

National Issues

A SURVEY OF POLITICS AND LEGISLATION

February 1939

The President's Message

National Defense

Tory Politics and Relief

Save The Wagner Act

A Plan for the Railroads

An Editorial

Adam Lapin

Roger Bacon

Frank Peterson

Robert Stark

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NATIONAL ISSUES: *A Survey of Politics and Legislation*

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The President's Message—an Editorial

Before the day of January 4th had come to a close, the nation and the world knew that this was a day destined to be memorable in history. Above the beating drums, the war cries, and the machine gun fire of the fascist aggressors, the voice of democracy sounded firm and clear through the President's message to Congress. The nation which had given birth to democracy asserted its determination to defend democracy and lead the struggle for peace.

America is endangered by "the enemy from without," by fascism. Therefore, peace is indivisible, and the President so stated in these words:

"We have learned that God-fearing democracies of the world which observe the sanctity of treaties and good faith in their dealings with other nations cannot safely be indifferent to international lawlessness anywhere. They cannot forever let pass, without effective protest, acts of aggression against sister nations—acts which automatically undermine all of us."

The President's message gave America's answer to the fascist war-makers of Germany, Italy, and Japan, and confronted them with the challenge of a great power that refuses to bow before intimidation and blackmail. It warned Chamberlain and Daladier that the United States will not join them in serving as a handmaiden to fascism. And it thereby strengthened the anti-fascist peoples of France and Great Britain in their resistance to the policy of "appeasement."

The allies of fascism at home also received an answer and a challenge from the President. The most reactionary clique of finance capital, which forms the core of the Republican Party and the Copperhead wing of the Democratic Party, plots to betray our national interests by retreating before the fascist advance, surrendering our vital economic interests abroad, withdrawing from strategic diplomatic positions—while protesting all the time that danger does not exist and that surrender is "peace." Simultaneously these American enemies of America seek to weaken the nation internally.

Destruction of national unity and social security by precisely these means is the program of the Hoovers and Vandenberg, the Garners, "Cotton Ed" Smiths, and all the henchmen of Wall Street in both major parties. Their program is advanced by the monopolists' sabotage of recovery, by the reactionary coalition of legislators asserting their "independence" of the people's mandate for progress, and by the distrust and prejudice sown through the medium of the Un-American Dies Committee.

In his message the President answered the forces which constitute the main "danger within" by recognizing that national defense has three interdependent arms: a correct foreign policy, adequate armaments, and national unity based upon the consolidation and expansion of the New Deal's domestic program of social security.

In this connection, the President's message clearly marks a turning point in the development of the New Deal, for it registers the definite recognition that reform, recovery and resistance to fascism are the three "R's" of modern democracy. This is the core of the President's report: that social reform, economic recovery, and resistance to fascism are inseparable planks of the progressive program. Their achievement can only be assured by simultaneously working for all three; to separate them, as the reactionaries propose, is to nullify and destroy them all.

In this sense, and in this sense only, do we subscribe to Mr. Walter Lippmann's admission that the President's message "registers a change of ideas which is absolutely fundamental, a change not only in Mr. Roosevelt's own mind, but, and this is much more significant, in the minds of the great masses of the people here and abroad, of whom he is, by virtue of his office, the most representative spokesman." That change in the minds of the masses of the people is conversion to the three point program outlined by the President. It was brought about by the consequences

of the Munich betrayal, by the continued Wall Street sabotage of recovery, and by the accelerated Tory drive, since the November elections, to emasculate and destroy the reforms of the New Deal. As the result of these events, the American people are on the road to abandoning isolation for concerted resistance to fascist aggression and to welding the strength of the nation through progressive measures for further reform as a sound basis for recovery. This is the way to "make democracy work" as President Roosevelt put it.

Naturally, the reactionaries—the Garner Democrats and the Hoover Republicans—do not want democracy to work. While paying lip-service to the need for national security, they attacked the President's recommendations for social security. These were described as "a desperate effort to postpone the New Deal's inevitable collapse" (*New York Herald Tribune*). More subtly, the *Journal of Commerce* claimed that "recovery had replaced reform." On the other side of the reactionary drum, the *Wall Street Journal* beat out the attack against the Administration's foreign policy, which was accused of "fomenting antagonism abroad to distract attention from domestic problems." Thus the Tories use the need for national security as a pretext for undermining social reforms; at the same time, the Glasses and the Harrisons, the Vandenberges and the Ham Fishes attack the Administration's positive peace program to wreck the New Deal's program of social welfare. The motive is clear: weaken the people at home to undermine democracy abroad; sap the strength of democracy abroad to increase reactionary pressure against the people at home.

The President identified the "enemy without" as fascism and laid the basis for a positive peace policy, including amendment of the Neutrality Act and lifting of the Spanish embargo, when he said:

"At the very least, we can and should avoid any action, or any lack of action, which will encourage, assist or build up an aggressor. We have learned that when we deliberately try to legislate neutrality, our neutrality laws may operate unevenly and unfairly—may actually give aid to an aggressor and deny it to the victim. The instinct of self-preservation should warn us that we ought not let that happen any more."

But the President failed to identify with equal sharpness the "enemy within." That enemy is monopoly capital, and only by meeting it with resolute firmness can the foreign and domestic policies outlined in the message be achieved and the national and social security of the United States won. In his message, the President failed to grapple with the problem of monopoly and to show the necessity for curbing its power over our political and economic life. "We have now passed the period of internal conflict in the launching of our program of social reform," said the President. In less than two weeks the over-optimism of that statement was made all too clear. The internal conflict continues, even though the President unwisely sought

to avoid it by delaying pressure for new, and badly needed, legislation in the people's interest.

Indeed, this conflict cannot but be sharpened as the nation seeks to move along the road charted by the President. Already the President and the overwhelming majority of the people who rallied to his call are meeting strong opposition on the questions of effectuating a positive peace policy, planning for adequate defense, and consolidating and expanding the social gains of labor and the New Deal, on which national unity must depend. On all three questions the opposition comes from the same source, from the most reactionary sections of monopoly capital and their political spokesmen.

The historic significance of the President's message cannot rest alone upon what the President said. It will be fully realized only if the Congress and the Administration itself, and the united action of the people, translate the history-making words into historic deeds. And for this, as the President himself pointed out, the time is growing short and the sands of our hour-glass are running low.

* * * * *

Supplying its candidates with the masks of a "new liberalism," the Republican high command won substantial victories in November. But on the very first day of Congress, the unmasking began. Even while the President was speaking to the joint session of both Houses, reactionaries on both sides of the aisle gave rowdy expression to their common "independence" of campaign promises.

In approaching the questions of domestic policy, the President first called attention to the views of the budget-balancers, views they had carefully obscured with demagogic verbiage during the campaign. The applause and cheers that greeted his statements drew the line between progressives and reactionaries, and it was by no means a strictly party line.

From that challenge there is no escape for the Congress. The issues are now so sharp that they cannot be obscured. On the one hand, the foreign and domestic policies of labor, the progressives, and the New Deal. On the other, the Tory line of capitulation to fascist aggression abroad and intensification of the reactionary offensive, moving towards fascism, at home. The Vandenberges and Tafts, the Garners and Tydings, the Martins, Tabers and their friends from the "solid" South in Congress, are already following a Hoover line.

Much has been written about the "spirit of independence" which animates the new Congress. This is not the "independence" of the people's representatives who assert the people's will in the face of an unpopular tyrant. The debate on the deficiency appropriation for WPA, discussed elsewhere in this issue, establishes the true character of this much vaunted "independence"—it is the spirit of political reaction, of Wall Street.

There is no doubt in anyone's mind as to what the people want. The unemployed, the farmers, the aged, the youth and the Negro people want genuine security and protection of their democratic rights. The people want recovery which can only be brought about by expanding the New Deal program at the expense of the monopolies. They want this program carried out at an accelerated pace and by consolidating the social gains already made, gains threatened as in the case of the WPA deficiency appropriation and the National Labor Relations Act by the "economy" and "revisionist" plans of reaction. The people want more democracy and peace, and they are overwhelmingly behind the President's policy of achieving peace by presenting a solid front to the fascist aggressors by bringing about a "united democracy."

The conclusion is easily drawn. The President challenged the Congress to assume full responsibility for its acts or its failure to act. *The people themselves must close the door to any escape from that responsibility. Now, more than ever before, the congressional districts have the duty to exercise the closest vigilance over their elected representatives. The labor unions, the unemployed, the youth, the farmers, the religious and peace*

organizations and all the progressive groups and parties in each community, must organize public opinion and mass pressure and make themselves heard in Washington.

This also means that the pro-New Dealers in Congress and the state legislatures should get together and work in unison to promote the policies outlined in the President's message. *The de facto coalition of the reactionary Republicans and the tory Democrats should be offset by a working agreement and joint action of progressives in both parties, resting upon the common front of the common people.*

This means, moreover, that the movement for labor unity must be pressed forward ever more vigorously on all fronts. Unity of action, especially co-ordinated legislative and electoral activity of the A. F. of L., C.I.O. and Railway Brotherhoods, will help provide that strength, organization and leadership necessary to rally and mobilize labor, the farmers, and city middle classes, the New Dealers and progressives of all parties, into an invincible democratic front which can really make democracy work.

GENE DENNIS.

Jacksonian Democracy and the New Deal

President Roosevelt, in his Jackson Day speech, on January 8th, re-emphasized the principles of the New Deal in the fighting tradition of American democracy. Like Andrew Jackson, a century ago, he served notice on the vested interests of money and privilege within the Democratic Party, "to take a walk" and join their allies in the Republican Party.

It was far more than an inner Party speech. The President discussed reconstructing a harmonious Democratic Party to serve the interests of a united democracy, which is needed to stem the aggressions of foes from within and without. He put the problem above partisan politics; his approach was from the viewpoint of that national unity which is needed to make democracy work.

The President appealed, not only to liberals within the Democratic Party, but to all progressives to consolidate and expand the social reforms of the New Deal. Thus the President took up the reactionary challenge of the Garner-Glass wing of the Democratic Party, and instead of offering a program of appeasement, answered them in the tone and spirit of Jacksonian democracy.

With an eye to 1940, the President warned that the people have no use for a budget-balancing stuffed shirt. "Today, as in Jackson's day," he said, "a majority of the

people want only a President who honestly cares for them and a Party anxiously and unitedly seeking a way to serve them without regard for personal or political fortunes." The people, he went on to quote a contemporary of Jackson, "care not a straw about who is President, but anxiously desire to see some measure of relief for the country, let it operate against or in favor of whom it may." This was the President's answer to the stuffed-shirts like McNutt, the compromising politicians like Farley, and the open diehards like Garner, who have been pressing him to abandon the New Deal for the sake of that sacred cow, "Party Harmony."

Confronted with a working coalition of reactionaries, the Vandenberg-Taft Republicans and the Garner-Glass Democrats in Congress, the President reminded them that Jackson had won his fight against the bank monopoly by rallying the people, although his enemies had a majority in the Senate. Old Hickory won because he stuck unflinchingly to the movement for popular democracy and national unity, against the reactionary schemes of Biddle and the bank monopoly and the Nullification Conspiracy of Calhoun, the Garner of his day. In doing so, he united the people and united his party. This is a pointed lesson from American history which every progressive should take to heart.

