great, but seldom quoted, theoretician--General Carl von Clausewitz—on the relationship between theory and practice:

> . . . in the same way as many plants only bear fruit when they do not shoot too high, so in the practical arts the theoretical leaves and flowers must not be made to sprout too far, but be kept near to experience, which is their proper soil.

I am sure that keeping this general proposition in mind will help us guard against many possible mistakes in the future.

* * *

Comrade Davis, in his report, placed the need for further elaborating our basic theoretical approach to the Negro question on the basis of the correct, general line of our Party in what I think was a very fine formulation. He said:

> In order to wage a successful fight on the day-to-day issues of Negro rights and to defeat the objectives of the capitalist Tories, the ultimate, long range perspective of solution of the Negro question must be clarified and fully settled. Otherwise, one cannot distinguish which trends are growing and permanent, however weak at the moment, and those which are temporary and disappearing, however strong at the moment. The conscious seizure and development of that which is new and rising, sound and permanent—even though not fully developed—is the key to the complete liberation of the Negro people, as it is to the emancipation of the working class of our country.

The root source of the oppression of the Negro people, on a nationwide basis, is in the so-called Black Belt area of the South. Any examination of the character of the Negro question in the United States must make its starting point the status of the Negro people in this area.

What is the Black Belt? It is the area in the South where the Negro people comprise a majority of the total population. This area comprises parts of 12 states—Virginia, Maryland, South Carolina, North Carolina, Georgia, Florida, Tennessee, Alabama, Mississippi, Louisiana, Texas, and Arkansas. According to the 1940 census, the Black Belt contains 172 counties of acknowledged Negro majority. In these 172 counties the total population in 1940 was 4,107,248, and the Negro population 2,594,660, or 63 per cent. These 172 counties constitute the heart of the Black Belt. 368 counties bordering on this area also have areas of Negro majorities and these areas must rightfully be considered a part of the Black Belt. On this basis, the real Black Belt spans 540 counties, with a total Negro population of about 4,500,000, or a third of the total

Negro population in the United States. Throughout this Black Belt, the semi-feudal system of sharecropping, farm tenancy, and peonage is predominant, and the basic and common problem confronting the Negro majority in the area is their relationship to the land.

In this area of Negro majorities in the South, the Negro people have all of the attributes which go to make up a nation. These attributes, or characteristics, according to the scientific definition of a nation given by Stalin, consist of the following:

> A nation is an historically evolved, stable community of language, territory, economic life, and psychological make-up manifested in a community of culture.

The Black Belt area of the South is the heart and center of the Negro nation.

Like all nations, the Negro people have a history of development in their progress toward nationhood. Their forced transplanting to this country began over 300 years ago. By the time of the Civil War they already had certain common characteristics, such as a common land, language and psychological make-up growing out of their common oppression and struggles. However, under the conditions of chattel slavery before the Civil War, it was impossible for their development toward nationhood to be other than slow and painful. It is in the period since the Civil War that the Negro people have developed the higher characteristics of nationhood, although still not in fully ripened forms. Under conditions of capitalism, and with the abolition of slavery, the Negro people since 1865 have developed far beyond the stage where they were in the main a forcibly transplanted agrarian people living under the conditions of chattel slavery.

The great majority of the Negro people in the Black Belt are sharecroppers and poor farmers—and they constitute the solid core of the Negro nation. At the same time, the Negro people have developed a large and relatively well-organized and advanced working class. They have developed an important strata of intellectuals and professional people, a middle class, and a distinct although weak and small body of small capitalists. In short, in the 80 years since the end of the Civil War the Negro people have moved very far and very fast in the direction of becoming a composite whole—a national entity.

Undoubtedly, the Negro people would have made even more rapid progress toward nationhood if a host of factors had not tended to retard this development. Chief among these are the following:

1. The use which the capitalist class and the Southern landlords have made of the concept of race in order to justify, on the false basis of "inferiority," the oppression of the Negro people. The Negro people have had to fight on every front against this diabolical lie of racial inferiority and the segregation that accompanies

it. This has been especially true because the poison of so-called racial superiority and inferiority has sunk deep roots into the thinking of the white working class in the form of white-chauvinist prejudices. As a result the Negro people have been traditionally very much on their guard against propositions, even those of self-determination, which might conceivably be used to justify segregation and discrimination.

2. A further factor has undoubtedly been the ideological attack of the capitalist class against the conception of self-determination, an attack which has without question created confusion and generally served to conceal its true content such as ownership of land and self-government.

3. There is the factor of the actual material relationship of forces. The Black Belt is situated in the center of the most powerful capitalist country in the world. It is undoubtedly difficult for the Negro people to conceive of circumstances in which they can successfully demand as a nation the right of self-determination.

4. Lastly, the general factor of American bourgeois-democratic traditions and forms has undoubtedly retarded in some respects the raising of national demands on the part of the Negro people, just as it has retarded in some respects the achieving of political independence on the part of the American working class.

Nevertheless, despite all retarding factors, the Negro People have developed with surprising rapidity the characteristics which distinguish them as a nation.

Like all nations, the Negro people are today at a particular level, or stage, in their development. As Comrade Foster has often emphasized, and as Ben Davis pointed out in his report, the Negro people are a very young and still developing nation. They are a nation which has not as yet reached the level of maturity where it fully recognizes itself as a nation and fights for the slogan of self-determination. But, then, this is true of all nations in an early period of their development. It was true of the American colonies, of many Latin-American countries, and, for that matter, is true today as far as many of the nations of the Far East are concerned.

The important thing is that the all-around and many-sided development of the Negro people, and especially the struggle of the Negro people in the South, are moving in the direction of a higher national consciousness and more advanced national demands. In this connection, it is important to recall a statement of Lenin, in which he says:

> The right of nations to self-determination . . . is merely the logical expression of the struggle against national oppression in every form.

The current struggles of the Negro majority population in the Black Belt against all forms of special oppression and for full equality is a national struggle, a struggle at a

particular stage of development, for full nationhood.

How will the Negro people express, and in what form will they attempt to exercise, their right to self-determination? This is a question which only time and the Negro people themselves can answer. Our National Committee, in formulating our Party's position on the right to self-determination, has carefully avoided the kind of mistake we made in the early '30s when we coupled the question of the right to self-determination with such specific slogans as "For a Negro Republic in the Black Belt." It is the duty of the working class and white progressives to fight to insure the Negro people the freedom of self-determination; it is the right of the Negro people to say when and in what form they will exercise that right. Of course, Negro Communists have the duty of combatting harmful petty-bourgeois nationalist tendencies among the Negro people.

The slogan, "For a Negro Republic," never struck a responsive chord among the Negro people. The progress our Party has made among the Negro people has been basically due to our recognition of the Negro question as a national question, but it has been made despite many sectarian mistakes such as the projection of the "Negro Republic" slogan.

It may well be that the Negro people may at some future time exercise their right to self-determination in the form of a demand for self-government in the Black Belt, approximating the status of the French-Canadians in Canada. Whatever the form the Negro people may eventually choose, it is clearly the duty of our Party and of the white working class to champion their right to make that choice freely and without interference.

In our presentation of our position on self-determination three considerations in particular must be kept in mind:

1. We should not present the question of self-determination in such a way that it seems identical with, or inevitably leads to, the creation of a separate Negro Republic. We must make it clear that the right of self-determination means the right of the Negro people themselves fully to decide the form their growing national aspirations shall take.

3. Our Party must give every aid and support to the sound and permanent trends among the Negro people toward a higher level of national consciousness. Our slogan of the right to self-determination must be presented in such a way that it corresponds at all times to the level of national development and consciousness which the Negro people have attained.

