

National Issues

A SURVEY OF POLITICS AND LEGISLATION

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1939

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NATIONAL ISSUES: *A Survey of Politics and Legislation*

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Making Democracy Work — *an Editorial*

In the past few weeks the American people have strengthened the defense of their democracy and put new vigor into the struggle to protect and extend their political and civil rights on many fronts. Labor and the whole people scored a significant victory for democracy and economic recovery in the successful settlement of the miners struggle. The New Deal, the progressives and labor made important advances for the camp of progress in the municipal elections in San Antonio, Minneapolis, Bayonne, New Brunswick and, above all, in Chicago and Los Angeles. These and other developments, especially the extension of the anti-fascist peace movement, bear testimony to this.

But the people act none too soon. The spread of fascist aggression, the destruction of hard-won liberties in Germany, Italy, Austria, Spain and Czechoslovakia, the imminent dangers, internal as well as external, to which democracy is exposed in Great Britain and France, the fascist encroachments in the Latin American countries and in Canada—all these have emboldened American reaction in its drive to undermine our traditional freedoms, and to destroy democracy.

We have had plenty of warning. Anti-Semitism has grown at an unprecedented rate, fostered by both native and foreign disciples of Hitler. Sinister fascist plots to overthrow the government have been uncovered, such as the one involving General Moseley. The Dies Committee and the forces behind it have resorted to typically fascist methods, using the Trojan horse of Congressional privilege to discredit and disperse the gathering democratic front. The National Association of Manufacturers and their open-shop friends have used their agents within the ranks of labor itself in the attack on labor's rights of which the attempt to cripple the Wagner Act is the spearhead. The unemployed have been subjected to a new offensive which, in the name of "economy" and "Americanism," seeks to destroy both their living standards and their political and civil rights. We have seen a wave of anti-alien legislation,

reminiscent of the infamous Alien and Sedition Laws and the Palmer raids of 1919.

All of these anti-democratic sorties follow a similar pattern. All emanate from the same anti-New Deal source, the coalition of reactionary Republicans and Copperhead Democrats whose general headquarters are in Wall Street. All share the same objective—the disorganization of the labor and progressive movements and disruption of the New Deal's support among the masses as a pre-condition for a return of pro-fascist reaction to political power.

But the people are becoming more conscious of the danger and are showing a real will to unite and fight. Many favorable conditions exist for the people's defense of the liberties they see threatened, in this, the one hundred and fiftieth year since the adoption of the Bill of Rights. Most important of these are, first, the growing strength of the labor movement, despite the disunity in its ranks which prevents the full utilization of that strength; second, the broadening legislative and election coalitions of the New Deal Democrats, progressive Republicans, labor, working farmers, liberals, the youth, the Negro people and the national groups, and interwoven with this, the expanding popular movement for peace and international solidarity; and, third, the strategic governmental positions now in the hands of New Dealers and progressives.

While too frequently lagging behind the people and their demands, as on the issues of curbing the powers of the Wall Street monopolists, the nationalizing of the banks, railroads and the munitions industry, and of pursuing a firm anti-fascist peace policy, the New Dealers have proved to be invaluable allies, once the people themselves get up steam.

When government and other workers, together with the Negro people and all progressive citizens of Washington, took up the cause of Marian Anderson against the Jim-Crow rulings of the School Board and the D.A.R., they got the full support of Secretary Ickes and Assistant

Secretary of Interior Oscar Chapman, as well as that of Mrs. Roosevelt. And the result was that the struggle for Negro rights reached a new high in the Marian Anderson Easter concert.

This concert, which took on the character of a great mass demonstration, linked up the political aspirations of the people with the democratic traditions centered around the figure of Abraham Lincoln, and with the progressive policies of the New Deal. The absence of Vice-President Garner and other lynch-lords of the South, as well as the leading representatives of Lincoln's "own" party, brought home the lesson that such an event would be inconceivable under a tory administration, Republican or Democratic. And, in contrast, the presence of Associate Justice Black on the platform symbolized the breaking up of the once solid South.

More recently, the speech of Attorney General Murphy before the United States Conference of Mayors emphasized the powerful role played by the government in facilitating or blocking the people's struggle for democracy. Since the days of A. Mitchell Palmer, the office of Attorney General has too often been associated in the public mind with attacks on civil liberty, rather than with its defense. When Attorney General Murphy spoke as a militant champion of the people's rights, he placed this high office where it belongs—on the side of the people. The special unit for the defense of civil rights which has been set up in the Department of Justice is evidence of Mr. Murphy's serious purpose.

But Murphy correctly posed the defense of democracy as a question requiring local as well as Federal action and vigilance. When he spoke of "some public officials who have used their power arbitrarily"—he spoke to a Conference of Mayors some of whom, like Hague, Reading, Rossi and Burton, might have had the grace to blush. When he spoke of "ordinances that have been passed and invoked that are oppressive and unjust and violate common right"—he touched again on a municipal problem.

The people, in recent municipal elections, have shown that they are taking up the defense of democracy on the local fronts. Their struggle will be strengthened as a result of the Attorney General's speech and actions.

And the full force of a popular-New Deal coalition was registered soon after Murphy sharply raised the anti-Semitic issue on the same occasion.

"We are a tolerant people," he said, "yet it has been estimated that some 800 organizations in the United States are carrying on definite anti-Jewish propaganda. All told they claim in the neighborhood of 6,000,000 followers—no doubt a considerable overstatement.

"But even if we reduce the figure by half or more, we face the fact that a large number of our people subscribe to the philosophy that has reduced the Jews in Central Europe to a condition of misery seldom equalled in world's history."

Coming on top of a steadily mounting popular demand

that the Dies Committee get down to business and the investigation of fascist groups, that plain statement had its effect. This combination of popular and New Deal pressure is undoubtedly the explanation of Mr. Dies' sudden "interest" in the fascist anti-Semite, General Moseley, and his associates, whom Dies is trying to shield.

The National Emergency Conference, called in Washington to protest the stream-lined Alien and Sedition bills introduced by Dies, Reynolds and company, was a spontaneous popular demonstration in defense of civil liberties. It drew support from all progressive groups, including labor and the New Deal. From the Immigration Department, traditional stronghold of immigrant oppression, came Edward Shaughnessy to present the statistical data which expose the nonsense of the alien "menace." And John Brophy, national director of the C.I.O., voiced labor's conviction that the rights of aliens and the freedom of citizens are inseparable. Labor spoke as the bulwark of democracy when Brophy said:

"We cannot live as a free people while we permit the oppression of any group, whether a fraction or a section of our population. That is why the labor movement defends the rights of all men and women, why it tries to advance the cause of all mankind—whatever its race or color or belief or national origin."