The spirit of Jacksonian democracy is also carried forward in the President's struggle against the disastrous consequences of Wall Street's sabotage of recovery through deliberately "idle capital." In Jackson's day the people were also confronted with sabotage by the money power. Marquis James, in his definitive history of the period, points out that "Mr. Biddle turned the bank's screws on again, and hardest in the South and West. . . . The banker's deliberate purpose was to make people suffer to bring upon the Administration a storm of protest by threat of panic, and if that did not suffice, by a panic itself. The blame, he felt, would ruin Jackson." Wall Street is not as original in its sit-down strike against the New Deal as it evidently thinks. And the President has answered them as Jackson did his enemies: "The people, Sir, are with me."

Just as Jackson was labeled a militarist by the enemies of the people, because of his staunch resistance to foreign aggression, so today the enemies of peace and progress attack the President as a warmonger because he advocates a positive program for social and national security. Jackson won because he was for the people. The New Deal can likewise win, if it fights uncompromisingly for the welfare of the people and a united democracy along the lines of President Roosevelt's historic re-affirmation of Jacksonian democracy.

Lift The Embargo

On January 23, Henry L. Stimson, former Secretary of War and former Secretary of State, urged the President to lift the embargo against Spain. Colonel Stimson's closely reasoned statement places the immediate lifting of the embargo in its true perspective as an act of American self defense. He declares that the reasons which govern his views "depend solely upon the interest of our own country toward the Spanish conflict and its possible results."

After citing the legal and historical precedents on which he bases his conclusion, Mr. Stimson pays tribute to the heroism of the Spanish people and indirectly takes a slap at all those who for two years have been protesting that it is "too late" to act.

It is even now not too late to act, and Mr. Stimson calls for executive action without delay.

He writes:

"In short, I have come to the conclusion that the embargo imposed under the resolution of May 1, 1937, should be at once lifted by the President. By its terms I believe he has the power to take such action. The change in the international situation during the past two years would justify such action by him. . . . [It] is now shown by the events of the past two years to be itself a source of danger to [our] peace.

"Any danger that may come to the people of the United States from the situation in Spain would arise not from any lawful sale of munitions in our markets to the government of Spain, but from the assistance which our embargo has given to the enemies of Spain. . . .

"The prestige and safety of our country will not be promoted by abandoning its self-respecting traditions, in order to avoid the hostility of reckless violators of international law in Europe."

In his opening message to Congress, President Roosevelt declared that the "instinct of self-preservation" must warn us not to "encourage, assist, or build up an aggressor"—either by action or by "any lack of action."

The Senate and House Foreign Affairs Committee are evading their responsibility to the American people by refusing to take action to lift the embargo. They are thus frustrating the people's desire to promote world peace by helping a sister democracy and hampering the President from carrying out his positive peace program.

As Mr. Stimson makes clear, the embargo against Spain did "encourage, assist and build up" the aggressor nations of Germany and Italy. Failure to lift it now would be to fly in the face of all the warnings of self-interest and self-preservation.

The President and Mr. Stimson, a leading "elder statesman" of the Republican Party, have voiced the sentiments of the overwhelming majority of the people. Mr. Stimson should follow up his timely warning by rallying the members of his own party away from the pro-fascist stand of Hoover and Vandenberg. The people themselves have spoken. We are in a race with time, a race in which words, however stirring, can not win. The Congress and the President must act and act now to lift the embargo.

Throw Out The Loaded Dies

It is an old American saying that the best way to judge a person is by his friends. So when Fritz Kuhn, Hitler's personal agent in this country, urges that "Mr. Dies" wishes (for more money) should by all means be gratified," (in the *Deutscher Weckruf und Beobachter*), every progressive knows whom the Dies Committee has been serving. Underscoring this Judas-kiss, the Constitutional Educational League, Inc., whose anti-labor, anti-progressive activities were exposed by the LaFollette Committee, awarded Mr. Dies its "Americanism Award for 1938."

Contrast these awards with what representative Americans say about the Committee. President Roosevelt attacked its "flagrantly and unfair un-American attempt to influence an election." The Council of U. S. Veterans, an organization of World War heroes, denounced the Committee for

its "smearing campaign," and for its refusal to investigate anti-Semitic and fascist activity. Likewise, the *New World*, official organ of the Chicago Diocese of the Catholic Church and regarded as a spokesman for Cardinal Mundelein, said on December 2, 1938:

"Perhaps Mr. Dies looks on the results of the recent elections as a mandate for him to become the fascist dictator of the United States. Clearer and clearer become the hands of Dr. Wirt (eat & tell), the Liberty League, the U. S. Chamber of Commerce, and the National Association of Manufacturers, as the manipulators of the strings that make the puppets of the Dies Committee live and move and have their being. All Mr. Dies asks is that the New Deal will now please lie down and die and he will cease firing. But the people of the United States are not of the same mind. . . . If it is really a Committee to investigate 'un-American activities,' it really should begin with itself and the first witness should be the un-American Mr. Dies himself."

Clearly, the judgment of the American people as expressed by their progressive spokesmen in all walks of life is to award Mr. Dies the Un-American Award for 1938 for his work in behalf of the anti-New Deal and anti-labor forces.

Mr. Dies and his associates are now attempting to use the recent Gallup Poll results as a bludgeon to demand continuation of his Committee. There are two points about this which should be cleared up. The American people want to have subversive forces at work in the country uncovered. This is why they voted in the poll in favor of investigating un-American activities, especially fascist espionage and propaganda activities. But by no stretch of the imagination did they endorse the "findings," procedure and pro-fascist orientation of the Dies Committee.

And, although the Gallup Poll has been shown to be more reliable than most straw-vote ventures, we cannot forget the Literary Digest and its last poll. Moreover, the close relation of Dr. Gallup to big reactionary interests, as witness his recent address to the Congress of the National Manufacturers Association, indicates the possibility of a scientific measuring rod being converted in certain situations into a propaganda instrument for reaction.

The real issue remains the subversive activity now going on in the country. Now there is a reliable criterion which enables us to determine its sources. What foreign powers are overtly hostile to the United States, make threats against our government, and attack our democracy? Everyone knows the answer: Fascist Germany, Italy and Japan are constantly scheming to undermine American national interests abroad, to encircle the United States, to overthrow its democracy with the aid of their agents within.

Knowing the source of the infection, action should be taken by Congress to destroy it before the plague of fascism spreads. Congress could itself undertake a new, real investigation. If this is done, it should set up safeguards against another witch hunt by making the new committee

act in strict compliance with the constitutional rights of citizens and organizations.

In this connection, there is a school of juridical opinion which believes that the job should be undertaken by the Department of Justice, which under existing statutes has power to investigate and prosecute subversive activity. This view maintains that such an investigation by a governmental agency would ensure a non-partisan inquiry and quick action, since there would be no need to wait for new legislation; the Department of Justice could immediately prosecute on the basis of its findings. No matter what is done in the way of a new investigation, the Dies Committee must go. No appropriations should be voted this un-American wrecking crew. Write and telegraph your Senator and Congressman, urging a new, real investigation of subversive activity, and the ending of the Dies Committee and its fascist allies.

Tom Mooney

When Tom Mooney was finally freed by the conscience of the world and the strength of the organized progressive forces in the United States, a greater victory was won than merely establishing the innocence of one victim of an anti-labor frameup. It was a victory for the rising tide of democracy in this country, for Mooney's freedom was won by the same progressive forces which are building the labor movement and extending the New Deal.

There is a decisive lesson in Mooney's freedom which every sincere progressive should ponder. His freedom is a practical demonstration of how to make democracy work, to cite President Roosevelt's phrase. Governor Culbert I. Olson showed that New Dealers can prove their devotion to democracy with deeds. Instead of ducking the issue, he faced it boldly and, with the help of the people of California, freed Mooney.

That is how democracy works. By attacking reaction instead of appeasing it; by correcting the sore-spots of the present set-up instead of glossing over them; by proving concretely that democracy can and will work for the interests of the people.

The reactionaries in disparaging Mooney's freedom also see the larger issues involved. Despite their hatred of Mooney's unwavering courage, their main concern is that the people shall not learn the lesson that they can correct injustice, can curb and eventually defeat the massed power of monopoly capital. Mooney himself put it better than anyone else: "The liberation of Tom Mooney is not the end of the struggle. But Tom Mooney is free, and the world shall yet be free." Yes, the world shall yet be free,

if democracy is made to work, if labor, the progressives and the New Dealers unite and attack instead of divide and retreat, confident in the strength of the people and determined to win.

Wall Street a la Musica

The McKesson & Robbins scandal is another episode in the history of Wall Street. Insull, Whitney, Coster, and more recently, Sisto, were only following in the footsteps of the robber barons who built their economic dynasties through looting, forgery, swindling, and every conceivable form of financial malpractice. That a convicted crook became the head of the giant drug trust, is but a logical conclusion to Wall Street's hallowed practices and ethics.

Coster-Musica, until he was accidentally exposed, was a typical economic royalist. He helped sponsor the Tydings-Miller price fixing bill which bilks the consumer and strangles the small druggist. He adulterated his products,

and gave lavish support to the powerful lobby which prevented the passage of adequate pure food and drug legislation. He had an unsavory labor record, as well as connections with Mussolini. His firm was held up as an example by business experts on how corporations should be efficiently run. Had he not been caught (the Hoover Administration knew about this manipulations), he might have risen to be Secretary of the Treasury provided the Republican Party made a comeback.

The press played down the story, although it never tires of attacking the SEC as a curb on Wall Street's "honorable" activity in behalf of the nation's interests. If we are not to have Wall Street a la Musica repeated again, immediate steps should be taken by Congress: License all corporations so that the government can prevent future malpractices. Authorize the Department of Justice to investigate and prosecute all shady corporations, with special attention paid to individuals who cover up frauds as in the Whitney case. Give more authority to the SEC so that standard accounting and investigation procedure can be established, including power over private financing. In short, establish strict government controls over Wall Street and enact other vital Congressional legislation to curb the powers of monopoly capital.

Tory Politics and Relief

BY ROGER BACON

As we go to press the Senate begins consideration of the deficiency appropriation for W.P.A. On its action directly depend the welfare and even the lives of 4,000,000 American people. What it does will influence the course of the recovery movement and the social security of the entire nation.

The subcommittee of the House, which first considered the deficiency appropriation bill, heard six different estimates of the amount needed. The President and the experts in the Works Progress Administration set the figure at \$875,000,000. The U. S. Conference of Mayors, basing their estimate on intimate knowledge of conditions in their own communities, asked for \$925,000,000. The C.I.O. asked for one billion and the Workers Alliance for \$1,050,000,000. All of these groups offered detailed data to support their figures.

On no more substantial basis than the pious "hope" that private industry would take up the slack, Chairman Woodrum of the House subcommittee slashed the sum to

\$725,000,000. And there were Republican proposals to cut the amount to \$500,000,000, without even the backing of a "hope" that the needy would find employment or subsistence anywhere. Finally, attacking the whole W.P.A. set-up and demanding its drastic revision if not repeal, some Republicans advanced the wholly reactionary idea of putting W.P.A. on a hand-to-mouth basis for the next two months at least.