3. The question of the right of self-determination must be correctly related to the question of socialism. It is theoretically possible, and may under certain circumstances turn out in actual life to be possible, for the Negro people to achieve to a high degree the right of self-determination short of a socialist reorganization of society in the United States. At the same

time, even in a socialist America, the right of self-determination would have to be assured the Negro people. At all times it will be necessary for our Party, while supporting to the full the liberation movement and struggles of the Negro people, to point out the fact that full freedom, equality, and well-being, can only be fully and irrevocably achieved under socialism.

The task of our Party is to work to win the trade union and progressive movement to support—to support wholeheartedly and actively—the developing national liberation movements of the Negro people. In the South these struggles are developing around an immediate program which is substantially as follows:

1. The demand for land reforms which will facilitate the ownership of land by Negro sharecroppers as well as by poor white farmers and the elimination of peonage and debt slavery.

2. The outlawing and prosecution of the K.K.K., the Columbians, and other fascist lynch organizations; the death penalty for lynchers.

3. The protection of the right of the Negro people to vote and hold office; outlawing of white primaries; abolition of the poll tax.

4. Full support to the C.I.O. and A. F. of L. organizing drives in the South; the organization of Negro and white sharecroppers and small farmers; a maximum strengthening of the organization of the Negro veterans in the South and of all Negro people's organizations and progressive movements, Negro and white; the rapid building of our Party in the South.

When the full material from our National Committee meeting is published, as it will be very soon, it will give a more complete picture of the various arguments which were presented in opposition to the approach presented in Comrade Davis' report. Tonight, I can do no more than indicate the general character of the principal arguments made and only in the briefest possible fashion. There were four main arguments of this character presented.

The essence of the first argument runs pretty much as follows: "Nowhere have the Negro people themselves raised the demand for self-determination. If they are a nation, they would have done so. The fact that they haven't proves they are not a nation."

The reason why the Negro people have not already raised advanced national demands such as the right of self-determination, has already largely been given. Essentially it consists in the fact that the Negro nation is still very young—still in the process of development—and has not yet reached the point of maturity where it projects advanced national demands. Clearly, an approach which attempts to determine the social and political characteristics of a people by the degree of consciousness of that people of their social and political status in a given period, is un-Marxian, to say the least. In fact,

it is pure idealism. If the same approach were used to the farmers, say, or even to the working class, the conclusion would be that large sections of them are in no way exploited by capitalism.

The second main argument ran along the line that due to migration from the South and industrialization of the South, the population figures in the Black Belt are changing in the direction of lessening the Negro majority in that area. On this basis, it was argued that even though the Negro people are today a nation there is no guarantee that tomorrow they will not be. The essence of this argument is that the national characteristics of the Negro people are diminishing and not increasing. All the facts go to refute this argument. As the facts already cited show, the national characteristics of the Negro people are developing in all respects very rapidly. In so far as the population figures in the Black Belt are concerned, while they show a certain fluctuation over a long period, they in no way substantiate any conclusion that the Negro majority there is disintegrating. In fact these figures demonstrate the stability of this community. As Comrade Max Weiss placed the question in the Plenum discussion, these figures on population changes in the Black Belt do not show that this area of Negro majority is unstable; they merely show that it is not static.

The third main argument ran along the line that the right of self-determination conflicts with the main demand of the Negro people for full equality in all phases of American life. The fact is that the demand for the right of self-determination and the demand for full equality are in basic harmony. The fact is that it is impossible for the Negro people to win full economic, political, and social equality unless as a nation they advance the slogan and struggle for self-determination in the Black Belt. As Comrade Dennis put it, if the slogan of equality is to "mean what it says, then its application in the Black Belt—where the Negro people constitute not only a majority of the population, but have the fundamental characteristics of an oppressed nation—requires the exercise of the right to self-determination."

The fourth argument needs very little refutation, I am sure. It consists of the assertion that the projection of the right to self-determination in some way conflicts with the struggle for socialism. Clearly, the Negro people constitute a most important ally of the working class, both in its immediate partial struggles and in its ultimate struggle for socialism. The unfolding of their struggle for national liberation, and the unconditional championing by the white working class of their right to self-determination, are two indispensable sides and conditions of this alliance. It is precisely the growing struggles of a national liberation character which make the Negro people a powerful and indispensable ally of the working class in the entire period

up to, during, and following the victory of socialism in America.

* * *

I should like to pass now to the last point in my report, to some of the main immediate tasks confronting our Party in the struggle for Negro rights and the further development of the Negro people's movement.

The "Oust Bilbo" movement, which has already scored an important success in forcing the withholding of his seat in the Senate, has tremendous potentialities. The Republicans and the poll-tax Southerners hope this movement will die down in the course of the next month or so. This must not be permitted to happen. If labor and other progressive forces together with the Negro people react correctly, it is possible really to seize the initiative on this issue. It is possible in the next weeks to build up a body of sentiment and a movement which will force the permanent barring of Bilbo from the Senate and challenge the position of other fascist-minded poll-tax officials. Around this issue, then, there is the possibility of developing a real crusade that will challenge the whole theory and practice of Bilboism. There should not be a single trade union, I.W.O. lodge, veterans organization or other group in New York City in which there is a Communist, where this question is not raised of demanding further action against Bilbo.

The biggest and most important field in which Communists must play a leading role in the struggle for the special demands and equal rights of the Negro workers and Negro people as a whole is in the trade unions. The task of Communists in their unions is to work to win the support of the workers in their shop and local for the full program, legislative, economic and social, put forward by our Party to meet the special problems of the Negro people. It is the job of the Communists to be the champions of F.E.P.C. legislation, of "Oust Bilbo" actions, of support to Negro veterans, housing actions, etc. It is also their responsibility to take the initiative in formulating and fighting for measures which concretely, in each shop and industry, take into account the special problems of Negro workers with respect to seniority and promotions and afford them a maximum of union protection and security.

I should like to say a few additional words on this question of the modification of seniority rules with respect to Negro workers. Our Party took a definite stand in favor of such modification over a year ago. Our Party took this stand because the uniform application of present seniority regulations to Negro and white workers in most industries actually results in discrimination against Negro workers, *i.e.*, in disproportionate lay-offs of Negro workers. Far from diminishing in importance, this question has now become far more important due to the fact that an economic crisis is drawing near and with it will come mass unemployment.

Our Party's position remains one which favors the modification of seniority regulations in every shop and in every industry where such modifications are necessary to insure Negro workers truly equal job protection.

It is not enough, however, for our Party to retain its position in favor of modification, wherever necessary, of seniority rules as applied to Negro workers. What is necessary is that our Party, and its individual members in each shop and local, begin to conduct the kind of work and education among white workers which will create the conditions which will in actual fact make possible and bring about such necessary adjustments in seniority. What has been the obstacle which has blocked actual progress in the modification of seniority rules? The obstacle has basically been the fact that white workers have not been won for such changes. This is a key task for our Party and its members, and guarantees must be established that it is taken in hand much more resolutely than in the past. In our work on this question, let us always keep in mind that the principle of seniority rules is one of the bulwarks of trade union strength and organization in our country.

At the same time, I should like to emphasize that this question is not the beginning and the end of the fight for the special needs of the Negro workers. Other key questions must not be lost sight of. Among these are the questions of upgrading, of downgrading, and of new hiring. Communists have the responsibility of taking the initiative in developing concrete programs and of fighting for them on all of these questions. They also have the responsibility of taking the initiative and the leading part in guaranteeing that Negro workers are elected in proper numbers into union leadership. These are a few of the responsibilities of our Party and its members in relation to the struggle for Negro rights in the union. It must be said that if the discussion in the National Committee meeting means anything, it means that there must be a drastic improvement in the way these responsibilities are fulfilled.