With such powerful allies as an influential number of progressive New Dealers in important state, local and Federal offices, above all with a liberal New Dealer in the White House—the people, especially labor and the progressives, can consolidate the gains made in one hundred and fifty years of struggle, and press on to new victories. They will need to call up all their reserves in the big battles that are ahead.

And the New Deal and progressive forces, in the first place, labor, will need to lead, unite and intensify the people's efforts, not merely to defend but also to extend their democratic rights if democracy is to win in 1940. Here, in addition to the issues we have already mentioned, the immediate passage of an anti-lynching bill and the extension of full voting rights to Southern Negroes and impoverished whites are of the highest importance. So, too, is the urgent need of governmental and public action to protect civil rights in Harlan County, Jersey City and the South; to enforce the Wagner Act, the Wages-Hours Act, and other labor legislation; to safeguard the Bill of Rights; to prohibit and dissolve all vigilante, fascist and other organizations promoting force and violence; to repeal or basically revise the un-neutral Neutrality Act; and to press forward with effective measures to curb the economic and political powers of monopoly capital.

For the government, the task presents itself, in part, to act as a leader and organizer of all the progressive forces, as was well stated by Mr. Murphy:

"Let the government play its part vigorously and with a clear understanding of its responsibility, and it is bound to

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be a powerful bulwark of civil liberty, not only as an agency that imposes penalties but as an influence on public thinking."

For labor, the leader and best champion of the progressive interests of all the people, the defense of democracy, which is an inseparable part of the defense of its own immediate economic interests, requires that trade union unity be forged without delay; and that labor, in alliance with the

farmers, the city middle classes and the progressives generally, moves forward in unity of action and extends the building of the people's democratic front for maintaining and extending the social gains of New Deal legislation, for advancing the struggle for a positive American peace policy, for promoting jobs, security, democracy and peace.

G. D.

Anglo-Soviet Negotiations

On May 11 the Soviet newspaper *Izvestia* gave the world a clear answer to the questions Premier Chamberlain has been dodging in the British House of Commons:

"The U.S.S.R. held and continues to hold," said *Izvestia*, "that if France and Great Britain really want to create a barrier against aggression in Europe, a united front of mutual assistance should be created, primarily of the four principal powers in Europe—Great Britain, France, the U.S.S.R., and Poland, or at least of the three powers, Great Britain, France and the U.S.S.R., and that these three powers, bound by a pact on the principle of reciprocity, should guarantee the other states of Eastern and Central Europe which are threatened by aggression."

After such plain speaking, Mr. Chamberlain is hard put to it to peddle the fiction that Soviet foreign policy is the unknown quantity in the peace equation. In this country he has the help of a large section of the press, of those anti-New Deal members of Congress who are reputed to have "advised" Hitler on how to answer Roosevelt—and of course of *Der Führer* himself.

Litvinov's resignation provided the occasion for a new batch of slanders against the Soviet foreign policy. On May 10, the reactionary Republican *New York Herald Tribune* revealed the well-spring of these slanders, at which it had itself been drinking. The lead paragraph of its United Press dispatch read:

"Rapidly spreading rumors of an impending German-Soviet reconciliation, circulating with obvious consent of the German government, tonight were regarded as a Nazi attempt to thwart a 'peace front.'"

The Soviet foreign policy, a policy of uncompromising struggle for world peace, democracy and the independence of nations, does not change. The only "change" since Litvinov's resignation has been a sharper exposure of the appeasement intrigues by which the Chamberlains seek to prevent the formation of a real peace front. The only "change" has been a further unfolding of the Soviet's unshakable endeavors to promote concerted action of all peace forces to curb and halt the fascist war-makers.

The Soviet foreign policy does not change—but what about Mr. Chamberlain? Does he really mean business when he talks about halting aggression? Mere protestations of good faith on his part now ring no truer in the

ears of the world than the "peace" promises of Hitler and Mussolini. The world demands of Mr. Chamberlain that he prove his sincerity by the only test acceptable today—by entering into an agreement with the Soviet Union, on the Soviet terms of equality, reciprocity and collective security against aggression.

Mr. Chamberlain has been told that he will have to fish or cut bait. It is a matter of gravest concern to the peace-loving people of the world, to all Americans, that he continues to cut bait while lamenting that the Soviet government will not bite.

Even the possibility of an Anglo-Soviet *rapprochement* was enough to cause consternation in Berlin and Rome, and to bring new hope to all adherents of peace and democracy. But this hope can become a source of new danger if it leads to placing any reliance upon the Chamberlains or to relaxing popular demand for real collaboration as repeatedly proposed by the U.S.S.R.

Since our own interests are also at stake, we Americans must take warning from the *Izvestia* editorial, which pointed out a turn for the worse in the whole political situation. We too have been hearing that the denunciation of two treaties by Nazi Germany and the conclusion of the military and political treaty between Germany and Italy are nothing to worry about. On the contrary, says *Izvestia*, these are "events of the utmost gravity and have altered the situation in Europe radically for the worse."

The repudiation of non-aggression pacts, and the conclusion of military alliances between the fascist axis powers which have already ignited the flames of the second imperialist war in China, Spain and Ethiopia, is surely no cause for rejoicing among peaceful nations. Those who say that it is, lie—to deceive the people and lull the vigilance of the democracies.

In view of this sharpening of the war crisis, Chamberlain's dilly-dallying becomes ever more dangerous. And the *Izvestia* editorial leaves no doubt that the responsibility is Chamberlain's:

"It must be noted that the clear and fundamentally defensive and peaceable attitude of the U.S.S.R., which is also based on the principle of reciprocity and equality of obligations, has not met with a sympathetic response on the part of Great Britain and France."

The task of forcing the British government to establish real collaboration with the Soviet Union, on the basis of equality, reciprocity and mutual assistance against fascist aggression, rests primarily with the British people. But we Americans cannot be indifferent to the outcome of the Anglo-Soviet negotiations, which must have a profound influence on our own future security and peace.

In spite of the efforts of the press to distort and obscure it, millions of Americans understand and applaud the peace policy of the Soviet Union, which so intimately expresses the peace aspirations of the American people. They see how the initiative and influence of these two great powers have awakened a response among all peace-loving peoples, and given rise to new hopes that an effective anti-aggression and peace bloc can yet be formed before it is too late.