In his opening address the President put the responsibility for any cut in relief squarely on the shoulders of the Congress. But the reactionaries on both sides of the House thought they had found a way to evade that responsibility. By an almost unprecedented parliamentary maneuver they evaded a record vote on the basic question of a cut. Republicans who had promised to increase relief hid their treachery behind a veil of anonymity, which shielded also the guilt of Copperhead Democrats.

Debate on the deficiency appropriation set an all-time low, even for the House. At the other end of the Capitol,

Vice-President Jack Garner must have been smirking over the success of the two Committees which he has quietly nursed along and fostered—the Dies Committee and the Sheppard Committee on Campaign Expenditures. “Reds” and “politics in relief” were constantly advanced as excuses for depriving over a million Americans of their means of livelihood.

The newspapers advertised House passage of a cut which dooms millions to misery and want in the winter months as Congressional “independence” of the President. But no attempt to characterize the action of the House as a personal slap at the President can hide the fact that it was a blow aimed at the American people, a blow from whose consequences the entire country will suffer unless the action of the House is reversed by the Senate.

The people themselves were slow to realize what happened and slow to swing into action in defense of their own interests. The C.I.O. testified before the subcommittee—but failed to sufficiently follow through with effective pressure from the districts on individual Congressmen. The A. F. of L. observed complete silence during House consideration of the bill. Progressive Congressmen, their ranks scattered by the defeats in November, lacked the cohesion and determination to stem the tide. Staunch New Dealers, like Cannon of Missouri, Healey of Massachusetts, Coffee of Washington, and Marcantonio of New York, carried on a vigorous fight. But the fight lacked organization sufficient to overcome the solid front of reaction which drew its strength from key committee positions and the coalition that reaches across party lines.

By the time the fight reached the Senate the situation had changed. *The New York Times* of January 18th expressed the change.

“A combination hitherto *unfailing* in its appeal to Congress—President Roosevelt, the Relief Administration, both factions of organized labor and the United States Conference of Mayors swung into action with vigor today in an effort to prevail upon the Senate to restore the House’s \$150,000,000 cut to the supplemental appropriation for the W.P.A.”

The shock of the House cut had, indeed, galvanized the people into action. The rank and file of the A. F. of L. made it clear to William Green that starvation follows craft as well as industrial lines—Green was forced to write to the Senate subcommittee. Small merchants spoke up for the rights of their customers, the wiping out of whose purchasing power would spell their own ruin. The Mayors, whose official spokesman is Mayor LaGuardia of New York, raised their individual voices on behalf of communities to which Senators and Congressmen must appeal for votes. As a result of this the Senate is thinking twice about repeating the slash of the House.

The reactionaries in the Senate are now advancing as a “compromise” that the slash be kept, but that the prevailing rate of expenditure be maintained in the next two

months. In other words, the slash would come into effect with redoubled intensity in April.

But there must be no compromise with hunger. What the *New York Times* calls the “hitherto unfailing combination” must not fail now. President Roosevelt not only put the responsibility up to Congress in his opening message, he is bringing the responsibility home in every press conference and in the letters replying to protests against the cut which reach him. But the task of holding Congress to its responsibilities is primarily the task of the people who are now awake to what a cut will mean.

In its action on two reactionary amendments passed by the House, the Senate committee showed the effects of growing pressure. It rejected the Cole amendment to curb political rights of W.P.A. workers by firing all those who “influence” the political views of other workers. In its place the Senate subcommittee adopted the Hatch amendment to prevent political coercion of work relief employees. This amendment, however, has its own reactionary future in that it prohibits W.P.A. workers from making political contributions. The Senate subcommittee also struck out the Boren amendment, passed by the House, which eliminates aliens from the rolls and demands proof of citizenship as a condition of eligibility for work relief. But it conceded to the Tories on another point by requiring W.P.A. workers to accept “bona fide” employment when it is offered—aimed primarily at securing cheap labor for Southern plantation owners.

The fight to eliminate all reactionary amendments and to restore the cut will continue during debate by the Senate. It must be carried on when the bill goes to conference, and here reactionary Congressmen must be smoked out of hiding. If the Senate restores the cut and prevails in conference there will be no escape from a record vote on the cut in the House.

All alarms and excursions of the reactionaries on the subject of a more constructive approach to the problem of unemployment will be exposed when the question of the 1940 W.P.A. bill comes up in a few months. We Communists are the last to defend W.P.A. as a perfect and satisfactory solution of the unemployment problem. But we shall, together with all progressives, support every honest effort to improve its operation, remove it from political machinations, and co-ordinate it with the Social Security program and a long-time, well-integrated program of public works. Some sound proposals along these lines are contained in part in the Byrnes’ report, though the Republicans have overlooked these in making use of the report to substantiate their claim that W.P.A. should be emasculated or done away with altogether.

Whatever action the Senate may take, the opening weeks of Congress have made the lesson clear to all progressives. Only the “unfailing combination” of all labor and progressive forces can win out against the intensified drive of the reactionary offensive.

National Defense

BY ADAM LAPIN

In connection with the response to the President's national defense program, both within and outside of Congress, it is interesting to turn back the pages of history.

A little more than a decade ago, Congress was discussing, as it is now, the question of armaments. The Republicans and Tory Democrats, who are today opposing the President's armaments proposals, were then leading a drive for a vast naval expansion program.

Towards the end of the Coolidge Administration, the Navy Department asked for no less than \$740,000,000 for the construction of cruisers, airplane carriers, submarines and torpedo leaders. Apparently this demand was inflated for bargaining purposes and a committee compromise of \$274,000,000 for 15 cruisers and one plane carrier—still a considerably larger sum than that proposed by President Roosevelt in his new program for the fiscal year 1940—was overwhelmingly adopted by Congress.

The fascist colossus was not yet striding across countries and continents. The world was still experiencing the uneasy peace of the post-war era. The United States was engaging in both a trade and naval building race with Great Britain. President Coolidge was sending American submarines to Latin America to protect large investors, no matter what the cost; leaving behind a heritage of bitterness for the New Deal to overcome. Representative Hamilton Fish was making rip-roaring speeches in the House defending the reign of terror in Nicaragua and the military appropriations required to support it.

During the debate on the House floor at this time, Representative Gambrill of Maryland reminded the House "to bear in mind that we have a great and world-wide commerce to protect." Other Representatives and Senators called to the attention of their colleagues the fact that private navy yards were in a bad way and needed some stimulation.

All of the outstanding reactionary newspapers were wholeheartedly for the new naval program. Many of the leading Republican opponents of President Roosevelt's current defense policy were then active in the fight for the 15 cruisers bill. Senator Vandenberg, who now has so many qualms about expanding national defense, is recorded in a roll call then as voting for the measure. There was no record vote in the House, but Representative Fish lined up with his Republican colleagues on important test votes.

They were all for armaments when the menace of fascist

aggression was non-existent; when Hitler had not yet risen to power; when the security of the United States was not actually threatened.

Today when national defense has become a real issue and a real problem, they have lost their old time zeal for an "adequate" armament program.

It is not difficult to explain the complete about-face of the reactionaries on this issue. Guns, ships and planes are not the only important aspect about an armament program. Equally important, if not more so, are the whys and wherefores—the purpose for which arms are intended. In a changed world situation, American arms can become a force for peace and democracy everywhere, if they rest upon an anti-fascist peace policy. Hence the drastic change in the line-up on the armaments question.

President Roosevelt left no doubt in his message to Congress as to what he thought of the Chamberlain policy of appeasement, of the "peace" of Munich. He said:

"All about us rage undeclared wars—military and economic. All about us grow more deadly armaments—military and economic. All about us are threats of new aggression—military and economic."

The President told Congress that America cannot be safe so long as fascist aggression continues, "so long as any other single powerful nation refused to settle its grievances at the conference table." To protect the United States, he recommended two lines of action: "methods short of war," strongly hinting at economic sanctions against Japan and Germany, and a strong, revamped national defense to meet new weapons of attack.

But even adequate arms and a positive foreign policy are not enough, the President said. Our goal is the preservation of democracy. A "united democracy" must meet the threat of fascism. "Our nation's program of social and economic reform is therefore a part of national defense, as basic as armaments themselves," the President emphasized.

The President's armaments message is essentially a program for modernizing our armed forces, bringing them up to date, strengthening weak spots, and above all, increasing our aerial strength. New naval bases are to be constructed. The Panama Canal is to be strengthened. New materials, such as anti-aircraft guns, are to be purchased. Of a total expenditure of \$525,000,000 for the entire program, \$210,000,000 is to be spent during the coming fiscal year.

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Significantly, the New Deal plans do not call for a large standing army of the type which in some countries has become a threat of democracy. Instead of promoting a top-heavy military establishment, the program provides for training the civilian population in the use of the new equipment. The most important move in this direction is the training of 20,000 young persons as air pilots each year through the cooperation of the National Youth Administration and the Civil Aeronautics Authority.

Briefly, this is the armaments program which the President has submitted to Congress. In opposing it, the reactionary newspapers have broken with their long tradition of boosting a larger army and navy. It is a new, but thoroughly logical, development for the *Chicago Tribune*, the Hearst chain, and all the lesser mouthpieces of the Right, to start "wondering" today whether we really ought to spend so much money for arms after all; to see the Republican war-horses, who have led many a campaign for tremendous military budgets, talking about "economy" and moderation in armament expenditures. This is the first time they have wanted to balance the budget at the expense of our army and navy. As we have seen, they have themselves, in the past, championed programs of equal or greater magnitude.

Representative Fish may not be the heavy-weight thinker for American reaction. But his statements are frequently illuminating. Besides, he is still their outstanding spokesman on foreign affairs in the House. He called the President's message to Congress "inflammatory and provocative." What really worried him were the President's sensational attacks on the reactionary policies and forms of government in the fascist, war-making nations. That is the story in a nutshell. The United States must do nothing to antagonize the Rome-Berlin-Tokyo axis, says Fish, Vandenberg, Taft and Ludlow. That is what the controversy over the fortification of Guam is about. The reactionaries are simply worried that Japan may be offended.

The leaders of the extreme Right, from ex-President Hoover downward, were ecstatic about the "peace" of Munich. They saw in Chamberlain the man of the hour, the hero of the generation. In the development of President Roosevelt's national defense and foreign policies, they see the most important menace to the world order which was planned at Munich, to the onward march of the fascist axis. Their hullabulloo over entangling alliance with England and France and with that stalwart champion of peace—the Soviet Union, has been redoubled.

So they try to reassure the nation that all this is needless hysteria, that there is really nothing to worry about. Senator Charles L. McNary, Republican leader in the Senate, declared after the President's message that:

"Fairy tales and stories of hobgoblins have been substituted in State papers for facts and realistic logic. . . . Efforts to cause our flesh to creep are made in the form of references

to mysterious foreign forces that threaten our shores, and indeed our homes."

Former Under-Secretary of State William Castle in the Hoover Administration proclaims that the threat of Nazi penetration in Latin America has been much exaggerated.