Among the Negro people, more than any other section of the population, there exists a powerful sentiment for independent political action, for the formation of a third, people's party. The last elections reaffirmed the fact that the Negro people can be one of the most solid and important supports, and in some respects an initiating force, in a basic political realignment in the country.

If the Negro people are to be drawn speedily and fully into this realignment, the white forces in the labor-progressive coalition are going to have to show a greater sensitivity and understanding of the problems and needs of the Negro people and their movements. It is the task of our Party and its members here in New York to work in such a way in relation to the various progressive political action organizations and move-

ments that a great awarenes and understanding of this problem is created. This means working along the following lines.

1. Stress must be placed on the building of these organizations and movements, and especially the A.L.P., in Harlem, Bedford-Stuyvesant and other Negro communities. More Negro leaders and spokesmen must be brought forward, and they must be given a greater share in the actual leadership.

2. In the unions, and in every organization of the labor-progressive political action coalition, the principle must be fought for that Negro candidates must be put forward and supported for high public offices. It is impossible and impermissible for a Communist to be satisfied with a progressive ticket in any election which does not give proper representation to the Negro people.

3. Of key importance, all organizations and forces of the labor-progressive coalition must champion and aggressively fight for a program on the legislative and economic fronts which meets the special needs and demands of the Negro people. In most instances, fairly good programs exist on top. The problem is often the way these programs are carried out in the organizations down below. It is here where Communists have a key responsibility.

Most of the gains made by the Negro people in recent years have been made through close alliance with the labor movement. Most of the gains of the labor movement, and not least of all on the political front, have had their basis in this same alliance. There is no more important task confronting labor, and the progressive forces of the Negro people, than the consolidation and extension of this alliance. In this connection, our Party, and especially our Negro comrades, have an especially important job to do in combatting the misleading and disruptive influence and activities of the Social-Democrats and Trotskyites among the Negro people, as well as generally.

Here, in New York City, discrimination against Negroes is most solidly entrenched, and very largely based, on the setup that prevails with regard to housing. The Negro ghetto system that exists in New York is a shame and a disgrace. If the labor and progressive forces in New York want to deal a real blow to the whole system of discrimination against the Negro people in New York, they must really challenge the cornerstone of that system—segregation in housing. This does not mean that a program of housing improvements and developments in Negro communities, is not of central importance. It does mean that the fight must not be limited to this. There must not be a single apartment house anywhere in the city in which a Communist lives where a policy of officially or unofficially barring Negro tenants goes unchallenged.

Our Party organization must directly take the lead in fighting to ensure the placement of Negro

tenants in every new apartment house and housing development that is opened up any place in this city.

Comrades! Our Party by its deeds and actions must set the example for the entire labor movement on every front in the struggle against the national oppression of the Negro people. There is one front in particular which is of key importance, not only to our work in the field of struggle for Negro rights, but to our work in every field, to the whole political and ideological health of our Party. That front is the elimination, the stamping out, of the influence of white chauvinism in our own ranks, whether it be concealed or open in form. We have not only to declare, but to organize, war on this enemy poison within our ranks.

Chauvinism can and does find expression in many forms, often very subtly. It can and does, for example, manifest itself as follows:

1. It expresses itself in a failure to mobilize a Party organization or Party members to fight on issues directly concerning the Negro people, and a lack of sensitivity to, or enthusiasm for, such a struggle.

2. It can find expression in a Party branch or higher body in a failure to promote Negro members to responsible posts and in failure to train and prepare them for such posts.

3. It can find expression in the failure of white comrades to make an effort to equip themselves with a Marxist understanding of the Negro question, with a knowledge of our Party's position and policies on the Negro question.

4. Very often, it finds expression in personal relationships. All too often it "just happens" that white comrades in the course of their work in our Party and the labor movement do not develop personal friendships and relations with Negro workers and comrades.

In the ranks of our Party there must be no room for any toleration of white chauvinism. This does not mean that tomorrow or the next day we are going to start expelling every white comrade who in one way or another reflects the influence of this enemy ideology. It does not mean that we have any illusions about having a Party membership entirely free of white-chauvinist influences this year, next year, or in the next 20 years. Almost every new white member brings such prejudices with him into our Party. Every day, our Party members, new and old, at all levels of Party leadership, are subjected to the influences and pressures of this "white supremacy" ideology.

Our problem is to organize a permanent and systematic struggle against this ideology in our Party. Our problem is to create an atmosphere in our Party from top to bottom, in which not a single manifestation of white chauvinism, in word or deed, can go unchallenged. Our problem is to organize systematic education throughout our Party on the national question in general and the Negro question in particular.

This is a key to improving our Party's work on all fronts.

THE OAKLAND GENERAL STRIKE

By LLOYD LEHMAN

On DECEMBER 3, in California, 130,000 workers in Alameda County's seven industrial cities downed tools in the West Coast's first general strike since 1934. The strike was precipitated by the use of the City police force to run merchandise through the A. F. of L. Retail Clerks' picket lines before the Kahns' and Hastings' department stores in Oakland. The strike expressed, however, the fighting spirit of the whole labor movement in its determination to rout the employers' open-shop, wage-cutting offensive.

The strike lasted two and a half days and made an indelible mark on the labor movement and the community. It ended with City Manager Jack Hassler's assurance that the police force would not again smash the picket lines in favor of the employers against labor. This was a major political victory, and a basis from which to win the economic fight.

The support received by the A. F. of L., not only from the Railroad Brotherhoods and the C.I.O., but from the community as a whole, is a basis on which to defeat the employers and their tools in government positions.

The events of those critical days threw the spotlight of public attention on facts carefully obscured by Big Business for years. The most important are:

1. That the Warren-Knowland controlled government of the key city, Oakland, was a tool of the employers.

2. That the upper crust of the A. F. of L. leadership also played the game of Big Business.

3. That labor unity was necessary for victory.

4. That the A. F. of L. was a fighting organization.

A grasp of these facts is needed for mobilizing the full force of the labor movement of Alameda County in the struggle against the offensive of reaction and monopoly's desire to return the people to the days of Hooverism, and for cementing the unity of labor and its allies in the struggle for security and peace.

THE EMPLOYERS' STRATEGY

Two days after the police departments of Oakland and Berkeley had driven away the pickets posted before the struck stores and herded in the scabs and "hot" merchandise, the A. F. of L. labor movement of Alameda County closed industry and business with an effectiveness seldom before achieved in the United States. This solidarity grew from the general realization in the ranks of the A. F. of L. and its local leadership that this relatively insignificant incident, in the strike of one of the weaker and certainly not key unions,

would determine the conditions under which the unions would bargain with the employers in the near future. Since many union contracts were up for negotiation the first of this year, a setback in this strike would encourage the employers to adopt even tougher attitudes, and seriously hamper the unions in their negotiations.

The employers' strategy was clear. They were obviously out to break the unions on the picket lines, and to build up public opinion to enable the 80th Congress to forge legal chains to bind labor. They applied this policy locally, with special viciousness spurred on by their fond memories of the days after World War I, when the unions in Alameda County were smashed and wage scales cut drastically. Actually, they were so successful at that time that none of the key building trades unions were able to sign contracts until after the upsurge in the labor movement in the Bay Area that followed the San Francisco General Strike in 1934.

The employers chose for their present point of attack the place where their maximum strength could be brought to bear on the weakest part of the labor movement. They had just burnt their fingers with the lockout they had declared against the maritime and longshore workers who, under militant leadership, had forced the employers to retreat. They undoubtedly considered the A. F. of L., in spite of its relatively larger size, as the weakest point because of the history of class collaboration on the part of its leadership.