The Soviet pavilion at the New York World's Fair will extend America's understanding of Soviet foreign policy to new millions of our people. Speaking at the dedication of that pavilion, Ambassador Oumansky said:

"There is no special exhibit in the Soviet pavilion showing our foreign policy. But still the foreign policy of the U.S.S.R. is a function of everything you will see in that pavilion. . . . The Soviet Union has no need to revise its foreign policy. That policy is simple and clear. No honest person need be uncertain about our foreign policy, which expresses the will of our people for international peace and security."

The American people and many government leaders also have the will for international peace and security. Thus the firm foundation for collaboration and friendship between the United States and the Soviet Union already exists. And on this foundation peace and security can be built for all nations.

But the will of the American people is thwarted by the Garner-Hoover bi-partisan coalition, which today aims to block the positive peace policy outlined by the President and seeks to turn America from the path of friendship and collaboration with the Soviet Union and the other democracies and peoples into the path of open or covert assistance to the fascist war-makers. Repeal or drastic re-

vision of the "neutrality" legislation is a necessary step toward routing these tory-isolationist allies of fascism in the United States. The immediate establishment of an embargo against fascist Germany, Italy and Japan is equally important.

As we go to press, the British Cabinet has brought forward new counter-proposals to the Soviet's plan, which are reported to come closer to the positive offer made by the U.S.S.R. But regardless of the immediate outcome of the Anglo-Soviet negotiations, it should be borne in mind that as long as Chamberlain and Halifax are at the helm of British foreign policy, the danger of fresh "appeasements" and new Munichs is by no means past.

In the face of that danger, no less grave for us than for the peoples of Europe, our responsibility as a nation and people cannot be ignored. Repeal or drastic amendment of the "neutrality" act so as to quarantine the fascist aggressors is now more essential than ever. It will not only clean our own hands of blood guilt. It will also help to slam the door on future "appeasement" plots, open the way to an Anglo-French-Soviet anti-aggression pact and help isolate and halt the war-makers.

Time does not wait. The menace of fascism and war becomes ever more acute. The national interests and welfare of the United States are endangered, as is the cause of peace and democracy everywhere.

In these fateful times, America must speak out and act more boldly and consistently as a foremost champion of peace in the family of nations. Cooperative action against fascism and aggression, for democracy and peace, in unison with all the other democracies, above all close collaboration with the Soviet Union, must become the guiding line of American foreign policy.

Unity of action against reaction, fascism and war, on a national and international scale, must likewise become the watchword and aim of the American people, especially of organized labor. For this is the key to universal peace and liberty and the only way to protect the national and social security of our country.

Recovery — or Collapse?

BY MILTON HOWARD

The Chamber of Commerce of the United States replied to President Roosevelt's blunt query—Why is America's investment capital idle?—before the President had even posed it to the Senate Monopoly Committee.

It is our opinion that the President's letter to Senator O'Mahoney, sent on May 16, and the "six-point program for recovery" unanimously adopted by the industrialists of the U.S. Chamber of Commerce present the two crucial

opposing documents of the struggle for recovery, at least for the moment.

The economic situation has reached a point at which the opposing conceptions of the New Deal and the monopolist corporations stand face to face. The recovery from the steep 1937 decline started in July of last year and proceeded up to December only sluggishly, to a point which did not reach the previous 1937 high. The new decline has been

proceeding uninterruptedly since December. A small upturn, especially because of government spending and the maintenance of wage levels by the trade union movement, is not altogether out of the picture. But it can no longer be automatic; it requires extensive government action.

The American people cannot proceed any longer in any case at the mercy of an economic cycle moving in the orbit of the general crisis of capitalism whose "recovery" limit includes a permanent unemployed figure of 10,000,000, and whose declines begin before the upturns mature to any degree at all.

In the midst of a prolonged stagnation in heavy industry renewals, the nation faces the astonishing anomaly of record-breaking reserves in the banks hovering at the four-billion-dollar level, not to speak of deposits amounting to fifty-three billion dollars. Commercial loans and new capital investments hover at pitifully low levels. It is universally admitted that one of the logs which must be swept aside if the log-jam in the path of recovery is to be broken remains the almost catastrophic failure of renewed capital investments. The failure to launch basic capital renewals, especially in railroad and utilities, combined with an unprecedented lag in private construction, are key factors in the vital problem of America's economic fate in the period which lies between the present and the 1940 Presidential elections.

It is in this situation that Big Business presented its platform during the Chamber of Commerce sessions of May 5 at Washington, to be followed by President Roosevelt's query less than a fortnight later to the Temporary National Economic Commission—Why are investment dollars idle?

Under such conditions the President's query must be more than a request for information; it should take the force of a challenge and a guide to action. By the same token, the program of the Chamber is more than a series of tentative proposals; it is at once an unwitting description of Big Business sabotage and the statement of the political price which Big Business expects to exact from the Administration for basic capital renewals in heavy industry, the *sine qua non* of recovery.

The issue then is clearly joined. The May 5 session of the U.S. Chamber of Commerce wrote its seven-point "program for recovery," the price it expects to be paid if it is to make any serious efforts to get capital flowing into new productive enterprise, as follows:

(1) Remove tax "deterrents"; (2) abandon public investment policies; (3) modify laws relating to the issuance of securities; (4) discontinue government competition with private enterprise; (5) abandon monetary control; (6) modify banking laws to permit greater freedom in underwriting security issues, and finally (7) discontinue unnecessary business investigations which create "apprehension," and "needless burdens."

Along with this, the Chamber added its demand that the

United States follow a pro-fascist course of unneutral "neutrality"; that monopoly legislation be relaxed, that the undistributed profits tax and the capital gains taxes be eliminated; that surtaxes on the higher brackets be repealed; that the Stock Exchange be released from any serious Federal control, and that Federal labor and social legislation be emasculated. This is likewise the program of its tory representatives in Congress, the Garner Democrats and Taft-Vandenburg Republicans.

This is presented as a program of "recovery."

In every real sense, this is an anti-New Deal program for national collapse.

If put into effect, this Big Business program, from an economic viewpoint alone, would indeed permit the monopolies to seize without any restraint the lion's share of the national income. It would tend to maintain a monopoly rate of profit even within the limits of the drastically curtailed market which must necessarily result from this monopoly concentration. Such a program would spread ruinous impoverishment, bankruptcy and lack of buying power throughout the rest of the national economy.