Representative Ludlow and Senator Champ Clark came to the aid of the war-makers with their proposed war referendum. Exploiting pacifist demagoguery, they undertake the reactionary object of deflecting all policies aimed at curbing the fascist aggressors, and thereby averting war, by raising the question as to who shall have power to declare war. Fascist wars are, as in China, Ethiopia and Spain, undeclared wars of aggression. The need of the hour is not a referendum regarding a declaration of war, but a positive foreign policy to isolate and defeat the fascist war-makers.

With their position on the issue of national defense, the reactionaries have rounded out their program. The Tories of both parties not only menace the living standards and the democratic institutions of the American people, but now propose to leave the United States defenseless before the fascist axis. In a victory for Mussolini in Spain, for the Mikado in China, for the Nazis in Central Europe and Latin America, the Tories see their own advantage gained. They realize, and with ample justification, that American democracy would indeed be in a sorry state were it left an isolated island in a fascist world, and were it shackled, in the present situation, by the pro-fascist obstacle of conducting national war referendums. Those who nurture the growth of fascism in the United States truly have become the unabashed spokesmen and apologists for fascist aggression and for undermining national security at home.

The reactionaries are against the Roosevelt national defense program because they see in it an essential link of the larger program of American democracy in a changed world situation. For that very reason labor and the progressives, including the Communists, have adopted a positive position on armaments and support adequate national defense measures.

The progressive forces agree with President Roosevelt that an unarmed democracy is helpless in a world where fascist dictators are on the march. They believe with him that there are other methods beside war which can be used to halt aggression, and that, in any event, we should do nothing to aid the cause of the aggressors. That is why they are for an economic embargo against Germany and Japan, and perhaps most vital of all in terms of democracy in Latin America, for the lifting of the embargo on Spain. They agree with the President that the defense of democracy at home is an essential part of national defense. That is why they are for developing and extending New Deal reforms. They believe, in short, that arms, a positive peace policy and national unity are necessary if American democracy is to be preserved and strengthened in the post-Munich world.

The 1940 Budget

BY DAVID RAMSEY AND ALAN MAX

President Roosevelt's budget message gave a balance sheet of government expenditures needed, as he had told the people previously in his report to Congress, "to invigorate the processes of recovery in order to preserve our reforms."

Contrary to the Tory clamor about astronomical figures, the 1940 budget, if anything, leans in the direction of paring down essential expenditures. \$992,000,000 less will be spent for relief and recovery than during the fiscal year of 1939, unless the work-relief budget is supplemented with a special appropriation. National defense costs will be increased by \$309,000,000, of which \$210,000,000 will be used for the emergency program made necessary by the consequences of Munich and fascist infiltration into South America.

There will be an increase of \$66,000,000 in the operating expenses of the government, due mainly to the decrease in the working hours of its employees and to the expansion of its functions as the result of the growth of the country. Interest on the federal debt will cost \$1,050,000,000, an increase of only \$94,000,000. The Administration has lowered interest charges which have fallen from 4.3 per cent during 1921 to 2.6 per cent in 1938. Consequently, the expense in carrying the public debt today is just about what it was in 1929 when Mellon was in the Treasury.

For the other side of the public ledger, the President recommended new taxes to cover enlarged national defense costs and agricultural parity payments. He also suggested that federal lending agencies and public works projects be included in a special budget, listing only their actual annual loss as an expenditure in the general budget. Although this is primarily a bookkeeping device, it derives from the important concept elaborated by the President of public investment as a stimulator of the depressed economy. He laid down a sound principle for progressive taxation: "such new taxes as may be imposed should be most carefully selected from the standpoint of avoiding repressive effects upon purchasing power." His subsequent message urging taxation of the tens of billions of tax exempt securities, which will net over \$300,000,000 annually, is a step in the right direction.

The main weakness on the income side of the budget lies in the President's failure to come out strongly for an effective tax program against the monopolies and the rich. The common people are still carrying the burdens of tax-

tion. In the 1938 fiscal year only 41 per cent of the total federal revenue came from income taxes, compared to 60 per cent in 1931. During the last two years of the Hoover Administration, the amount paid by the income tax group fell to 36 per cent, because of Wall Street's large-scale evasion of the law.

Even the present figure is far too low. In the 1940 budget, only 33 per cent of the total revenue, or \$1,903,000,000, will be derived from income taxes. And since most of the billion dollars spent for interest charges on the national debt goes back to the banks and the monopolies, the actual percentage borne by the rich is less than the figures cited above. An adequate tax program is a first essential, if the nation's economy is to expand to the \$80 billion level set by the President.

Despite these inadequacies, the budget was severely criticized by the reactionary press. They derided it as "spending from fright," and accused the Administration of seeking "salvation through deficits." Neither charge happens to be true; the real motive of the Tories is to wipe out the social aspect of the budget entirely, as witness their attack on the W.P.A. An increasing light on the true character of the budget was given by Mr. David Lawrence, one of the journalistic big-berthas used by reaction to bombard the New Deal. He compared the 1940 budget with the 1929 budget of Coolidge-Hoover and obtained surprising results.

	Coolidge-Hoover 1929	Roosevelt 1940
General government	16.9	11
Protection	60.7	35
Economic development	17.6	14
Social welfare	4.0	37
Miscellaneous	0.8	3
	<hr/> 100%	<hr/> 100%

The first big difference between the Old Deal and the New Deal budgets is in their respective allowances for social welfare. Coolidge-Hoover allotted only 4 per cent of their total budget; the Roosevelt percentage is 37. This represents "an investment in the conservation of our human resources," which the President defended in his budget message, and which the reactionaries seek to destroy, no matter what the cost in morale and human suffering.

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The second big difference is in the expenditures for protection (Mr. Lawrence includes national defense, veterans' benefits, interest on the public debt, and the C.C.C., the latter of which should more correctly be placed with social welfare). Notice that protection in the post-Munich world accounts for only 35 per cent of the Roosevelt budget; under the Old Deal, 61 per cent was spent for military purposes. And the picture has to be completed by contrasting the character and purpose of the defense programs in 1929 and 1940. The President projects defense against fascist aggression and in the interests of world peace; Hoover wanted a big stick to back up the dollar diplomacy of Wall Street in Latin America and throughout the world. And if Hoover were back in the White House, he would be using increased military expenditures to strengthen the Berlin-Rome-Tokyo axis.

Mr. Lawrence's little table, whose accuracy not even he can challenge, illuminates the objectives of Wall Street's attack on the budget. When the reactionaries cry that the budget is "completely out of control," they are actually demanding that the Administration put an end to all expenditures of a social character. The budget-balancers, led by Senator Harry F. Byrd of Virginia, insist that the scale shall be balanced at the expense of the hungry one-third of the nation who look to the government for jobs and relief. They would have the people keep a rendezvous with suffering and starvation.

Wall Street charges that the Administration is ruining the national economy with "blue-sky" budgets. But the President has unequivocally stated that he proposes to balance the budget when the national income reaches a high enough point—\$80 to \$90 billions.

At that level, the people will have higher living standards, and at the same time the budget could be balanced with the increased revenue which the government will receive. Even the present unjust and inadequate tax system, the President estimated, could produce \$8 billion in revenue with a national income of \$80 billions; a national income of \$90 billions could produce \$10.6 billions in revenue.

And a progressive tax program could easily add an additional \$3.5 billion over and above the Administration's estimates. Then the budget could be balanced; but first, Congress has to pass tax legislation which can finance relief and recovery measures. If, on the contrary, the Tories push through an abrupt curtailment of government expenditures for relief and recovery, the economic mechanism will again be thrown out of gear as in the fall of 1937.

Significantly, the Tory press compares the Administration's fiscal policies with those of the Chamberlain government and the reactionary program of Daladier-Reynaud in France. Certainly the budget is being "balanced" in England and France, but at the expense of the people.

Vital social services have been abandoned, and increased tax loads put on the backs of the poor. In fact, the *London Economist* hailed the Reynaud program as a model to be emulated, because even more than Chamberlain, it favored the rich and sweated the masses of the people.

The budget-balancers need to be reminded that there is nothing radically new in the French and British programs. Their own patron saint, Andrew Mellon, balanced the budget in the interests of Wall Street for a decade; that did not prevent the greatest economic catastrophe in the history of the United States. The depression cost the American people \$132 billions in wages, goods and services according to the testimony of Mr. Isidor Lubin before the monopoly investigation. That is a sum approximately seven times the total deficit incurred by the New Deal in its six-year fight against the consequences of the Hoover crisis years.

Senator Vandenberg, one of the Republican apostles of a balanced budget as the cure-all for all social ills, conveniently forgets that Hoover unbalanced the budget to the tune of \$6 billion during the last three years of his administration. Of course, he unbalanced the budget to save Wall Street while President Roosevelt helps the poor and the needy, and has used \$16.5 billions as a public investment for "permanent additions to our national wealth." The Vandenberg and the Tory Democrats do not criticize the unbalanced budgets of Hitler which are taken out of the hides of the German people. That kind of Hoover-like unbalance, they would like to see all over again.

With Wall Street sabotaging recovery, the government cannot shirk its responsibility to stimulate recovery until the floor of an adequate national income is built to support living standards. Those reactionaries who accuse the President of gambling with the nation's future are quite willing to gamble with the lives of the depression generation. They are willing to condemn them to a jobless future so as to assure a balanced Wall Street budget. The real risk to the nation's economic structure comes, not from government expenditures for relief, recovery and national defense against the fascist friends of the budget-balancers, but from the Tory drive for their immediate and drastic curtailment, which would only precipitate another economic tailspin.

Focussing on the budget, Wall Street is trying to stampe timid sections of the people into the arms of reaction. The progressives in Congress and the organizations of labor, the farmers and the city middle classes should implement the President's budget message with a sound tax program which is needed to finance the costs of stimulating recovery. This in turn can lead to a balanced budget, if uncompromising measures are taken against monopoly sabotage of production, national income and progressive political policies.

Stamp out Lynching

BY PEGGY DUANE

During the first two weeks of the 76th Congress 20 Congressmen introduced anti-lynching bills. This is a reflection of the growing sentiment to condemn lynching and to enact congressional legislation to outlaw it.

In the 75th Congress the Wagner-Van Nuys Anti-Lynching Bill was killed by an organized Tory filibuster in the Senate. The spokesmen of the Bourbon absentee landlords and plantation owners spent days on the Senate floor extolling the scenery and culinary arts of the deep South, reading from history books, and quoting poetry—all this in an attempt to prevent the anti-lynching bill from being acted upon before Congress adjourned. They succeeded. Whether the organized effort of lynching parties will succeed once more in preventing the people's will from becoming law depends, in the main, upon the organization and unity of the people, as well as on the preparedness of their progressive representatives to meet and defeat the tactics of reaction.

The Wagner-Van Nuys Bill has been reintroduced in this session of the Senate with a few minor changes. The majority of the bills introduced in Congress follow the main features of the Wagner Bill which provides:

1) the failure of a state to use its authority to prevent lynchings is declared to be a denial of the constitutional rights of the individual to equal protection by law and due process of law;

2) neglect on the part of peace officers, which result in lynchings, is declared a felony, punishable by fine up to \$5,000;

3) peace officers or individuals conspiring to, or participating in, lynching shall be punishable from 5 to 25 years imprisonment;

4) each county in which a lynching occurs is made liable for damage claims by the victim of lynchings, or his family, amounting from \$2,000 to \$10,000.