The Department Store and Specialty Employees Union, Local No 1265, which at this time was conducting a drive to organize the employees of the big department stores of Oakland and Berkeley, apparently offered the employers the grounds they wanted to fight on. The employers had many apparent advantages in this struggle. The Retail Merchants Association of Oakland and Berkeley is one of the strongest employer groups in Alameda County. It is also the mainspring behind the political machine of Joe Knowland, publisher of the *Oakland Tribune*. This political machine has controlled City Hall in Oakland for many years. Joe Knowland is the father of Senator William F. Knowland, who recently called for the use of United States troops to break the strike of the coal miners. This same political machine gave Earl Warren, present Governor of California, and aspirant for the G.O.P. nomination in 1948, his political start. The line-up then, was one in which the strongest economic and political group of the employers was pitted against one of the relatively weak A. F. of L. unions.

RANK-AND-FILE MILITANCY

The key to understanding the swift, decisive answer the employers received, is a full appreciation of the fighting mood of the rank and file of the A. F. of L.

There were many examples of the development of this militancy in the A. F. of L., both before and during the general strike. Those having a significant effect in shaping the events of the strike, follow:

1. The workers realize that only the sharpest fight will advance or even save their living standards. There is a constant, growing demand for action by their unions. The trend in union elections has been to throw out officers who fail to fight.

2. On the evening of the first day of the general strike, the A. F. of L. held a giant rally, in the biggest auditorium available. Despite the rain and lack of bus service, there was an overflow crowd which unmistakably supported the proposals of the union leaders to fight on. There was a special response when the members of the City Council were characterized as "super-finks," and the references to labor unity, though weak, were warmly received.

3. The militancy and discipline of the picket lines were not organized by the officials, but were the spontaneous reaction of the rank and file.

4. In the union meetings held during this period, there were many indications of the desire of the rank and file to square away for a showdown fight. The Central Labor Council and many other unions passed resolutions demanding unity of the labor movement to win the economic battle and also to prepare for the City elections. The strike developed the rank and files' understanding to the point that, whereas these resolutions would have been summarily killed two weeks before, they passed without dissent. In several cases the worst Red-baiters and people known to be connected with the Knowland machine were forced to pay lip-service to these resolutions! Another resolution passed in many unions condemned Charlie Real, President of the California State Federation of Labor and also the local teamsters' union boss, for his support to the Republican candidates during the last general election in spite of the vote of the Executive Council of the State Federation to support the Democratic candidates. This crystalized the suspicion that the rank and file had of their top leaders, and made it more difficult for the more reactionary leaders to sell out. In all, the mood of the rank and file was such that no local leader was able to make even one open move against the solidarity of the strike.

ROLE OF THE LOCAL A. F. OF L. LEADERS

Next in importance to the militancy of the rank-and-file A. F. of L. worker, the fundamental changes going on among the local leadership made possible the swift answer to the employers' attack.

The leaders of the local A. F. of L. unions, who had day-to-day contact with the employers' get-tough-with-labor policy, as well as with the fighting mood of the rank and file, realized the significance of this change in attitude. They could see

that the A. F. of L. had no choice but to fight or be extinguished. And, in the main, their solidarity and readiness to go into action proved that these leaders were willing to fight.

These A. F. of L. leaders, however, have very serious handicaps to overcome before they can give adequate leadership to the struggles ahead. These weaknesses are the result of the soft years of class collaboration when the A. F. of L. got its wage raises generally without struggle after the C.I.O. had fought the battle with the employers. They stemmed, too, from the fact that many leaders had drifted into the political camp of the employers. These leaders had exchanged political favors for small economic gains, and they had found that they could get favors by playing the anti-C.I.O. tune.

From the beginning, when the Central Labor Council realized the importance of the Retail Clerks' strike and took over its leadership, these weaknesses began to manifest themselves. The Council simply did not know how to organize a strike in order to carry on a sustained struggle, involve the membership, and organize a publicity program to appeal to the public. When it came to the general strike, the Council showed a lack of faith in the rank and file. This lack of faith was demonstrated when it set up a strategy committee which was, in the main, a negotiating committee, meeting with the employers but failing to mobilize the workers for struggle. No attempt was made to inform the workers of the issues involved; they knew only what they read in the newspapers. No effort was made to get any local unions to meet and concur in the strike proposals, although those unions that met on the Monday preceding the strike gave it overwhelming support. This caused the labor movement to approach the general strike without knowledge of how long it would last or what it specifically proposed to accomplish. These weaknesses held the possibilities of grave dangers for the local labor movement.

The political weaknesses of the A. F. of L. leadership also affected the strike. The employers were in an extremely vulnerable position. The head-on strike-breaking activity of the police department had turned the searchlight of public attention on employer control of City Hall, and there was widespread disapproval of this activity throughout the County. The employers' vulnerability was underscored by the fact that the City election campaign was about to begin. The key point where the pressure by the labor movement would be most effective was in the exposure of the tie-up between the employers, City Hall and the Knowland political machine. The A F. of L. leadership realized this only partially and belatedly. It was brought out only indirectly at the mass meeting held on the first day of the strike. Later the leadership adopted a resolution against the Oakland City

Councilmen, characterizing them as "the nine Charlie McCarthys of Big Business," responsible for the strike-breaking activity of the police department.

The A. F. of L. leaders did not realize the importance of winning allies in the struggle. During the strike they issued no mass publicity, and they rejected proposals for publicity that would expose the profits of the big department stores and the tax-favoritism these stores received from the Knowland-controlled City Hall. They made no attempt to win the support of the middle class or professionals on the basis of the importance of union wages to the economic life of the community.

While it was a matter of speculation among the union leadership as to when Charles Real, secretary of the Teamster local and long-time crony of Paul St. Sure, the lawyer for the Retail Merchants Association, would once again repeat his action of 1938 when, during the Retail Clerks' strike, he had ordered his trucks through their picket lines, the local leaders of the A. F. of L. were not themselves prepared, nor had they prepared the rank and file, to resist the back-to-work pressure of the top leaders. On the second day of the strike, the radio used Dave Beck's stab-in-the-back, return-to-work order to demoralize the workers and break their solidarity. By the time the third day of the strike began, twenty-four Internationals had sent telegrams to their locals ordering them to go back to work unconditionally. Charles Real, who was in Washington at the time of the general strike, also contributed to the campaign to demoralize the workers by issuing statements to the effect that the general strike would hurt the workers and was silly, and that he would have seen to it that goods were delivered to the struck stores peacefully had he been there. It is to the credit of the local leadership that all the unions held their ranks closed with the exception of only one union, the International Association of Machinists, which broke ranks on the third morning of the strike and went back to work before the negotiating committee had come to an agreement. Even the local teamster union president put Dave Beck's telegram in his pocket, saying that, though this might cost him his job, his men were not going back to work until a settlement was reached. Despite the fact that they held out an extra day, it was this back-to-work pressure from the upper crust of the A. F. of L. leadership that enabled the employers to refuse to settle the Clerks' strike at that time.

Another grave weakness of the A. F. of L. leadership was its refusal to meet with the C.I.O. and work out any joint plans. While there were a number of A. F. of L. officials who would have welcomed the cooperation of the C.I.O. the dominant teamster union grouping threatened to pull out of the strike if the C.I.O. was brought in. As the strike developed, the need for the concerted strength of all labor to meet the chal-

lenge of the employers' use of the punitive anti-labor injunction, and the need to prepare for the City elections, became clearer. The result was the growth of a demand for unity from the rank and file and a larger group of the local A. F. of L. officials. This may take concrete shape in time to effect the City elections in the spring.

Despite the shortcomings evident in the work of the local A. F. of L. leadership, it is obvious that they appreciate the seriousness of the struggle. They are determined to win. The pressure for labor unity, more efficient organization of the strike, and action to clear out City Hall, exerted by the rank and file, served to strengthen the hands of these local leaders, and the rank-and-file pressure made it increasingly hard for the reactionary elements to sabotage the fight.