The Chamber program is clearly calculated to fatten the monopolies at the expense of the entire economic and social welfare of the nation. It would remorselessly hasten economic collapse. But economic collapse, the theory runs, will embarrass the New Deal, and prepare the way for its defeat in 1940.

This cynicism is quite frankly expressed in *Business Week*:

"... The U. S. Chamber of Commerce told Congress to wipe its feet on New Deal reforms and look to 1940.

"Further progress to recovery is more essential to New Dealers than it seems to some anti-New Deal business men who figure that a lack of it will bar the White House to a New Dealer and give the Republicans control of the House." (May 13.)

In the same vein, the *Herald Tribune* in New York City remarks significantly that the repeal of the undistributed profits tax, the capital gains tax, and the surtaxes, cannot of themselves effect any appreciable difference in the economic situation, since the amounts involved are too small in relation to aggregate American business. (This is the plain truth which the roaring press propaganda about "deterrent taxes" conveniently ignores.) The *Herald Tribune* does remark that such repeal "can be little more than a gesture" (May 17). It will have, in short, the value of a promise of more substantial concessions, aptly characterized by *Business Week* as "wiping the feet on the New Deal reform."

It requires only an objective analysis of America's economic situation to get at the catastrophic consequences of the Big Business anti-New Deal economic program. The U.S. Chamber's proposal for unregulated stock issuance can only give America more Pennroad, Insull, Kreuger and Toll holding company collapses. Its proposal for the

removal of all governmental regulation of wages and labor conditions can only result in attempts to lower the consuming power of labor, to destroy collective bargaining, the unions and civil rights. The demand for freedom from Federal regulation of monopoly price-fixing can only deepen the chronic farm crisis, and continue to block recovery in such crucial economic areas as private investment, railroad, utilities and construction.

These catastrophic proposals are presented with unprecedented cynicism as the demands of "appeasement" for Big Business to provide it with "confidence." The reported net profits, and dividend disbursements for the first quarter of 1939, running well ahead of 1938, indicate vividly the possibilities for advancing monopoly profits even in the dire absence of "confidence" among the leading financial circles of Wall Street. Where is the official tory explanation for this startling phenomenon—rising profits and dividends throughout a period presumably marked by tragic "lack of confidence"? It has not been forthcoming.

With the deadlock growing between record-breaking accumulated capital reserves ("idle dollars") balked from useful investment by Wall Street financial control, on the one hand, and the sinking index of economic activity, on the other, the conclusion can no longer be evaded or shirked by any individuals or groups interested in breaking the economic deadlock—*large-scale government intervention in the economy of the country has become of decisive importance. Rather than diminution as demanded by monopoly, it must be vigorously expanded and with bold measures in new directions, especially toward monopoly control.*

It is quite futile for Mr. Alfred P. Sloan, Jr. and Mr. Stettinius, of General Motors and U. S. Steel, to attempt to justify industry's failure to seek new capital for basic renewals and expansion on the ground that their accumulated reserves free them from the necessity of inviting new capital. This justification is an unwitting indictment of the parasitism of monopoly capital itself, which thus confesses its inability to put to useful work the privately accumulated social capital now lying idle. The economic sabotage of Big Business expressed in its "appeasement" blackmail is thus merely the calculated aggravation of a disease rooted in the character of monopoly itself.

Within the strict limits of private capitalist property relations, leaving these property relations wholly untouched, what form can government intervention in the faltering economy take?

Seven years of the New Deal, accompanied by the pressure of labor, the farmers, and the masses in general, have demonstrated the beginnings of such intervention: protection of wage levels, farm aid, social security provisions, pensions, collective bargaining, legislation for shorter hours, W.P.A., relief, the "utility yardstick" rate, public housing and similar social measures.

These measures must be defended and extended. The New Deal has only imperfectly and unsystematically integrated its economic program against monopoly attack. The time has come to correlate all the various segments of this program to advance economic recovery, and thereby democracy and national security.

One of the keys to an integrated program for recovery lies in breaking the grip of monopoly control over America's accumulated capital reserves. This key is the unleashing of hoarded credit, the breaking of the log-jam in heavy industrial expansion.

To this the path cannot but be New Deal measures for the public ownership of the decisive Wall Street banks—the Morgan, Rockefeller, Kuhn-Loeb combination. With measures leading to the nationalization of these three giant banks, it will be possible to tackle the crucial problem—the effective curbing of monopoly control over investment, prices, production, which now stifles private, independent industry, while it drains off the cream of the national income and influences the political life of the country.

The nationalization of these three banks is not a long-range objective. It is immediately realizable, practicable. It requires merely that the government purchase with the issuance of long-term, low-interest Federal bonds, the capital stock of these banks, taking control of the public use of their deposits and credit reserves. It is toward this that all efforts for economic recovery must logically and inevitably lead. The New Deal's apparent reluctance to move decisively against monopoly control has seriously hampered its efforts to sustained purchasing power, and its deficiencies have provided political capital to the reactionaries who speak for monopoly in Congress.

It is quite reasonable that the public ownership of the country's three biggest banks should be preceded by a series of intermediary measures, such as the government provision for small merchant credits, extension of Federal credit to the working farmers, housing credits, loans to municipalities, public control and ownership of the Federal Reserve System, etc.

A realistic program would combine such measures of nationalized control of credit with public ownership of the nation's railroads and munitions industry. Railroad rolling stock and public service are approaching a state of rapid obsolescence due to long effects of monopoly control and sabotage.

It is with such contrasting viewpoints that the country faces the diverging paths of recovery or economic stagnation or even worse, the paths of New Deal progress versus pro-fascist Hoover reaction.

The path toward economic recovery, just like the safeguarding of democracy and peace, demands decisive governmental action against the reactionary monopolists which can no longer be delayed.

The Defense of the Wagner Act

BY JOHN WILSON

The fight for the defense of the Wagner Labor Relations Act, now entering its third month of testimony before the Senate Labor Committee, has taken a definite upward turn.

This encouraging turn is part of a general upswing of the progressive movement resulting from the victory in coal and demonstrated in trade union and political advances in many parts of the country. It is a sign that labor and the progressives are resuming the offensive.

Significantly, the first public statement of John L. Lewis after the coal settlement called for an adequate program for W.P.A. There are definite indications that the C.I.O. and the labor and progressive movement in general will follow up these victories with new advances in organization and political strength.