5) upon receipt of sworn complaint, the U. S. Attorney General is authorized to investigate charges of negligence against such peace officers.

Some bills propose to extend the Lindbergh kidnapping law to include members of lynch mobs who carry their victims across state lines. Many of these measures, including the Ludlow Bill, are designed primarily to disorganize the movement for effective anti-lynching legislation, especially to weaken the support for the Wagner-Van Nuys Bill.

The majority of the bills, including the Wagner Bill, define lynching as mob violence by persons acting, without authority of law, for the purpose of killing or injuring any person in the custody of any peace officer, or suspected of, charged with, or convicted of, commission of an offense.

Under such a definition, the county and state administrations, peace officers, and also individuals participating in lynchings, would be held liable only for those cases where the victim has already been arraigned before the law. But a great number of lynchings are committed by persons who set themselves up as the judges of whether or not a "crime" has been committed—without the formality of legal action. A majority of lynch victims are taken not from the custody of peace officers or from prison cells, but from their homes. These lynchings, in the main, remain unrecorded, and the lynchers are not apprehended. Under proposed legislation, they would not be punishable.

The exemption of violence occurred in gangster killings as made in the original Wagner bill is removed in the present bill introduced in the Senate. But the section which exempts from the jurisdiction of the projected law any mob violence or lynching committed during the course of a labor dispute is retained in the current bill. History has shown that the lynching of labor organizers, pickets, and strikers are committed by the same sinister forces who are behind the lynchings of Negroes and poor whites in the South.

An additional changed feature in the re-introduced Wagner Bill involves the issue of proof of liability in suits for damages. Where the original bill imposed upon the county the burden of proving that all possible efforts had been exercised to protect the victim, the current bill now requires the victim, or his family, to prove that negligence had existed. Obviously, the mere fact that a lynching takes place is more than sufficient proof; proof of innocence must necessarily lie with the county officers.

In spite of these weaknesses, the Wagner-Van Nuys anti-lynching bill, with appropriate amendments, should have the active and articulate support of all progressive and social-minded organizations. Any attempts to sidetrack the campaign for passage of this bill will only play into the hands of the Southern Bourbons.

The fascist-minded defenders of lynching find it inadvisable to openly advocate their policies of violating the Fourteenth Amendment to the Constitution and encouraging mob violence. They therefore oppose all anti-lynching legislation on the ground that since lynching is in steady "decline," there is no need of legislation to outlaw it.

Within the last 56 years there have been 4,689 deaths by lynchings; over two-thirds were Negroes. It is true there has been a decline from the early figures of 211 and 231 lynchings listed officially for the years 1884 and 1892 respectively. It is obvious, however, that this decline directly corresponds to the growing protest of the people as a result

of their growing realization that American democracy cannot tolerate extra-legal mob lawlessness and wilful murder—even though they be inspired by our “best” Southern gentry.

It is true, further, that within the past years when public expression of sentiment for anti-lynching legislation waned, lynchings increased; when anti-lynching legislation was pending, lynchings decreased. This is borne out by the report of the Senate Judiciary Committee on the Wagner-Costigan Bill (S. Rept. 340, to accompany S. 34, 74th Cong., 1st Sess., p. 3). This report makes the point that there were no lynchings during that period in 1934 when “public opinion in favor of legislation . . . was particularly articulate.” But, however, when, in June, “word was generally circulated that hope for enactment of the proposed measure had been abandoned,” lynchings followed “in rapid succession” in Mississippi and various parts of the South. Similarly, the same phenomenon attended the debates on the Wagner-Van Nuys Bill last year. Defeat of anti-lynching legislation in this session of Congress would, no doubt, see a rapid increase in the number of lynchings committed once more.

The record of 8 lynchings each in 1937 and 1938 is, of course, numerically less than that of 20 in 1935 and 28 in 1933. But one can find small reason for the jubilant congressional resolution introduced by Senator McKellar in the 75th Congress whereby Congress would congratulate the states on the “decline” in lynchings and bid them “god-speed” in the hope that there would be a further decline in the future. There is no reason why the nation can possibly condone a single lynching or congratulate itself upon any nominal decline until that decline has reached the permanent figure of zero.

Another argument cited by the reactionary opposition against all anti-lynching legislation is the cry that such legislation would violate “states’ rights.” This argument is a last-trench position of the Republican and Democrat Tories

on every progressive and social issue raised by the people and their representatives. Behind the cry of “states’ rights” these fascist-minded groups oppose Federal legislation in the economic and social interests of the people and defend their own “right” to starve, ill-house, and lynch the people at will within the boundaries of their state-lines.

Senate mouthpieces of the Southern monopolists already threaten another filibuster to hold up all work of Congress in an attempt to kill the Wagner anti-lynch bill. Senator Connelly of Texas, who led the filibuster last session, has defiantly predicted that “the bill will never pass.”

Senator Ellender, Louisiana, warned that he was “ready to talk till I drop” and threatened that “if that bill is brought out, there will be no other business done this session.”

The economic royalists of the South feel they need lynching as a repressive and disruptive measure against the growing unity and social aims of the Negro and white people. To retain this weapon, they are ready to flaunt the will of the people and disrupt the urgent work of Congress.

At the recently held Southern Human Welfare Conference, over 1200 delegates, Southern progressives, gave voice to the spirit of the New South. They gave a mandate to the Southern congressmen to initiate and support federal anti-lynching legislation. The recent National Congress of the American League for Peace and Democracy, representing over 7 million peoples, went on record condemning lynching. From civic, peace, church and labor groups the demand for the passage of the Wagner anti-lynching bill should be strengthened. Simultaneously, the people should demand that the Department of Justice and the F.B.I. immediately proceed to investigate, indict, and prosecute all instigators, perpetrators, and participants in lynchings.

To enhance the task of making American democracy work, the reactionary, pro-fascist crime of lynching must and will be wiped off the face of America—Southern bourbonism and senatorial filibusters notwithstanding.

Pensions: Sixty after Sixty

BY JOHN PAGE

The foundation of constructive reform of the present old age security program is to be partially found in the President’s message to Congress, in the report of the Senate Committee on Unemployment and Relief, and in Congressman Sheppard’s General Welfare Act (H.R. 11). Adoption of the following features of these three proposals, which all progressive groups in the United States can unconditionally support, is the next step to be taken:

OLD AGE ASSISTANCE: On the present matching

basis the aged, in states which have not appropriated adequate funds, may receive less than \$5 a month. The contribution of the Federal Government if increased to the point where the minimum received by the needy aged is not less than the \$15 a month proposed by the Byrnes Committee, would still be too low. But the adoption of this proposal would be a step toward the payment of a \$60 minimum to all unprovided persons over 60, which is the goal of the old age program. With increasing Federal

grants should go increasing Federal supervision of state administrations to eliminate gross political abuses.

FEDERAL OLD AGE SECURITY SYSTEM: Payments should begin in 1940, as recommended by both the Byrnes Committee and the President, instead of in 1942 as under the present Social Security Act. People over sixty cannot be allowed to die while waiting to become eligible for payments.

Everybody is agreed that coverage of the present act should be extended. It is necessary first to reduce the age at which persons become eligible for old age benefits from 65 to 60. And second, to include all unprovided people over 60. The General Welfare Act makes both these improvements. Extra allowances should be made for wives and dependent children and there should be provision for payment to widows and orphans of men dying before or after the age of sixty. These proposals are included in both the General Welfare Act and the President's message.

The benefits provided under the present Social Security Act are wholly inadequate. The immediate goal toward which all progressives unitedly should strive is a minimum of \$60 per month for every unprovided person over 60.

Neither the President's message nor the report of the Byrnes Committee expressly set a minimum, though they both ask for increasing present grossly inadequate levels of payment, and that only in the early years. The General Welfare Act sets a minimum of \$30 per month and a maximum of \$60. Both the minimum and the maximum are too low.

FINANCING OF OLD AGE BENEFITS: The present system of financing old age security is much too cumbersome and requires contributions on an increasing scale from workers whose wages are already too low. The so-called "self-sustaining" principle on which the present financial set-up is based, must be dropped. The proposals of the General Welfare Act have certain progressive features, notably the exemption from contribution of anybody earning under \$200 a month. On the other hand the specific

tax on employer payrolls should be retained, if not increased, instead of being abandoned as in the General Welfare Act.

It is just not true that the United States is not rich enough to provide \$60 per month for every unprovided person over 60. With the employer payroll tax and with appropriate increases in the taxes levied on the incomes of the rich and corporate surpluses, there will be no difficulty in raising the amounts needed to finance old age benefits. The proposal for a 2% tax on all gross income advanced by the General Welfare Act is not as objectionable as the sales tax put forward by the Townsendites. But it is no substitute for more sharply graduated income taxation, or for such specific taxes on the rich as taxes on big bank deposits, etc.

The principle of a reserve fund which the Republicans, in their attempt to destroy the working basis of an old age benefit system, attack, must be retained because it provides a legal guarantee of the workers' rights to the pensions. Variations in the size of the reserve are essentially unimportant as long as the self-sustaining principle is dropped and the obligation of the federal government to maintain adequate benefits is recognized.

The Republicans and the Tory Democrats don't want adequate old age pensions. They want to get rid of even the present admittedly inadequate system. But they dare not come out openly and say so. Therefore, feigning an attack from the left, they adopt the Townsend baby and seek to destroy the gains already made and to block future advances.

The most effective way of countering this maneuver is to expose it and to rally to the support of the minimum reforms sponsored by the Administration. At the same time it is necessary to unite the labor and old age pension movements, regardless of their special plans, for common activity in behalf of the progressive proposal to establish as a base for old age pensions a uniform Federal system which will provide sixty dollars per month for every needy person over sixty years of age, on a non-contributory basis.

Save The Wagner Act

BY FRANK PETERSON

Revision of the Wagner Act, as the first step towards its destruction, is a major point on the agenda of the Tories in Congress and Wall Street. Their tactics formulated at the recent congress of the National Association of Manufacturers, involve supposed recognition of the right of collective bargaining in "principle," while actually amending the Wagner Act into impotence. The reactionaries are letting the Executive Council of the A. F. of L.

carry the ball, while they direct the play, as part of their current policy of "smart public relations."

January witnessed four developments in the battle over the Wagner Act and its administration by the National Labor Relations Board. First, Chairman J. Warren Madden of the Board, in a strongly worded letter to reactionary Senator Edward R. Burke of Nebraska, punctured the latter's fabrications about the N.L.R.B. and the

Wagner Act. He rendered service to the progressive cause by showing the connection between Senator Burke's rabid hostility to the Act and his openly-expressed admiration for Hitler, who "solved" the problem of collective bargaining with concentration camps.