THE ROLE OF THE C.I.O.

The leadership of the C.I.O. saw this attack on the A. F. of L. as a prelude to a full-scale attack on all labor. It also saw in the new mood of the A. F. of L. greater possibilities for labor unity. While the C.I.O. has only one-fifth as many members as the A. F. of L. in Alameda County, it has a great deal of influence on the labor movement and the community because of its ability to mobilize its rank and file and its political organization.

The C.I.O. reacted immediately. It issued a press release supporting the struggle of the A. F. of L., pointing out that this was an attack on all labor, part of the employers' anti-labor offensive, and pointing out the City Hall-employer tie-up as the main enemy of all labor and the people. An attempt was also made to arrange a meeting with the A. F. of L. leadership, which was turned down. The C.I.O. prepared to have a meeting of its entire membership to consider the advisability of also going on strike. A leaflet was drawn up for mass distribution to enlighten labor and the public on the main issues as seen by the C.I.O. The C.I.O. sent a telegram to the Mayor of Oakland, and copies to all A. F. of L. unions, in support of the strike, which stated in part:

> . . . the present General Strike of the A. F. of L. unions . . . has been brought about by the illegal and unwarranted action of the Oakland City government. . . . Unless your administration and your so-called Citizens Emergency Committee, which is in reality a committee representing the biggest business interests in the East Bay, take appropriate steps to bring about a satisfactory settlement of the dispute with the A. F. of L., it is our intention to recommend an immediate course of action to our membership. . . . It is time your administration halted its collusion with the business and industrial interests of the community and acted in the interests of the people you are supposed to represent.

The C.I.O. was able to make important headway toward labor unity. The telegram was especially effective. It was read and received on the picket lines with enthusiasm. When

the employers tried to stall negotiations, saying that Beck had ordered the A. F. of L. back to work, the local A. F. of L. leadership was able to point to the support promised by the C.I.O. as a counter-pressure.

The C.I.O. could have made greater gains toward unity, had it been prepared to act more rapidly and had it had a better understanding of the growth of militancy and the desire for struggle in the A. F. of L. There was a tendency on the part of some C.I.O. leaders to underestimate the over-all significance of the strike because of the organizational weaknesses and poor quality of A. F. of L. leadership. Also, after many sad experiences with the effects of the A. F. of L.'s tactics of collusion with the employers, they tended to look upon the strike too much as an A. F. of L. battle and not enough as a battle affecting all labor. This short-sightedness slowed up the C.I.O.'s reaction to the general strike. If the C.I.O. had been able to organize mass activities, such as a protest march on City Hall, or had taken at least a half-day holiday in support of the A. F. of L., it would be in a better position to achieve unity now that the strike is over.

The beginnings of unity that were made can grow. The C.I.O. can influence the whole labor movement, including the A. F. of L., by exposing the plans of the employers, by proving that wages can go up without price raises, and by working toward unity to meet the threat of anti-labor injunctions and legislation. Such action will strengthen the hand of the honest, fighting leadership in the A. F. of L.

NEGRO-WHITE UNITY

The general strike further consolidated the gains made by the Negro people in the A. F. of L. in Alameda County. The picket lines were a lesson in Negro-white unity. There is evidence that the struck stores had been making special but unsuccessful efforts to use Negro picket-line crashers to fan race hatred. When the news came through to the strike leaders that the police were going to run scabs into the stores and that the union officials were mobilizing support for the line, they called on the local branch of the National Negro Congress and received aid. The Secretary of the Ministerial Alliance, a Negro, made a public statement condemning the use of the city police to crash picket lines.

This unity and strength is one of the fruits of the struggle against Jim Crowism in the Boilermakers Union during and since the war. Even greater unity is possible if the remaining Jim Crow practices in the A. F. of L. are eliminated.

ROLE OF THE COMMUNIST PARTY

The Communist Party of Alameda County and the *People's World* played a major role in support of the strike. During the general strike, the people of Alameda County had only the regular news broadcasts to keep them informed.

The trade union movement, remembering the 1934 San Francisco General Strike when the capitalist newspapers whipped up public hysteria to break the strike, saw to it that during this strike they were shut down solid. The *People's World* raised the basic issues of the strike and counteracted the campaign carried on by the radio news broadcasts designed to demoralize the workers and start a back-to-work movement. The *People's World* and the leaflets of the Communist Party developed the political importance of the strike and pointed out the main enemy, emphasizing the following points:

> . . . the big business control of our city government is glaringly exposed. . . . Every action of the city government is calculated to hurt labor. . . . The danger to the labor movement of such employer-minded union leaders as Dave Beck and Charles Real, two top officials of the Teamsters Union. . . . The workers . . . of Rochester, New York, won a smashing victory for unionism last year after a general strike. Important factors . . . are the solid support of the rank and file of the A. F. of L. and the strong position taken by the C.I.O. in support of the strike. The labor unity we forged in the strike must be extended to defeat the attacks of the employers and their agents against the unions and to defend our living standards. . . . The Communist Party of Alameda County supports the general strike.

The Party's declarations had a telling effect on the rank and file and the union leadership, and played an important part in directing the main fire against the G.O.P.-employer-City Hall tie-up. The Communist Party also gave special emphasis to the need for the labor movement to resist the sell-out moves to be expected from the employers' old stand-bys in the upper crust of the A. F. of L., such as Charles Real and Dave Beck.

The Communist Party was mobilized for various activities in connection with the strike. Communist Party members were on the picket lines and were active in their unions to mobilize support for the strike; they sold 12,000, and distributed free another 8,000, copies of the *People's World* during the strike and issued many leaflets.

The employers tried to introduce the issue of Red-baiting into the strike situation by news broadcasts in which the fact was played up that the only newspaper getting wide circulation was the *People's World*. This was an appeal to Red-baiters in the trade union movement to close down the *People's World* as well as the capitalist press. The union leaders did not swallow the bait because in the heat of the struggle they recognized, and directed their fire at the main enemy.

Generally, inside the unions, there was an absence of Red-baiting. This indicates that favorable conditions exist to combat Red-baiters. The Communist Party and all progressives should follow up on these gains and conduct a campaign to alert the union movement to the dangers of Red-baiting.

CONCLUSIONS

The striking power and effectiveness of the Oakland General Strike are a monument to the militancy of the rank and file of the A. F. of L. and their determination to fight to preserve their unions and achieve a higher standard of living. This fighting spirit must be guided so as to build an alliance in struggle between the rank and file and the local union leadership in order to overcome the barriers to bringing the full power of the giant A. F. of L. into action in the struggle against the employers' offensive.

In the Oakland General Strike, the employers and their tools in the City Administration were dealt a serious blow and forced to retreat. These events are additional proof that the forces of the people, including the C.I.O. and the A. F. of L., can be welded into a coalition capable of defeating the drive toward reaction.

All progressives, including the Communist Party, have today a big responsibility in building the labor-democratic coalition. The A. F. of L. must be an integral part of this coalition. The struggle waged by the A. F. of L. in this general strike should dispel the attitude that the A. F. of L. is unconditionally reactionary. Nevertheless, many problems must be overcome before the coalition is built. We have the task of pointing out the inter-relationship of the economic and political struggles. By pursuing a correct coalition and unity policy we can win the A. F. of L. to its rightful place in the struggle for peace and progress.

The Communists and progressives in Oakland have two main tasks in order to utilize the gains made possible by the development of militancy and to prepare for the even bigger struggles ahead.

1. To strengthen labor union unity in the economic struggles and in the fight against anti-labor injunctions and legislation.

2. To build a labor and progressive coalition to defeat reaction in the City elections in the spring and to lay the basis for a third party movement.