Reactionary anti-labor forces, represented by the National Association of Manufacturers, Garner and Hoover Senators and Congressmen, and certain of the top leaders of the American Federation of Labor, have been forced into a position of retreat and attempted compromise in their efforts to destroy the National Labor Relations Act. They have been forced back to a point where Senator Thomas, chairman of the Education and Labor Committee, only recently declared that he did not believe any amendments would be considered at this session of Congress.

The interests seeking to destroy the Wagner Act put their full strength into the drive to amend it out of existence. The National Association of Manufacturers and the U. S. Chamber of Commerce organized a nationwide campaign of demagoguery, pressure and disruption. And to top off the combination, the majority of the Executive Council of the A. F. of L. entered into the conspiracy with these reactionary groups to kill the Act through craftily phrased amendments.

The purpose of all the amendments is clear, as are the motives of those seeking to push them through this session of Congress. A brief study of the proposals to change the Wagner Act will demonstrate this. Ignoring for the moment the extreme Tory demands for outright repeal of the Act, we find the proposals boil down to four main points. As presented to the Senate Labor Committee this session, the proposed changes would:

1. Allow company unions to flourish by removing the present protections against them.
2. Split industrial workers into small and ineffective craft bargaining units, whether the workers wanted them or not.
3. Turn Board decisions under the Act over to court review at every turn, thus making effective Board work impossible.
4. Allow employers to utilize the Board as a blacklisting, anti-union agency.

The un-American forces striving against the Act realized that they could not hope to get these results by frontal attack. They attempted to put them into the form of amendments so phrased that they might be sneaked through Congress without arousing too much public attention—and especially without arousing labor.

To do this, they needed a "labor front," and so they turned to the high command of the Executive Council of the A. F. of L., which had already indicated its general anti-New Deal, anti-labor line by its actions at the Miami meeting in February. The endorsement of William Green and his Republican associates in the top leadership of the A. F. of L. was necessary before reaction could hope to succeed in its plan to destroy the Wagner Act.

This endorsement was immediately forthcoming. By sponsoring the amendments proposed by Senator Walsh of Massachusetts, Green, Frey and Woll entered into a deliberate, unashamed conspiracy with the worst enemies of the American people to annihilate the greatest single legislative gain the American workers have made during the past four years.

The conspiracy, once a secret, has been dragged into the open—and has bounced back into the faces of the conspirators. Not only did Green and his associates tacitly agree to help in the attack on the Act, but they actually went to the National Association of Manufacturers and the Chamber of Commerce for advice and counsel in drafting their proposed amendments.

The evidence of this conspiracy between Green and the anti-labor employers exists, in the form of letters between Green and his associates and representatives of the N.A.M. Part of it has already been published. President Lewis of the C.I.O. has publicly stated that he has documentary evidence for his charges, and has promised to make it public at the proper time.

The evidence has been denied, but not disproved. So little are the A. F. of L. top leaders prepared to disprove it that they have tried to bring the hearings on the proposed amendments to a stop, in the hope that further evidence they know exists will not be revealed.

But this exposure is not the only reason why the fight to save the Wagner Act is today at an encouraging stage. A very serious revolt against the attempt to destroy the Wagner Act has developed within the ranks of the A. F. of L. itself.

Green has tried to say that this revolt does not exist, and that it is all "C.I.O. propaganda." The evidence of his own affiliated internationals and delegate bodies, in addition to the evidence of hundreds of local unions, contradicts him. A recent listing of A. F. of L. affiliates, care-

fully checked by official statements and resolutions, shows that ten of his largest internationals, a score of state federations and hundreds of smaller groups have gone on record against any and all attempts to amend the Act.

Much of this revolt has come from the nominally conservative unions of the A. F. of L., who see the dangers to the A. F. of L. and all labor in President Green's proposals. The Pattern Makers League, the Machinists, the Typographical Union and the State Councils of the Carpenters have sharply denied Green's contention that he represents the A. F. of L. in appearing for the Walsh amendments to the Wagner Act. They have not only denied it, but many of them are prepared to appear before the Senate Committee to testify against the Green-Walsh and all other amendment proposals.

This is the immediate background of the struggle to defend the Wagner Act against an alliance which includes the most reactionary forces of monopoly capital and the majority of the top leadership of the A. F. of L., with tory Senators and Congressmen acting as willing mouthpieces in one of the most outrageous invasions of civil liberties and labor's rights ever attempted.

Why has the attack of the reactionaries been set back at this time, to the point where labor and the progressives can feel a little easier during this session of Congress regarding the Wagner Act?

Part of this present success is due to the very competent job of the C.I.O., the N.L.R.B. and Senator Wagner in exposing the reactionary role of Green, Burke, Walsh, Hoffman, Taft and the National Association of Manufacturers. Part of it is due to the widespread revolt within the ranks of the A. F. of L. against a brazen plot to sell all of organized labor down the river along with the New Deal and the progressive movement in general. And part of it is a result of the fact that broader sections of the American people have come to realize that the defense of the Wagner Act means to defend civil rights and democracy everywhere, as well as to bolster mass purchasing power and economic recovery.

The labor movement, the New Deal, and the progressive political movement as a whole, have moved forward in recent weeks. When the new Congress assembled in January, reaction took the offensive. Its rapid mobilization caught the progressive forces off guard. They were forced to fight a defensive battle over W.P.A. That fight resulted in a partial setback. A similar fight took place over the continuation of the Dies Committee.

At the beginning, the attack on the Wagner Act appeared headed for a similar fate. But the enemies of labor and the New Deal overestimated their strength. Not only did they attack the Wagner Act, the Wages-Hours Act, W.P.A. and other progressive legislation, but they undertook an assault on the whole C.I.O. by attacking its base, the United Mine Workers of America.

Here reaction made its most serious blunder. As in the

Wagner Act fight, the economic royalists fired their heaviest artillery. The coal operators, the big banks and monopolists, the railroads and independent steel ranged themselves against labor and the progressives. The reactionaries in the A. F. of L. cooperated as usual. But the combination was not strong enough, and the lockout was broken by the militancy, solidarity and unity of labor and the progressives.

With the major break in the anti-labor front, the present encouraging stage in the struggle to save the Wagner Act and to protect the social gains of the New Deal became possible. In both instances, in the fight to destroy the Act and to destroy the United Mine Workers and the C.I.O., the reactionary monopolists opened a pro-fascist attack. In both instances, labor and its democratic allies have been strong enough to turn the offensive back, even though the Green-Woll-Frey-Hutcheson leadership of the A. F. of L. has sided with the enemies of the people.