Secondly, President Roosevelt followed this up with a recommendation in his budget message that the N.L.R.B. appropriation be increased by \$250,000. This increase and more is urgently needed; workers in many sections of the country have been deprived of their rights, because the Board has not had sufficient money to take care of their complaints. Thirdly, the Administration indicated that the name of Donald W. Smith would be withdrawn for re-appointment to the Board, at the request, but perhaps to the consternation of the A. F. of L. leadership, which apparently put the finger on the wrong Smith.

Finally, against the wishes of the greater part of its membership, the Executive Council of the A. F. of L. announced that it would press for a number of crippling amendments to the Wagner Act, which have been embodied in a bill introduced into Congress by Senator Walsh. Some of these are relatively unimportant, since they merely embody present practices of the Board. But three of the proposed amendments would be solely in the interests of the National Manufacturers Association, and enable big business to claim A. F. of L. support in its assault against labor's charter of industrial freedom. Out of blind hatred for the C.I.O., the A. F. of L. leadership is proposing nothing less than the emasculation of the Act.

Their first amendment would compel the N.L.R.B. to hold all elections for collective bargaining representatives entirely on a craft basis. Thus all efforts to organize the unorganized mass production industries would be seriously restricted and the great majority of the workers would be virtually deprived of the right to organize in industrial unions of their own choosing. In practice, this amendment could be used against all organizing drives by labor unions including the A. F. of L., since unscrupulous employers could always line up stooges who claimed special skills, and hence would not be covered by any present craft setup. Here is a plain case where Green, Hutcheson and Frey are willing to cripple the interests of their members to attack the C.I.O. Ironically, one of the shortcomings of the present Board has been its tendency to segregate workers into small craft groups, hence weakening the bargaining powers of the great mass of workers in a large plant.

Their second amendment would protect any contract negotiated by the A. F. of L. with an employer, even if made in the face of a large C.I.O. majority, or even if the employer had coerced the workers into joining an A. F. of L. union in order to destroy a C.I.O. organization. The disclosure that President Green was a signatory to a contract with the notorious McKesson & Robbins outfit of Coster-Musica fame, which expressly denied these workers

the right to bargain through any other union, although the contract limited the employee's benefits through the A. F. of L., is a concrete example of how this amendment would be used. Of course, President Green should realize that this action would validate company union contracts and would be used by open-shop employers against the A. F. of L. as well.

The third amendment would broaden the powers of the courts to review all decisions of the Board. Labor and progressives know from bitter experience how the judiciary will warp the intentions of the Act into a weapon against the unions including the A. F. of L. The recent decision of a judge that there is no such thing as peaceful picketing is a fair indicator of how the unions will suffer, once the courts get their hooks into the Act.

These amendments would not "revise" the Wagner Act; they would destroy it as a protector of the rights of labor, leaving the workers no legal defense against the Rands (where an A. F. of L. union was involved), the Girdlers, the Fords and their armies of spies, thugs and company deputies. Is the Executive Council willing to take the responsibility of encouraging new Mohawk Valley strikebreaking formulas against its own members, just to push its suicidal war against the C.I.O.? Are they willing to be the frontmen for the hatchet-gangs of Girdler and Weir, whose aim is the destruction of the entire labor movement, A. F. of L. and C.I.O.?

The aim of the Tories is clear: kill the Wagner Act, but let the A. F. of L. revise it to death. Their intention is shown in the bill already introduced in the Senate by Senator Walsh (Mass.) as well as in the bill submitted in the House by Congressman Anderson of Missouri, which demands the outright repeal of the Act. But this is not the intention nor the expressed desire of the A. F. of L. membership. The State Federations of Illinois, Nebraska and Indiana went on record against any amendments. At the convention of the A. F. of L., President Tobin of the Teamsters Union warned that hope for the trade union movement lies in *labor unity*, not in blind attacks against the Wagner Act.

Let the membership of the A. F. of L. speak up. They should join their brothers of the C.I.O. in defending the Act. Wire and write President Green and the A. F. of L. Executive Council urging larger appropriations for the N.L.R.B. and withdrawal of their proposed amendments. Tell your own Senators and Representatives that you expect them to actively defend the Act and the Labor Board. Write and wire Chairman Taylor of the House Appropriations Committee, Chairman Carter Glass of the Senate Appropriations Committee, Senator Wagner and Senator Elmer Thomas of the Senate Labor Committee, urging increased appropriations for the Board and no amendments. The fight to save the Wagner Act will be decisive in influencing the future battles between democracy and reaction in the United States.

A Plan for the Railroads

BY ROBERT STARK

The report of the President's Committee of Six on Railroads, signed by three railroad magnates and by three railway labor officials, substantially recommends to cure the sickness of monopoly with more monopoly. Chairman Lea of the House Interstate Commerce Committee has already introduced a bill based on the report. The Committee's major proposals in the direction of greater monopoly can be summarized as follows:

1. Centralize regulation of all forms of transport.
2. Adopt a single rate-making rule applicable to all modes of transportation.
3. Discourage various types of carriers (i.e., water and motor) from performing services which involve "wasteful and destructive" competition.
4. Dispose of government-owned barge lines and collect tolls on inland waterways.
5. Reduce the powers of the Interstate Commerce Commission to regulate railroads.

The first three proposals appear on the surface to be a plan for a unified American transport system, an objective to which progressives will wholeheartedly subscribe. But the conditions of the proposals make this impossible. They leave the railroads in the hands of their present owners who, for greater profits, created and perpetuated the present anarchic transport system. They weaken the present inadequate power of the government to regulate railroads in the public interest. The powerful financial groups which dominate the railroads could use the Committee's proposals to extend their stranglehold on all modes of transportation. Such a "unification" would mean even less public service, and an unrestrained application of their "public-bet damned" policy. Co-ordination of transport facilities in the public interest can only be accomplished as part of a fundamental solution of the railroad problem which would remove the roads from the control of monopoly capital.

The Committee claims that the Government discriminates against railroads by charging them higher taxes than their competitors and by subsidizing the competitors. However, the Brookings Institute, by no means unsympathetic to the railroad magnates, studied transportation taxes in great detail and concluded:

"This comparison of the tax burdens of the railroads and other transportation and transmission companies from 1925 does not reveal any especially significant difference between either the level or the trend of the tax burdens of railroads and these other companies." (Moulton and Associates: "The American Transportation Problem," page 261.)

So far as subsidies are concerned, the Committee "overlooks" the billions in land given the railroads by the Government, as well as the \$467,000,000 in R.F.C. loans to railroads currently outstanding, with little or no prospect of repayment.

A major aspect of the sabotage of recovery by railroad magnates is their rate policy. While the average level of wholesale commodity prices is 50% below the 1920 level, railroad freight rates are only 5% below the 1920 peak. Last year, in the face of sharp declines in prices and incomes, freight rates were increased by 5 to 10%, and Eastern passenger fares by 25%. Secretary Wallace's plan to distribute the bumper Florida citrus crop by price reduction all along the line was defeated by the railroads' stubborn attitude, after growers and retailers had agreed to cooperate. It is obvious that this policy reduces traffic and employment on the railroads and makes national economic recovery more difficult.

Not only are freight rates generally high, but they are also discriminatory. The most glaring discrimination takes the form of regional freight-rate differentials. For freight originating in most sections of the country, rates are from 40 to 75 per cent higher than in the Northeastern section. These differentials aid the great industrial empires of the North and East, linked to the railroad owners with powerful financial ties, in monopolizing the nation's markets. At the same time, they work a great hardship on most of the nation's farmers and the shippers of manufactured goods.

The Committee's proposals on rates would remove existing restraints on the monopoly rate policy. One proposal would reduce the I.C.C.'s power to regulate rates, which would obviously lead to a higher rate level. Another proposal would repeal the Long-and-Short-Haul Clause. This would permit some of the most vicious practices, including localized rate wars, to drive out competition and extra high rates to such shippers as the mid-western farmers who have no available means of transport other than the railroads.

The report also recommends increased R.F.C. loans to the railroads. The railroad magnates want government loans in order to increase the flow of interest to wealthy bondholders and particularly to subsidize the watered capital of the insolvent lines. The Railway Brotherhoods also want government loans to the railroads, but for a different reason. The workers want loans for improvements and expansion in order to provide more and better service, more employment and better labor conditions.

The main Committee recommendations are for loans of

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the type wanted by the railroad magnates. One point would authorize the R.F.C. to loan money to railroad receivers or trustees. This is a disguised request that the government bail out the bondholders of the bankrupt lines while leaving them in control. Another point would make it easier for railroads not in receivership to obtain loans for re-financing, mergers, etc. (as distinguished from maintenance and equipment loans). Such loans would in reality be a subsidy to guarantee future interest and dividend payments.

While the report also recommends maintenance and equipment loans, it recommends them on terms which would give the government no protection. For maintenance loans, no collateral would be taken and the railroads would be permitted to make payments on private fixed interest obligations indefinitely without making any repayment on government loans. For equipment loans, the same gentlemen who refuse any reduction in the interest on their bondholdings, demand that the government loan them money at 2 per cent and require no repayment of principal for five years.

It is well known that railroad equipment is largely obsolete and roadways in disrepair. Refusal of the railroads to divert any of their profits from interest and dividends to purchase equipment and make repairs constitutes a form of monopoly sabotage which acts as a serious brake on the nation's recovery. Government loans on the Committee's terms would give no guarantee against continued sabotage.

During the past eighteen years the troubles of the railroads have been solved mainly at the expense of railway labor and of the shipping and traveling public. Since 1920 there have been no cuts in the interest in-take of the wealthy bondholders, except where bankruptcies made interest payments impossible. At the same time, the railroad workers have been cut to the tune of over a million jobs and nearly two billion dollars per year in wages. Yet the "Committee of Six" makes proposals solely to help the bondholders and stock manipulators, and no proposals to give some security to railway labor. One of the worst features of the report is the proposal to give the railroads a freer hand in consolidation without protection for labor against layoffs.

It is easy to see why the three railroad magnates signed the Committee report. But it is unfortunate that the three union officials also signed it. President Whitney of the Brotherhood of Railway Trainmen, in opposing this report, expresses the real interests of the railroad workers and the people.

The Railway Employees Department of the A. F. of L. went on record at its 1938 convention for a six-hour day, lower interest rates and government ownership. While this last proposal is required for a real solution of the problem, certain immediate measures could be taken by Congress to make the railroad industry an aid to recovery.

These measures are:

RATES:

Increase the Interstate Commerce Commission's powers to regulate rates and make them mandatory. Instruct the Interstate Commerce Commission to revise rates in order to: Remove regional rate discriminations, especially in the South and Midwest, by reducing rates within the high-rate regions and on freight shipped out of these regions.

Reduce the general level of rates and fares, especially for family sized farms and where such reductions will actually increase gross operating revenue.

Involve rate reductions in programs for disposing of surplus farm products.

LOANS:

Government loans only for maintenance and equipment. Increased regulation of such loans, including: A first lien on all railroad properties.

Government representation on the board of directors (such as the bankers get when they make loans).

These conditions are proposed not only to protect the government's money, but also as a first minimum step towards future government control of the railroads.

LABOR:

Railroad workers now work a 48-hour week, far longer than prevailing hours in manufacturing, mining and construction. Extend the hours provision of the Fair Labor Standards Act to railroad labor and all other transport labor, with the requirement that there be no reduction in weekly wages.