THE SECOND CHRONIC CRISIS IN AGRICULTURE*

By ROBERT DIGBY

In spite of all the absurd talk still going on about "reconversion," the truth of the matter is that there can be no postwar "reconversion" of American agriculture back to its pre-war status. Instead, the march of mechanization will continue, and not even the spectre of crop "surpluses" ahead can halt this march, for every large-scale commercial producer realizes that his only hope of saving his hide is by getting his per-unit costs down to the lowest possible level. Cotton and tobacco are now the only major crops which remain to be mechanized, and with the discovery of chemical defoliation and the development of the flame cultivator for destroying weeds, the last serious technical obstacles to the mechanization of cotton have been removed. Although the cotton market has been the first of the major commodity markets to break, this does not seem to have altered International Harvester's plans for the mass production of the mechanical picker and flame cultivator at its new Memphis plant.

Even the U. S. Department of Agriculture, which has long been guilty of covering up and concealing the true extent of wartime mechanization, now finds it necessary, however, to admit that these changes have been of a "revolutionary nature." In the October issue of its *Agricultural Situation,* Dr. Sherman E. Johnson, Chief of the Bureau of Agricultural Economics, titles his article, which is given the position of major prominence, "The Revolution in Farming." "In the immediate years ahead," he avers, "mechanization will go on at even a faster pace." But in this article Johnson does not even raise the question of how this mechanical revolution will affect the agricultural workers, sharecroppers, tenants, and working farmers. A more candid article in the same issue of the *Agricultural Situation* by Arthur Raper declares:

> Thus it seems quite certain that farm families will leave farms at a faster rate during the next decade than they have during the previous two and a half decades.

Raper further states that, over the past 25 years, "Farmers in the Corn and Wheat Belts, where machinery is used more widely than elsewhere, saw the greatest increase in the size of farms as well as the greatest proportionate decrease in numbers." He goes on to say that a similar trend is "getting under way in the South" and "will continue more rapidly in the future." For many years, talk about the mechanization of cotton

* The first section of this article appeared in the January issue of *Political Affairs.*

has run so far ahead of the actual results that some people have become skeptical that cotton will ever be mechanized. Prior to World War I, it is true that just about as much labor was needed to produce and harvest a bale of cotton as in 1860. Since then, some progress has been made in the use of power machinery, in techniques for preparing the seedbed, and in its cultivation. But the mechanization of cotton has now come down from the clouds and is being applied to the earth.

Even at present prices and at their present stage of development, the flame cultivator and mechanical picker have demonstrated their feasibility on the large, low-cost cotton fields. The introduction of this machinery will, of course, accelerate the displacement of agricultural workers, sharecroppers, tenants, and small independent producers. Thus, in the South, this mechanical revolution must be viewed against the backdrop of the uncompleted bourgeois-democratic revolution, and the mechanization of cotton and sugar cane will strike a forcible blow at the decadent, outmoded semi-feudal land system. This does not mean, however, that labor and its rural allies can now relax and let spontaneity take its course, nor does it mean that displacement will be sudden or even uniform, between the Old South and the New or between whites and Negroes. On the contrary, this mechanization will intensify the class struggle in the South, and only by fighting for their economic and political rights can the exploited masses, Negro and white, prevent the big planters and landlords from making them bear the major cost of this transition. In the period 1940-45, the census discloses a marked decline in the numbers of sharecroppers and tenants in the South, yet we must not overlook the fact that nearly all of this decrease is acounted for by the drop in the numbers of white croppers and tenants, while the Negroes have remained chained to the land. The white-chauvinistic implications of this must not be ignored, and demonstrate the danger of trusting to spontaneity.

NOT MERELY "MORE OF SAME"

To be sure, the mechanization of American agriculture did not begin with World War II or even with World War I. The animal-power phase of mechanization began more than a hundred years ago, with the steel plow, the mower, the reaper, and then the self-binder. But tractorization, electrification, and the more highly capitalistic forms of agriculture now being widely and rapidly adopted must not be treated lightly or dismissed as merely more of the same. The quantitative changes are becoming qualitative, and the effects of this current technological revolution will be much more acute when our mechanized, war-expanded agriculture is again faced with shrinking markets than was the case after the First World War. Some indication of this is given by the

Department of Agriculture's figures on productivity, which show that, for agriculture as a whole, the increase in productivity per worker (hired as well as family) was eleven times greater during the recent years, 1939 through 1944, than the average increase over the preceding two decades. This jump in productivity is quite different from the slow, gradual change that we previously saw. And, of course, this "average" for all farms serves to conceal the even great increases in productivity which have been taking place on the highly mechanized farms.

U.S.D.A. "PREDICTIONS" AND PROPOSALS

Although the economists of the U. S. Department of Agriculture have begun to turn their attention to this technological revolution, albeit belatedly and somewhat grudgingly, Secretary of Agriculture Anderson still seems bent on perpetuating the wartime myth which portrayed the farmers as producing "more and more" with "less and less of everything," and in his speeches he continues to attribute the wartime expansion of agriculture to "ingenuity" and "good weather." However, the economists of his own department have been forced to admit that mechanization was chiefly responsible for the increase in output, even though they continue to understate the rate of mechanization and to ignore its effects upon the different classes of farmers. Thus, Sherman E. Johnson, Chief of the Bureau of Agricultural Economics, in a recent U.S.D.A. study titled, *Changes in Farming in War and Peace,* says that "the number of tractors on farms increased 34% from 1940 to 1945" even though the more accurate census figures disclose that the rate of increase was actually 55%.

But Dr. Johnson's discussion of what these changes mean to the farmers is even less satisfactory than his statistical indiscretions. At one point, speaking of the wartime increase in farm productivity without the slightest attempt to analyze this increase by size of farm, he cheerfully predicts "more time" for "recreation" and "increased leisure" for the farmers, *all* farmers, but at another point he lets the cat out the bag by proposing "employment offices" in the rural areas to handle displaced farm people who must look for jobs. He says:

> Employment offices in rural areas will be needed to inform workers of job opportunities. Many will require preliminary training for job opportunities.

MONOPOLY'S PROGRAM FOR AGRICULTURE

But the farm experts of the National Association of Manufacturers and the U. S. Chamber of Commerce are even more explicit than Dr. Johnson. In a report published in March, 1945, under the title of *Variations in Farm Income and Their Relation to Agricultural Policies,* the farm advisors of these organizations brazenly proposed that, of the 6 million farms

in this country, one-fourth should be immediately eliminated from agriculture and that eventually as many as two-thirds (4 million) should be pushed out. The "farm" advisors to Big Business have made it very plain which farmers they would earmark for elimination, stating categorically that all government policy should now be directed toward encouraging production "on those farms which are capable of providing the largest average returns per unit of labor and capital expended." Unlike the period immediately following World War I, when Big Business had no unified policy for agriculture, today the monopolists are agreed upon a program for American agriculture, and that program is one of crop reduction and destruction. On September 24, 1946, the *Wall Street Journal* ran a front-page article under the caption, *"Crop Quotas Spurred War Output; Now the Plan Is For Curtailment."* These Wall Street advocates of "free enterprise" insist that no voluntary plan would work because "too many loopholes" would be left "for the independently-minded farmer."

One of the G.O.P. "farm" bloc Congressmen, Representative Clifford Hope of Kansas, embroidered this same theme in the December issue of Joseph Pew's *Farm Journal*. In a post-election article, Hope declares that "agriculture is faced with the fact that the demand for many of its products is less than during wartime, and adjustments must be made as to volume and nature of production." He proposes to ride roughshod over the wartime promises made to the farmers that prices would be maintained at no less than 90% of parity and calls for a revision of parity and the use of price support payments as a lever to force reduction.