The progressive forces have also been strong enough to check a tendency to appeasement evident in certain Administration quarters as shown by the reluctance of some New Dealers to take part in the coal struggle; by the tax revision plans of the heads of the U. S. Treasury Department; and by a brief attempt to save the top leaders of the A. F. of L. from the consequences of their own viciousness in trying to amend the Act.

This attempt took place when the Labor Board agreed two weeks ago to hold private conferences with the A. F. of L. leaders in an attempt to work out a "compromise" on their proposed amendments. The attempt was immediately scotched by progressive New Deal leaders and the C.I.O.

The struggle of labor and the progressives to save the Wagner Act is an encouraging stage. Reaction has been checked momentarily, though it is girding its forces for a renewed offensive. Even Senator Burke has admitted that the prospect of basic amendments to the Wagner Act at this session is not so bright, though the danger of so-called "minor" amendments, such as for establishing a new five-man board, still exists, and if enacted would severely cripple the Act.

This does not mean that labor and progressives can relax their watchfulness. The National Association of Manufacturers, the Chamber of Commerce, the Republican Party, the Garner-Glass wing of the Democratic Party and the reactionaries in the Executive Council of the A. F. of L. are not defeated. It is the job of every worker and every progressive to keep up the public pressure that has turned the tide in favor of democracy—to keep it up until all danger to the Wagner Act, the labor movement and the gains and social objectives of the New Deal has passed. It is the duty of every liberal, within and outside of Congress, of every supporter of the Bill of Rights and liberty, to defend the Wagner Act, to safeguard trade union rights and civil liberties, with greater determination and unity of action.

Towards 1940

BY EARL BROWDER

Since the Communist Party will apparently not be in a position to elect its own candidate to the Presidency in 1940, the alignment of forces in our country's political life which will determine our course as a nation for the next period must be studied in the broad fields outside the Communists' immediate influence, mainly in the Democratic and Republican Parties. We cannot be indifferent to this problem merely because our own Party is not an immediate challenger for power. It is of high importance for us fully to understand the relation of forces in the coming Presidential struggle, to understand better than others, in fact, for thereby we will find the possibility to assist the forces of progress and democracy, to the limit of our ability, to prevent the reactionary, pro-fascist and warmongering interests from regaining complete national governmental power.

We have long noted the fact that, for the main body of the voting population, Republican and Democratic Party labels do not identify any consistent and homogeneous body of interests, ideas or political policies. These party labels are nominal, and cover up widely disparate and conflicting interests, ideas and policies. This is especially true of the Democratic Party, the party of the Administration, which is sharply divided into two wings, the reactionaries and the New Dealers, engaged in a bitter struggle in Congress over legislation, and in the country for the control of the 1940 Party Convention which will nominate the candidate for the Presidency. Let us examine the Democratic Party more closely.

Since the Civil War, the Democratic Party has named only three successful candidates to the Presidency, each for two terms; they were Cleveland, Wilson and Franklin D. Roosevelt. The first two were elected, for each of their terms, by a *minority* of the popular vote. Roosevelt was the first Democrat, since the Civil War, to come to the Presidency with a majority of the voters behind him, the first candidate to make the Democratic Party a *majority party* in the country. Cleveland's first election in 1884 was with a vote only 62,683 higher than Blaine, but over 70,000 less than a majority, out of a total of more than nine and a half million votes. In 1888, Cleveland received almost a hundred thousand votes more than Harrison, but lost, due to the uneven geographical distribution of the vote; but this time he received almost 400,000 less than a majority of the total vote. In 1892, Cleveland was again elected, but again lacking almost a half million votes of a clear majority. In 1912, Wilson was elected by a minority that lacked over 1,200,000 of being half the votes cast; while in 1916, he still lacked 135,000 of a clear majority.

The next important item to note is that the Democratic

Party, always a minority since the Civil War until F. D. Roosevelt, made an especially weak showing when its candidate was a conservative; it dropped to 35 per cent of the vote of 1920, with Cox, and to 29 per cent in 1924, with the Wall Street lawyer, Davis; while in 1928, with Al Smith, who was supposed to be a progressive in those days, it recovered only to a little over 40 per cent of the total. Between Cleveland and Wilson, Bryan was the candidate in three of the four elections, and twice came close to victory, always as a "radical," but in 1904, Parker, conservative, dropped far behind Bryan's strength. These figures show that the Democratic Party, always a minority, found its only chance of victory in espousing the popular or "radical" cause; the only exception was in Cleveland's second election, when exceptional confusion in politics brought the popular vote to a candidate who had turned conservative after his first election.

The evidence is overwhelming that even before the crisis of 1929-33 unsettled all political alignments the Democratic Party had the following of not more than one-third of the voting electorate, and that its rise above that proportion was *dependent upon forming a coalition with progressive revolters from the Republican camp, and with popular third-party movements.*

Turn now to the Republican Party. In 1912, Theodore Roosevelt's "Bull Moose Party" split-off showed that a distinct majority of the Republican voters were susceptible to the popular or progressive appeal, and when his vote is added to that of the Socialist Party of that year, it was over one-third of the total, as against the progressive Democrat, Wilson, while the reactionary Taft gathered less than one-fourth of the total. In 1924, the progressive Republican, LaFollette, gathered almost one-third as many votes as the regular Republican ticket for his independent candidacy *without a party organization*. In 1932 more than one-third of those previously voting Republican swung over to Roosevelt, while in 1936 the proportion was even increased.

The evidence is convincing that even before the 1929-33 crisis, but most certainly after the crisis, the Republican Party could depend with certainty upon the support of no more than one-third of the voting electorate, and that its rise above the proportion *depended upon the popular appeal of its electoral campaign and candidates.*

We can draw the conclusion from these facts that for a long time there have been taking shape, and since the 1929-33 crisis have become definite, three main voting groups, each representing at present almost evenly one-third of the voting electorate, one continuing to follow the Democratic Party whatever its political complexion of the moment,

the other similarly continuing to follow the Republican Party, but the third turning to one or the other, or expressing itself in third-party movements, as it finds necessary to give expression most effectively to its popular, progressive, democratic and "radical" demands, moods and aspirations.

President Roosevelt and the New Deal represent that middle-of-the-road path which has brought about a coalition between the Democratic Party and the third group of equal strength, a coalition that gathered the Administration's great popular majority in the country. This coalition represents the only possible basis for a Democratic Party victory in 1940.