Improve Social Security for railroad workers with a really adequate dismissal wage at the expense of the railroads.

RE-ORGANIZATION:

Government control of all roads in receivership. The bankers who now control re-organization proceedings use them to swindle the small and individual stock and bondholders and to increase the equities of the monopolists, and do nothing to improve the financial condition of the roads. Proper government control would protect small investors and force a real markdown in bonded indebtedness, while helping to pave the way for eventual government ownership.

Rehabilitation by all means! But in such a way as to spell greater protection for the railroad workers, better and cheaper service for farmers, shippers and passengers, no more plundering by wealthy bondholders, and steps towards the only effective solution of this great national problem—government ownership.

The People's Mandate to Congress

A CONGRESS FOR PEACE

The Fourth National Congress of the American League for Peace and Democracy, representing over 7,469,939 people, met in the nation's capitol during January 6-8th. It was the broadest peace gathering yet organized in the country.

In its declaration of principles, unanimously adopted, the League set forth a clear-cut policy to safeguard American and world peace and to protect and extend the democratic rights of the people. In the sphere of foreign policy the League confirmed the need of: 1) distinction between the aggressors and their victims; 2) the denial of our economic resources to the aggressors while granting these resources to victims of aggression; 3) the promotion of concerted action to withhold the means of warfare from aggressor nations. On the question of armaments, as well as on the proposed Ludlow referendum on the declaration of war, the League points out that the primary task is the adoption and active carrying through of a foreign policy which will remove the threat of war and halt fascist aggression.

Specific resolutions also unanimously adopted by the Congress, embodying the main features of this program, include demands for lifting the embargo on the Spanish Government, placing an embargo on war supplies, loans and credits to Germany, Japan and Italy; support to the peoples of Spain, China, and any other nation invaded by the fascists; strengthening and extending the boycott of fascist-made goods; amendment of the Neutrality Law to end all trade and financial transactions with aggressor nations; support of a consistent democratic Good Neighbor Policy for this hemisphere.

To make American democracy work, the League decided to mobilize to: 1) abolish poll taxes and all restrictions on the right to vote; 2) no amendments to the Wagner Labor Act; 3) protect the interests of the unemployed, aged and all needy persons requiring social security; 4) oppose all anti-Semitic propaganda and acts, oppose all forms of racial discrimination, and defend religious liberty; 5) promote equality of political, economic and social opportunity for the Negro people and work for the passage of an anti-lynching bill; 6) condemn the un-American activities of the Dies Committee.

The 1,255 delegates, representing over 7 million people, came from 1,004 national, district, and state organizations. This is an 85 per cent increase over that of the Congress held last year in Pittsburgh. Another 2,353,205 persons were represented by 61 official observers from 53 organizations. Among the largest sections represented were: Labor with 385 delegates representing over two million trade unionists; Youth with 104 delegates representing 1,872,743 young people; Church groups with 21 delegates representing 704,799; Civil rights groups with 15 delegates representing 630,136. The largest single organizations participating in the Congress were the Baptist Young People's Union with a million and a half members and the Washington Commonwealth Federation with 250,000 members.

Several hundred delegates from all regions of the country remained in Washington on Monday, January 9th, to participate in the "Lift the Spanish Embargo Conference." State delegations visited their respective congressmen and senators asking them to support action for lifting the embargo against Republican Spain. Mass meetings and state and district peace conferences are sched-

uled for many sections of the country, where local delegates to the National Peace Congress will report, and preparations will be made for intensified local activities around the program and principles of the American League for Peace and Democracy.

CONNECTICUT:

The Third Annual Conference for Social and Labor Legislation held in Connecticut on January 15th devoted major attention to the formation of a progressive program for modernizing the state's constitution, to improving state administration and to safeguarding against future administrative scandals, of which Connecticut has had its full measure in the past. These problems were approached from the broader viewpoint that social reforms and clean government are closely linked with the struggle against political reaction and corruption. In this light, the conference found itself face to face with all of the major problems of social and national security faced by other states and the nation as a whole.

A delegation from the Conference was sent to Washington as a people's lobby to oppose any curtailment of the W.P.A. Complete unanimity was reached on the resolution on foreign policy which declared for amendment of the present neutrality act, for an embargo upon aggressor nations, and for consultation by the United States with other nations in naming and restraining the aggressors. A protest resolution against additional appropriations to the Dies Committee, as well as a number of declarations for progressive social action on state issues were adopted.

Among the 350 delegates participating, were 36 A. F. of L., C.I.O., and Railway Brotherhood unions, 41 delegates from 24 church groups, among which the largest number were Methodist and Catholic.

Bishop Maurice F. McAuliffe of the Hartford Diocese greeted the conference through Michael O'Shaughnessey, founder of the Catholic League for Social Justice. Messages of greetings from Mrs. Eleanor Roosevelt and New Deal congressmen were read at the sessions.

Connecticut, together with other states in similar circumstances, in spite of Republican state victories or control, is organizing and mobilizing the people for victory on specific legislative and political issues in the interests of the majority of the people.

MASSACHUSETTS:

235 delegates attending the State Conference on Social and Labor Legislation in Massachusetts, January 15th, united around a progressive legislative program which includes demands for improved and extended social security for labor, the unemployed, youth, etc. A unanimous resolution condemning W.P.A. cuts and for a billion dollar W.P.A. appropriation was passed.

The delegates came from 29 A. F. of L., 20 C.I.O., and 6 independent unions, as well as from 29 women's, peace, civic, and church groups.

A permanent co-ordinating committee was set up to organize popular action and lobby activity for the legislative program, as well as to prepare for a special conference on state health problems to be held in the near future.

SOUTH:

A six point program for economic and social needs of the South was adopted in Atlanta, Georgia, on January 15th by the Southern Policy Committee, an offshoot of the National Policy Committee. This program is based upon the social aims of the New Deal and embodies the major recommendations and decisions of the All-Southern Human Welfare Conference, including proposals for a comprehensive federal system and aid to the states in the spheres of education, health and farm tenancy, as well as support for civil liberties, the Wagner and Fair Labor Standards Acts, and the abolition of poll taxes by the Southern states.

Included in the list of prominent Southern newspapermen, professors and deans of universities, state legislators and judges who signed the report and endorsed the six point program are: Barry Bingham, president of the Louisville Courier-Journal and Times; H. Clarence Nixon, field chairman for the All-Southern Human Welfare Conference; Miss Josephine Wilkins, executive secretary of the Georgia citizens' fact-finding movement; Mark Ethridge, general manager of the Louisville Courier-Journal and Times; and Dr. Chas. S. Johnson, Fiske University. Many of the 29 signers are members of the Executive Board and Council of the All-Southern Human Welfare Conference. It is clear that the New South is uniting itself upon a broad program for progressive economic and social legislation which will meet the needs of the Southern people, Negro and white.

MICHIGAN:

Progressive, labor and New Deal forces in Michigan are acting to protect the legislative gains won under the Murphy Administration and to guarantee the passage of a minimum social legislative program this year despite Republican control.

A Preliminary Conference for Progressive Legislation held on December 21st was attended by 86 delegates. 44 came from trade unions and 42 from leading farm, cooperatives, unemployed, political, civic, peace and church organizations. A partial list of active participants includes such diverse groups as the State Council of Churches, Labor's Non-Partisan League, the Michigan, as well as the Wayne County, Federation of Democratic Women, 6 A. F. of L. Councils and unions and 13 C.I.O. unions, the Workers Alliance and the American League for Peace and Democracy.

A Continuations Committee of Six, consisting of the chairman of the sub-committees on Civil Rights, Consumers, Farm, Health, Labor, and Security, was set up. The Conference and its continuations work are preliminary activity in preparation for a statewide legislative conference to be called later. The broad scope of the Conference and the serious character of its work bears witness that the progressive and labor forces in Michigan are organizing themselves for the task of winning from the state legislature and Congress every possible ounce of constructive social legislation.

WASHINGTON:

Senator Lewis B. Schwellenbach set the keynote of the deliberations of the Legislative Conference held in the state of Washington early in December with the remark that "the dividing line in the Democratic Party between real Democrats and those who should be Republicans is in the attitude towards government responsibility for the welfare of the people." This democratic spirit of the Washington Commonwealth Federation, sponsor of the conference, and the progressive, New Deal, and labor organizations participating, was evidenced in the character of the legislative program adopted by the Conference.

Over 1,200 delegates actively participated in the six round-table discussions which worked out a common program. Included were 277 delegates from labor unions—136 A. F. of L. and 144 C.I.O.; 142 from old age pension groups; 130 from Workers Alliance branches. Also present were 35 state legislators, two congressmen and New Dealer Schwellenbach.

The legislative program adopted included such demands as: 1) State appropriations for low housing projects; 2) 20 per cent increase in W.P.A. monthly wages and protest against W.P.A. layoffs; 3) endorsement of the Washington Old Age Pension Union program; 4) no amendments to the Wagner Labor Act; 5) guarantee of cost of production to farmers; 6) an emergency state appropriation of \$500,000 for youth projects; 7) boycott of all fascist-made goods; 8) support for the Government sending food surpluses to Spain and China; 9) amendment of the Neutrality Act to curb aggression; 10) recommendation that the Dies Committee begin to investigate actual un-American activities or else this work be taken over by the LaFollette Committee. Additional legislative planks covered major state and national needs of the great mass of the population.

Washington labor and progressive forces are alert to the attempts at coalition between Republican and Democratic parties in an effort to offset the New Deal victory at the November polls by winning control of the state legislature. This state-wide legislative conference was the first post-election step in the direction of consolidating and firmly unifying all progressives, labor, and New Dealers behind a program which has the overwhelming support of the people of the state and for placing them squarely behind the liberal policies of the President and the progressive forces in Congress.

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Clues to the News

MINISTER EXTRAORDINARY

Is Joe Kennedy, U. S. Ambassador to Great Britain, in the dog house? There is reason to believe that he is. The red-haired darling of the Cliveden set did not confine his activities to serving the Chamberlain policy of "appeasement" and thereby the fascist powers abroad. It seems he also acted as "minister extraordinary" of the un-American allies of fascism at home and conducted a whispering campaign against the New Deal and the President.

The whispers were loud enough to reach the ears of President Roosevelt and eventually of Alsop and Kintner, who carried the story in their syndicated column. A few days after it appeared, columnist Arthur Krock, who is indebted to Kennedy for past favors, met a member of the A-K team on the street. The conversation went something like this:

Krock: What do you mean by telling lies about Joe Kennedy?

A-K: Every word of it was the truth, and you know it!

Krock: Well, he may have been critical of the New Deal, but only in talking to fellow Americans. I'm sure he never said anything like that to *Englishmen*.

A-K: That isn't true—

Krock's travelling companion to England last summer was standing by and interrupted at this point: But Arthur dear, don't you remember when Joe had us and those Englishmen over to his house and he talked so terribly about the New Deal and the President?

Exit dear Arthur and his friend. Exit Joe Kennedy?—some time in April?