COMMODITY SLUMPS SPUR REDUCTION CAMPAIGN

In the light of the present, feverish campaign of the reactionaries to restore a reduction program for agriculture, it is easy to see why they so stoutly resisted the wartime efforts of the Roosevelt Administration to increase farm production and why they vented their spleen so violently on the frail Farm Security Administration which gave some slight aid to lower-income farm families. They were most anxious to prevent the small and middle farms from increasing their output and sharing in the war-expanded markets. Not until after Pearl Harbor, of course, did the Administration officially sound the call for any sizable increase in farm output, and, even then, it added the warning that, aside from so-called war essentials, the lid was still on. It was only in the final stages of the war that the lid was finally removed; but at no time were any vigorous measures taken to make possible the "full employment" of the working force to be found on the small and middle-sized farms.

The recent dips that occurred in the cotton, wheat, corn, hides, and

other-commodity markets during the last quarter of 1946 spurred the reactionaries to louder cries for crop reduction. Though most of the commodity markets soon made up most of their initial losses and some even moved to new "highs," the reactionaries did not lessen their cries for a return to Hooverism. They know that these "breaks" in the market are storm signals of what is ahead, and they want everything ready so that the full force of the catastrophe descends upon the small and middle farmers, as well as the agricultural workers, whose real wages will fall as their ranks are augmented. Though the war temporarily alleviated the market problem of the American farmers, it cannot be said that it has cured agriculture of its chronic crisis any more than it has eliminated the general crisis of capitalism. Moreover, the course being steered by the reactionaries, who use hunger as a weapon of dollar diplomacy abroad and use inflation to curtail the purchasing power of the workers at home, only promises to hasten and deepen the crack-up ahead.

IMPERIALISM AND RESTRICTIONISM

Though the N.A.M. and the U.S. Chamber of Commerce hold private pow-wows at which they plot the plow-under of several million farm families, they publicly pose as the friends and champions of the farmers, big and small. Thus, in the July issue of the N.A.M.'s *News Letter of Farm Industry Cooperation*, the leading editorial on "Common Problems" asserts:

> Agriculture and industry face many common problems today. Of most immediate importance are Government restrictions which stifle industry and reduce the demand for farm products.
>
> Second, labor organizations, by obtaining special privileges for themselves, have in equal degree depressed the position of every segment of the economy.

Here in a nutshell is the line peddled in the rural areas by the propagandists of Big Business. Agriculture and Big Business against labor! Free enterprise for the monopolists! But at the same time seeking to drive the smaller farmers off the land!

To conceal the cannibalistic nature of their domestic program for agriculture, with its big-eat-the-little motif, the monopolists are trying to fan the farmers' hopes that foreign markets may offer outlets for our agricultural produce. By holding out the lure of foreign markets, the monopolists seek to enlist the support of the farmers for their whole program of imperialist conquest and expansion. The farmers have already had occasion to see what this course offers them. At its very inception, the monopolists launched their world-wide plan to withhold exportable food supplies from hungry countries, and instead of keeping the promise of "freedom from hunger," Anglo-American imperialists promptly acted to use hunger itself as a weapon against freedom. Not only did the

United States and England later come out openly for the elimination of U.N.R.R.A., but, using their control over the bulk of the world's exportable food supply, the U. S. and England have even been withholding foodstuffs from smaller nations which are both willing and able to pay for such supplies. Despite all of the official excuses offered for our failure to alleviate hunger abroad, the record shows that our government prepared to meet the problem of postwar hunger by calling for a reduction in wheat acreage at home. So meager have our relief efforts been in proportion to our large grain supplies that, in spite of frantic official efforts to dissipate our stocks in livestock and industrial uses, the government nevertheless admits that we will end the year 1946 with an increased carryover of grain.

Instead of expanding the market abroad for American foodstuffs, the long-run effect of this present imperialist drive, unless checked, will be that of further restricting the outlets available to our farm products. If the liberated nations were allowed the opportunity to restore their factories and to develop their own industries, this economic upsurge would increase the markets available to our agricultural produce. The imperialist policy of our plunderbund, however, is not designed to stimulate the maximum industrial growth of these nations, but only to control their industries so that a maximum profit is taken by our monopolists. This means stifling competition, removing "excess" capacity, preventing the free development of industry, and, in general, extending the world-wide power of our cartels to restrict supply and hold up prices.

REHABILITATION OF AGRICULTURE ABROAD

As the war-wracked nations succeed in restoring their agriculture, their demand for American foodstuffs will decline, and, to the extent that their industrial development is hampered by our imperialist policy, this decline in farm imports will be more marked. There are, of course, wide differences of opinion even among American monopolists on the question of how much industrialization should be permitted in various countries. Some who are fearful of losing their home markets would like to see foreign countries agrarianized, while others who hope to reap superprofits by integrating foreign prizes into their empires demand "industrialization," at least for their newly-captured subsidiaries. In spite of the propaganda beamed to the American farmers about their stake in these foreign markets, our imperialists have shown no interest in cutting the farmers in on the loot, and, in fact, there are already indications that these foreign "'markets" may eventually start a flow of more farm products from other countries into the United States, perhaps from the Orient and, to a lesser extent, from Europe. Thus, Senator Capper

(R., Kansas) who is slated to become chairman of the Senate Committee on Agriculture, told the press, on December 15, that reduction of farm output is a necessity, and joined this statement with an admission that pressure may develop to throw the domestic market open "to foods produced more cheaply in foreign lands."

Our imperialists are sorely searching to turn up some medium for transferring their super-profits from foreign countries to the United States, and raw materials, including farm produce, are being looked upon as prospective items of trade for this purpose. Already some of our monopolists are urging, not only that tariffs be scaled down and that the old "free trade" banners be dusted off, but also that international cooperation might be effectively advanced by allowing other countries to send us more agricultural products. The Carnegie Foundation has begun to spend generous sums of money upon pamphlets and other materials to prove to the American farmers that free trade is to their interest. At the time that Engels analyzed the great agrarian crisis of the last century, it was American grain that overran the markets of Europe and provided employers with a weapon for driving wages down. But now, only sixty years later, our farmers find themselves being threatened by a somewhat similar fate. However, the relapse of American agriculture into a much more acute phase of the chronic crisis is already imminent, and this will most likely, prevent any sizeable import of foodstuffs or raw cotton from materializing, even though the imports of various agricultural products for industrial uses may nevertheless increase.

TOWARD A FARMER-LABOR ALLIANCE

The present imperialist course, so sonorously trumpeted by the reactionaries, certainly offers no attraction for the great majority of our farmers. It can only bring a further shrinkage in the markets available to our farm products, deepen the chronic crisis of agriculture, and speed up the mass-displacement of farmers from the land. Labor cannot afford to ignore these profound developments in agriculture or even to wait until the crisis becomes most acute before it takes notice of the problem. In the face of monopoly's proposed plan for displacing 4 million farm families, labor can no longer postpone the task of developing a realistic coalition with their rural and farm allies. If labor is to protect its own living standards, it must join with the farmers in their fight to stay on the land, and, in the case of the Southern sharecroppers and tenants, this means the smashing of the semi-slave system of land tenure and the completion of the land reforms interrupted after the Civil War.

At the present time, the farmers' problems are such that they must

look to political action if they are to protect their tenure on the land and defend their living standards. Unfortunately, however, the sharecroppers and tenants are unorganized, and the same is true of the agricultural workers. Even in the North, the small and middle farmers are poorly organized, and, aside from the 150,000 farmers in the National Farmers Union and a lesser number in progressive state organizations, most farmers find that their national farm organizations, like the bulk of their cooperatives, have been taken over by the monopolists.