But the Democratic Party, since 1937, has been sharply divided on the legislative program which is the foundation upon which this coalition has been built, and without which it cannot continue. The Garner-Glass-Wheeler wing of the Democratic Party set out to sabotage and defeat that program, and willingly paid the price of heavy losses in the 1938 elections to achieve their aim. They are now driving for control of the Democratic Convention in 1940, apparently prepared to face the inevitable defeat of their party in the Presidential election if thereby they can restore reactionary control and leadership over their party.

The Garner-Glass-Wheeler wing of the party holds the preponderance of organizational positions and power; the Roosevelt or New Deal wing holds considerable organizational position, but its main strength consists in its popular following and in representing the coalition with the third group of the electorate, which is the key to electoral victory, to office and power. The Democratic Party can almost certainly elect its nominee in 1940, if it names a candidate and writes a platform fully representing the New Deal coalition; it will with equal certainty go down to defeat if its candidate and platform conform to the wishes of the Garner-Glass wing of the party.

Much depends, therefore, upon the outcome of the Democratic Convention in 1940. The radical one-third of the electorate has no chance, nor any hope, of being represented by the Republican candidate and platform, which seem inevitably in the control of the Hoover-Dewey-Taft dominant leadership. It must therefore look for a victory of the Roosevelt New Deal wing in the Democratic Convention—or, failing that, face the alternative of break-up, dispersal and defeat without a fight, or the launching of a new party of its own. Between a Garner-Glass-Wheeler Democratic Party and a Hoover-Dewey-Taft Republican Party it has no choice.

The radical one-third of the voters find it necessary, therefore, to wish for and work for victory for the Roosevelt wing in the Democratic Convention. But, having as yet no guarantee of such a victory, it must prepare for alternative action in case of defeat at the hands of the Garner-Glass forces.

Conditions for New Deal victory in the Democratic

Convention are not identical with the conditions for victory in the November balloting. Stating the problem in terms of the geographical distribution of forces, the difference can be put in this form: For victory in the Democratic Convention, the New Deal must depend mainly upon the North and West while fighting to gain as much support as possible from the South; for victory in the November election, the New Deal can fully depend upon the South (once it wins the Convention) and the West (under all circumstances) while fighting to gain as much as possible from the North. (In the North, according to this division, is included all states up to the Rocky Mountains.) Stating the problem in terms of the class distribution of forces, the New Deal must depend mainly upon labor and the farmers, by representing the basic interests of these groups, while fighting for as much support as possible from the professional people, small business men and independent industrialists, and exerting maximum influence among political-professional and party-worker circles by the inducement of holding the only possibility of their sharing in office and power. This last statement of the problem holds for both Convention and election, but the relative importance of the various factors varies as between Convention and election; the weight of the political-professional and party-worker circles is relatively high in the Convention and low in the election, while the weight of the labor and farmer masses is relatively low in the Convention and high in the election.

Given victory in the Democratic Convention, the New Deal coalition has before it a relatively sure road to victory in the election. It can count with a high degree of certainty upon the South, with 146 electoral votes, and the West with 65 electoral votes. That leaves a margin of but 55 electoral votes required to elect its Presidential candidate, which could be provided even by two states, such as New York and West Virginia, or Illinois and Michigan, or by a combination of three or four smaller states, assuming the most unfavorable conditions.

Although a section of President Roosevelt's party is to be counted among its most bitter enemies, and holds many positions of power in government and party, it remains more than ever true that the President's leadership has united the majority of the population in his support. Roosevelt may not have the enthusiastic support of the Democratic Party machine-politicians everywhere, but he unquestionably commands the allegiance of the overwhelming bulk of the twenty-seven millions who voted for him in 1936, and a clear majority of the electorate. Even the test polls of the Gallup Institute and *Fortune* magazine, certainly not loaded in his favor, reveal this fact clearly upon analysis. The going-over to coalition with the Republicans of a section of the leaders of the President's party reflects the preponderant sentiment of the upper classes, but is exactly contrary to the current among the toiling masses and the unemployed, and especially among

the industrial workers, the largest single group of the electorate.

The progressive and democratic majority is a *coalition* between the Democratic Party and the independent radical one-third of the electorate. President Roosevelt has embodied that coalition, and by his leadership has consolidated and strengthened it. If the coalition is to continue through the 1940 election to victory, it can only be under the same type of leadership and policy. Both candidate and platform, to emerge from the Democratic Party Convention next year, must meet this test. . . .

The surest way for the democratic forces to prevent pro-fascist reaction from winning the government in 1940 would be with a New Deal candidate for the office of President, a candidate of the political position of President Roosevelt.

However, in saying this we have not said all. To insure such a victory will require the greatest exertion of effort by the masses of the people, by the independent mass organizations and mass movement of the workers, farmers and middle classes. It will require, in other words, a most serious and sustained political struggle against the offensive of Big Business reaction from now until Election Day. It will require concerted daily action by the masses themselves, at the bottom, in the localities and municipalities, on the major political issues facing the country, such as the struggle for jobs, security, democracy and peace. For it cannot be denied that the weakest spot in the armor of the progressive camp is the insufficient self-activity and struggle of the masses themselves for the realization of the major demands of the democratic front platform and in support of progressive measures of President Roosevelt's Administration.

Particular stress at the present time must be put on the struggle against the offensive of monopoly reaction, on the issues arising from the economic crisis, on such questions as jobs for the unemployed, security of employment, economic help to the farmers and to the middle classes, as well as an intensified struggle for adequate relief to the unemployed. And it is evident that the country is coming to a point where drastic measures have to be taken by the government to check the offensive of the reactionaries on these issues and to open the way for economic recovery.

Already at the Tenth Convention of our Party we urged, together with the labor movement generally and the progressive farm movement, a program of action looking toward the development of a national housing program, and the nationalization of the railroads, large banks and munitions industries. Life since then has definitely proved that only such measures as these could lift the country out of the economic crisis, check the sabotage of Big Business, and open the way to economic recovery in the interests of the people.