ROLLING THE DIES FOR NINETEEN-FORTY

Democrats who are still undecided on whether or not to vote the Dies Committee more funds might like to know why it will take exactly from now to 1940 to find out all about un-Americanism. Here's a clue worth following up: ask Mr. Dies (we'd ask him ourselves but he won't tell us) what the *New York Herald Tribune* replied when the ambitious Texan inquired about their supporting him for the Presidency in 1940?

A DUCE FOR THE DUCE

The State Department has been "going easy" on Italy. It is generally known around town that someone involved in Italian affairs in the State Department frequently avows sympathy with Il Duce's policies. Can there be any connection?

COLLATERAL

A report is circulating in Wall Street that certain New York banks have been extending short-term loans to Japan. It's a strictly "business" proposition. Japan is giving the banks plenty of collateral, gilt-edged and as sound as the U. S. Treasury. What kind? And where did the Mikado get it?

TAKE OFF YOUR COAT, CONGRESSMAN SHAFER

Of course Congressman Shafer of Wisconsin wears his coat on the floor of the House. His colleagues might be interested to know the color of the shirt he wears underneath, especially since it is reported that Shafer is a member in good standing of the Silver Shirts back home.

NOSE FOR NEWS

The anti-Roosevelt press has a good nose for news, so good that it can smell out dissension in the New Deal ranks—even when it doesn't exist. Much has been made of the "differences" between Roosevelt and Morgenthau on the one hand and Wallace on the other over the question of processing taxes vs. removal of existing exemptions on government bonds. But the difference is a purely imaginary one. Wallace knew in advance about the proposals contained in the President's tax message and is reliably reported to be in hearty agreement with them.

FLASH

Colonel Lindbergh's attempt to refurbish his reputation at home by posing as an American "secret agent" in Germany won't wash. His communications to Washington were not official, and consisted only of private letters to friends. And a high ranking Navy officer regards the Colonel's estimates of relative German, French, British and Soviet airplane strength as the bunk. And as motivated by ulterior purposes hardly in keeping with the Farmer-Labor traditions of Lindbergh Senior.

TWO VIEWS ON AMERICANISM

Honorable Martin Dies, radio address of December 17th, calls it un-American when: "There are individuals and organizations in this country who spend their time opposing and propagandizing against some European government. Almost every crisis in Europe reflects itself in the attitude and activity of some people in the United States."

But—Senator Green of Rhode Island quotes Daniel Webster who, as Secretary of State called it American: "While performing with strict and exact fidelity all their neutral duties, nothing shall deter either the government or the people of the United States from exercising at their own discretion the rights belonging to them as an independent nation, and of forming and expressing their own opinions, freely and at all times, upon the great political events which may transpire among the civilized nations of the earth."

ONE VIEW OF THE PRESIDENT'S DEFENSE MESSAGE

Representative Hamilton Fish: "The American people are still in the dark as to what nation or nations intend to attack us."

Hitler's Deutsche Allgemeine Zeitung: "One may well ask once more who in the world is thinking of attacking America."

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SOCIAL SECURITY

Hearings on amendments to the Social Security Act are scheduled to begin on February 1st before the House Ways and Means Committee. Hearings will be on an Administration bill based upon the proposals in the President's Social Security message and the report of the Advisory Council of the Social Security Board. While these proposals still fall short of meeting actual need they represent a further step forward. Write and wire Representative Doughton, Chairman of the House Ways and Means Committee, and your own Congressman, urging support of administration proposals, with suitable amendments.

RELIEF

As this is written the Senate Appropriations Committee has just upheld the House slash of \$150,000,000 in W.P.A. funds. The fight for the \$875,000,000 requested by the President will go on, in the Senate and after the bill goes to conference. Write or wire your own Congressman and Senator demanding that the joint conference committee, the "third House," do the following:

1. Appropriate the sum asked for by the President, which is the barest minimum in terms of actual needs.
2. Reject all amendments infringing on the political rights of W.P.A. workers, like the Cole amendment which provides that any W.P.A. worker who "influences" another W.P.A. worker shall be fired. Support the Voorhis amendment which prohibits political activity by foremen and supervisors on W.P.A. projects.
3. Reject the amendment that would throw all aliens off the W.P.A. rolls and make every applicant for a job prove his citizenship. As Col. Harrington pointed out, this works undue hardship not only on aliens, but also on citizens and would endlessly complicate the operation of W.P.A.
4. Reject the Tarver amendment prohibiting differentials of more than 25 per cent in wages for the same kind of work. Under the guise of being "fair" to all sections of the country, this amendment would open the way for general wage cuts and should not be confused with progressive proposals to do away with low wages in the South.
5. Mobilize all progressive forces *now* to bring pressure on Congress to maintain and enlarge the W.P.A. appropriation for the fiscal year 1940.

ANTI-LYNCHING

The large number of anti-lynching bills already introduced are discussed in an article in this issue. Support of the Wagner-Van Nuys anti-lynching bill, re-introduced this session, with appropriate amendments, is a **MUST** for all defenders of democracy. Write your Representatives expressing support for this bill. Action by Southern progressives is particularly needed.

TAXATION

The House Ways and Means Committee will shortly consider the proposals for removing tax exemptions on government bonds made in the President's special tax message. Write and wire the Committee, and your Congressman, urging prompt action in support of the President's recommendations.

FARM BILLS

Definite measures for meeting the most pressing needs of the farmers are still lacking in the Administration's program, and satisfactory and well-rounded proposals have not yet been made by progressives in Congress. However, we recommend support for the Frazier-Lemke refinancing bills (S. 413-H.R. 70) which provide for "liquidation and refinancing of agricultural indebtedness at a reduced rate of interest"; and support for more adequate funds for the Farm Security Administration and rapid extension of the Bankhead-Jones Farm Tenancy Act.

We urge farmers and their organizations to be on guard against the demagogic and unworkable provisions of S. 570, the Agricultural Equality Bill. This bill, which was introduced by seventeen Senators comprising a curious combination of reactionaries and progressives, makes an appeal to sincere advocates of cost of production guarantees to farm producers. It will be analyzed in detail in a later issue. It can be dismissed here as wholly unworkable and impracticable, and therefore a dangerous diversion from the serious approach so badly needed to the farm problem. It would "guarantee" farmers the cost of production on 50 per cent of their output, and provide for dumping the other 50 per cent on a non-existent world market. Appealing to the opponents of scarcity production, the bill is modeled after the McAdoo-Eicher farm bill and would aid chiefly the large-scale farmers. The bill is opposed by the Administration and by all progressive students of the agricultural situation. We recommend that farmers study it carefully and feel confident that when they understand how far it stands from carrying out its vague promises they will oppose its adoption by the Congress.

HEALTH

Senator Wagner is at present drafting a bill embodying the recommendations made last July by the National Health Conference. The program of the National Health Conference included:

1. An expanding public health program to combat the great communicable diseases and to give each city and county the health officers which over two-thirds of them now lack;
2. A hospital building program to provide a hospital for each of the 1,400 counties that now lack hospital facilities;
3. Provide medical care for the 40 million citizens with annual family incomes of less than \$800 who are unable to buy any medical care whatever;
4. A program of health insurance to be integrated into the Social Security system.

These proposals are vigorously supported by the A. F. of L. and C.I.O., as well as by the majority of the medical profession. Senator Wagner's bill, which may have to be amended to provide for more adequate funds with which to carry on the program, should receive the undivided support of all labor, farm, and progressive organizations. Watch for the introduction of this bill and the schedule of hearings.

(Continued on next page)

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National Issues

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PROGRESSIVE, FARM
AND LABOR LEADER.

CONGRESSIONAL CALENDAR AND DIGEST

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SPANISH EMBARGO

No bills specifically calling for the lifting of the embargo against republican Spain have as yet been introduced. Indications in the President's message were that this would be taken care of in the general revision of the Neutrality Act of 1937. Spain has now become the first line of United States defense and the need to act is now more than ever urgent. Write Senator Pittman and your own Representatives demanding that the embargo be lifted *now*, whether as an independent measure or as part of general revision. Wire President Roosevelt to lift the embargo by executive action.

NEUTRALITY

Hearings on bills to amend the existing Neutrality Act have been "indefinitely postponed." The alleged reason is that the Administration has not yet worked out a bill with which it is satisfied. Supporters of the positive peace policy outlined in the President's message of Congress share his view that we are in a race with time. Further delay can only strengthen and encourage the fascist aggressors abroad. Write Senator Pittman and your own Senator and Congressmen urging immediate action to bring our official foreign policy in line with the President's message and the sentiment of the majority of the American people.

LUDLOW REFERENDUM

All those who support the Hoover-Vandenberg-Bennett Clark betrayal of America's national security in the face of the fascist war menace will rally around the Ludlow referendum (H. Res. 89). They will be joined by a dwindling number of sincere but misguided isolationists and pacifists. The question before the country today is not how war is to be declared, but how to avoid the necessity of a war declaration by curbing fascist aggression. Demands for revision of the Neutrality Act should be coupled with firm opposition to the Ludlow amendment. Inform your Congressmen accordingly.

HOUSING

Senator Wagner has introduced S. 591 to provide for continuing the present housing program. While this measure falls far short of meeting existing needs and does not even approximate the program of the labor movement, it should be supported as a minimum demand. Write Senator Wagner and your own Representatives.

DIES COMMITTEE

It is to be hoped that the speech delivered by Congressman Kent Keller over the Mutual Network on January 20th is the opening gun of a New Deal attack on the Dies Committee. Demands that the Committee be continued still pour into Washington from *reactionary and pro-fascist sources*, including the insolent German-American Bund. Trade unionists and progressives must meet this un-American propaganda with an intensified campaign to halt the granting of any additional funds to the pro-fascist Dies Committee.

At present the resolution to continue the Dies Committee is under consideration by the Rules Committee of the House. Write Chairman Sabath of the Rules Committee, Congressmen Rayburn and Bankhead, and your own Congressman protesting any further appropriation for the un-American Committee.

THE SENATE CIVIL LIBERTIES COMMITTEE

Senator LaFollette's pledge not to ask for a continuation of the Civil Liberties Committee must not deter progressives and the labor movement from demanding that its work go on. While at present no Senator has come forward to lead the fight for further investigation into infringements on civil liberties and the rights of labor, such a spokesman can be found if popular opinion becomes vocal enough. Only the most die-hard reactionaries would dare to vote against a new appropriation if the issue were brought out on the floor. Our choice of a spokesman for civil rights is the veteran defender of democracy, Senator Norris. Write to Senator Norris requesting that he speak for continuing the Civil Liberties Committee. Write Senators LaFollette of Wisconsin and Thomas of Utah, and your own Senator, demanding that the Committee's work go on.

NATIONAL LABOR RELATIONS ACT

Representative Anderson (Republican), of Missouri, has introduced a bill to repeal the National Labor Relations Act. More deceptive and therefore more dangerous moves to repeal labor's bill of rights are discussed elsewhere in this issue and will be covered more fully in succeeding issues. Defense of the Act, the National Labor Relations Board, and vigilance against any move to cripple the Board's effectiveness through "investigation" or inadequate appropriation of funds, are primary concerns of all progressives. Statements opposing not only outright repeal but "revision" must come from all sections of the labor movement, particularly the rank and file of the A. F. of L. and from all the friends of labor.