Ever since Wall Street's victory over the Populist Revolt in the 90's, the working farmers have generally been keep out of the national political arena, and the trusts have succeeded in substituting their own voice for that of the smaller farmers. Though the Populist farmers actively sought to build alliances with labor and even helped to organize the workers, the rise of the A. F. of L., with its non-political, economistic, trade unionism, impeded the subsequent development of a strong farmer-labor coalition under the leadership of a progressive, class-conscious labor movement. However, in a few electoral fights, such as the Bull Moose, LaFollette, Franklin D. Roosevelt campaigns, considerable sections of the farm population participated in these political struggles. None of these campaigns resulted, of course, in the development of any durable coalition between the labor movement and the farmers. While the Roosevelt Administration started out with the greatest farm support ever accorded any Democratic regime, it continued to dissipate this support by basing its farm policies chiefly upon the demands of the trusts and the big farmers, by letting the "farm" bloc coalition of Northern Republicans and reactionary Southern Democrats write these policies, and by failing to take its case to the rural voters in any concerted, active manner.

In order to keep labor and progressive political movements out of the rural areas, the Pews, Mellons, du Ponts, Rockefellers, and others regularly spend large sums of money to elect "farm" bloc Congressmen and to flood the rural areas with anti-labor propaganda.

So deep-seated and acute are the ills of the sharecroppers, tenants, and small farmers, however, that no superficial, potpourri of farm planks, included in the programs of independent political groups, can be expected to win the political support of the farmers and to reverse the reactionary rural trend which, with only a few occasional exceptions, has so long gone unchallenged. As the crisis in agriculture deepens and the process of proletarizing the small producers is speeded up, antagonism between the country and the city can be expected to become sharper. Unless the most class-conscious sectors of the labor movement begin to give serious,

thorough-going leadership to their allies in the rural areas, these displaced families will be left as prey for the reactionaries and fascists. The progressives must not be lulled into the trap of waiting until the full force of the crisis strikes before addressing themselves to the rural and farm voters.

NEEDED: A PROGRAM FOR AGRICULTURE

Yet, an examination of the farm "programs" offered by existing independent political parties generally reflect the lack of any serious attention to the problems of the farmers. These programs often do no more than whisper "sweet nothings" to their intended hearers, and the feeble efforts even to bring these proposals before the farmers has kept the authors of these superficial measures even from discovering the need for overhauling their handiwork.* Instead of tailing behind the reactionary leadership of the Democratic and Republican Parties, these independent political movements must sharpen their programs to meet the needs of the workers as well as of their rural allies, and must boldly champion these demands, if they are to unite all democratic-minded voters and free them from the sway of old-line reactionary political affiliations.

This does not, of course, mean that progressives should, at this time launch a concerted campaign to pull the farmers out of the two major parties. In fact, an all too common error in the rural areas has been to neglect the progressive Republican voters and to make no bid for their support, even though such support could be rallied by entering anti-monopoly candidates in the Republican primaries. We cannot afford to forget that the election of a progressive like the late Senator Norris in Nebraska, was made possible by the votes of progressive Republicans, many of whom never would have voted for him on the Democratic ticket, and that the early victories of the Non-Partisan League were made under the slogan, "Capture the Republican primary." No independent political movement can effortlessly win the support of the masses of people in the old-line parties; it must first seek out these voters and then prove to them that it has something more to offer than the reactionary, double-talking demagogues who now clutter up our national political arena.

As the vanguard of the working class, the Communist Party has the primary responsibility for helping labor to win its allies in the rural areas. As Comrade Foster has pointed out, we must begin by extending the trade unions into the small towns and villages, thereby laying a firm organizational basis for the development of rural-urban cooperation and for projecting a political coalition into the rural areas.

* See, for example, the 1946 Program of the American Labor Party, which is an example of this urban provincialism.

In tackling the rural industries, it is particularly important that the labor unions do not squander their energies by attempting to organize in a "catch as catch can" or piecemeal fashion. They should be encouraged to pool their efforts, to map out common areas of concentration, and to concert their own forces, together with progressive farm groups, such as the Farmers Union, in order to make possible the organization of the agricultural workers, sharecroppers, tenants, part-time farmers, and other strata of small and middle farmers.

Thus, "Operation Dixie," as it moves ahead and succeeds in consolidating its urban beachheads, must also give attention to the organization of the rural masses, offering assistance and leadership to these rural groups, and helping them to develop the necessary and most effective forms of organization. Meanwhile, until such concerted action is possible, the organizations directly responsible for carrying on aspects of this rural work, such as the Food, Tobacco, Agricultural, and Allied Workers Union as well as the Farmers Union will undoubtedly have to bear the brunt of this task. By stepping up their organizing campaigns in the agricultural areas of the South and by coordinating their own efforts more closely, these organizations can set an example which will attract the attention of the whole labor movement to this problem and enlist widespread, enthusiastic support.

COMMON ECONOMIC INTERESTS REQUIRE UNITED POLITICAL ACTION

Never before have the workers and the great majority of the farmers in America had so much in common. Never before have the economic and political reasons for an alliance been so compelling. A proper understanding of this present-day situation will do much to encourage the development of such economic and political unity. Both the workers and their farm allies have every reason to resist the reactionary drive of the imperialists at home and abroad. Both groups have every reason to insist that the wartime promises of peace, abundance, security, and democracy be kept, and to fight the current efforts of America's 60 families to betray these promises. Along with the progressive forces in all parts of the world, the workers and farmers of America must demand that the Hoover program of hunger as a weapon of imperialism be halted and that the promise of "freedom from hunger" be maintained. Moreover, both the farmers and workers must oppose the present campaign to curtail food production in America and to renege on the promises of minimum, support prices to the farmers. Together, they must act to protect the living standards of the American people, to safeguard the purchasing power of the workers as well as the farmers against the inflationary drive of the N.A.M., and to fight for sec-

urity of the farmers on the land and of the workers on their jobs.

As Marxists, we recognize that nothing short of socialism can provide a fundamental solution for the problems of the farmers who are now being crushed and impoverished as the development of capitalism in agriculture proceeds. But, as Marxists, we also recognize that only by helping these farmers in their fight to hold onto their land can we enlist their support in the common battle against the forces of monopoly reaction. There is nothing illogical in this dialectal contradiction, and our efforts to alleviate the problems of these producers can be no less serious, merely because the gains that are possible under capitalism must necessarily be partial. We must, therefore, help the smaller farmers to protect their tenure on the land, and advance the demands of these small producers for land, low-cost credit, machinery, electricity, soil conservation, better living conditions, and the free exercise of their democratic rights, in the South as well as in the North. In view of the admitted capacity of our economy to produce abundance for all, it is rapidly becoming apparent that every American family, farm as well as worker, could and should be provided with a decent, minimum annual income.

Prosperity is a relative term, and the relatively prosperous war years which American agriculture has experienced must not be allowed to blur our vision so that we become blind to the relative decline in the position of the agricultural workers, sharecroppers, sharetenants, and working farmers. All the evidence shows that the process of proletarianization not only continued but also increased its speed during the war, even though its more painful and dramatic results will not be unfolded until the contraction of the market again becomes acute for American agriculture. But the temporary wartime prosperity, which embraced the big farmers but hardly touched the smaller ones, did not bring an end to the chronic crisis of agriculture, any more than did the golden era of industrial prosperity in 1924-29 mark the end of the general crisis of capitalism. The centralization of control in agriculture, which is now proceeding with increased speed toward the mass impoverishment of working farmers, serves to strengthen and tighten the grip of the chronic crisis upon capitalist agriculture. Since the purchasing power of its farm victims is accordingly curtailed, as Varga's analysis so clearly demonstrates, the chronic crisis of agriculture also serves to aggravate the general crisis of capitalism and to limit the prosperity phase of its booms while deepening its troughs.