Therefore, we say that the surest way to prevent reaction from winning the government in 1940 is for the

masses themselves and their independent organizations, economic and political, to unfold a sustained and concerted struggle, in the industries, on the farms and in the localities, for the major demands of the democratic front platform which undeniably express the wish of the majority of our people. This would mean, naturally, that the trade union movement would place the question of jobs and security of employment in the very center of their activities and struggles in the industries, carrying on such activities in closest contact with the political struggles of the masses in support of the progressive measures of President Roosevelt. This would mean, similarly, that on the farms and in the farm organizations, policies would be pursued to lead the farm masses in daily struggle for their economic demands on a local and state scale, again in closest contact with the political struggle on a national scale in support and for the improvement of the progressive agrarian plans of the New Deal. Similarly with the middle classes, and with the Negro people. In short, as we said at the Tenth Convention of our Party, the American people have not only the right to demand progressive measures; they also have the duty to fight for them, and this is today truer than it ever was before. It is the only guarantee for victory in 1940. . . .

. . . We may sum up this preliminary survey of the present relation of forces looking toward the 1940 elections, in a few simple propositions:

1. The Communist Party will be committed to no candidate except its own, although there is no prospect of being elected.

2. We share with the majority of the population the urgent desire to maintain and strengthen the unity of the majority, which is supporting President Roosevelt and the New Deal, against its reactionary enemies who are in a minority, but who hope to return to power by splitting the majority.

3. One of the most difficult problems is to obtain such a candidate that will be acceptable to the main groups composing the progressive majority. The ideal candidate, "Mr. Unity," is not likely to be fully satisfactory to either the conservative progressives or the radical progressives, but must be a middle-of-the-road figure of the type of Roosevelt, acceptable to both groups.

4. A prime condition for consolidation of the majority coalition is a militant fight for a recovery program in which governmental intervention at key points is exercised to stimulate shrinking private enterprise, and contracts only to the extent that private enterprise expands, not as an inducement for a problematical expansion. A large-scale housing program, in billions of dollars, is obviously an irreplaceable major item in any real recovery program.

5. The farmers' problems, which have become more difficult, must receive major consideration from the progressive coalition, in measures which will immediately re-

store agricultural production, in the first place of the family-operated farm, to solvency, that is, to guarantee at least cost of production.

6. It is necessary to expose the false promises of the reactionaries, and to defeat the Hitlerite strategy of the "red hunt," under which the cry of "Communism" begins with actual members of the Communist Party only to extend to every fighting democrat, not excepting such a typical middle-of-the-road figure as President Roosevelt, and is designed chiefly to paralyze and split the progressive majority.

7. Unity of the labor movement, above all unity between the A. F. of L. and the C.I.O. is the first consideration for winning the 1940 election for the camp of progress and democracy. The fight for unity is now, above all, a fight to win the A. F. of L. for the Labor Relations Act

and the N.L.R.B., etc., a fight for the New Deal in both domestic and foreign policy, and to defeat the designs of Woll, Green, Frey & Co. to hitch the A. F. of L. to the Republican Party.

8. The Communists can make their greatest contribution to the progressive mass movement by explaining problems, clarifying the relations and alignments of various groups and leaders, by seeing further ahead than others and transmitting that foresight to the entire mass movement, thereby equipping it for quick and correct decisions when the maturing struggle demands it. This is the best foundation for building our own Party, and winning the masses ultimately for our program of socialism, for it will win us the respect and confidence of the masses.

(Extracts from the report of Earl Browder delivered at the meeting of the National Committee of the Communist Party held in New York City, May 6 to 8, 1939.)

Neutrality and the War Referendum

BY JAMES S. ALLEN

A tendency prevails in certain quarters, carefully fostered by pro-fascist anti-New Deal leaders, to the effect that the immediate war crisis is past. But this is a dangerous illusion. In a world situation in which surprises and sudden thrusts by the fascist aggressors have become the order of things, the American people must not be lulled into complacency by what may appear as a temporary lull.

The fact remains that in his Reichstag speech replying to President Roosevelt's peace message, Hitler abrogated the Anglo-German naval agreement and the non-aggression pact with Poland. He again reiterated his demands for territorial aggrandizement. He pointed the Nazi finger most threateningly at Poland. The Berlin-Rome axis has elaborated a stronger military alliance. Rome and Berlin are also concerned with consolidating their position in Spain and using their puppet Franco for anti-democratic manipulations in Latin America. The Japanese war of aggression has been resumed with a new fury. The ground is being cleared for the next move of the fascist axis.

For the moment all interest is now focused upon the present Anglo-Soviet negotiations. The unflinching stand of the Soviet Union for peace and an anti-aggression pact was again firmly reiterated in the recent *Izvestia* editorial, which expressed not only the position of the Soviet people, but the British and French popular will as well, as shown by the tremendous pressure being exerted against Chamberlain and Daladier for the conclusion of a peace front with the Soviet Union.

However, we cannot afford to lose sight of the great role of the United States in creating a solid wall against fascist aggression. In this respect the deadlock reached by the

Foreign Relations Committees of the House and Senate on the neutrality issue is ominous.

The preponderance of testimony before these committees has been in favor of revising the Neutrality Act so as to distinguish between the aggressor and the victim of aggression, or, failing this, prominent citizens have urged outright repeal of the existing neutrality legislation. Undoubtedly, this testimony reflects the gist of popular opinion, which strongly supports President Roosevelt's peace policy.

In the House sentiment is more nearly aligned with the trend of public opinion in that it is inclining towards repeal. Here Hamilton Fish, the link between the tory-Isolationist group and the Thomas Socialists, the Trotskyites, and the Lovestoneites, remains the most outspoken apologist for the fascist foreign policy.

In the Senate, the closely knit Reynolds-Nye-George cabal have thus far succeeded in spreading confusion and blocking action on the Neutrality Act.

The so-called "Keep America Out of War" grouping has recently been joined by the reactionaries on the American Federation of Labor Executive Council, who have conveniently overlooked the declarations of practically all their unions in favor of a positive peace policy, by sending their representatives to plead with Congress to preserve the un-neutral Neutrality Act.

It is evident that the grouping which is thus taking place against the New Deal foreign policy is the same combination of forces which is either directly fighting or sabotaging the social security program of the New Deal. This position is shaping up as opposition to both social and national security.

NATIONAL ISSUES

The extent to which this combination will go is shown by the announced program of the reactionary National Committee to Keep America Out of Foreign Wars, just formed by 25 members and former members of Congress, headed by Hamilton Fish. Among the stated purposes of the Committee are:

"To counteract the inspired propaganda emanating from the White House and spokesmen of the New Deal which has created mass war hysteria throughout the nation by inflaming the fears and passions and inciting hatreds against foreign nations.

"To expose propaganda emanating from within, such as Communism, which seeks to have the United States go to war with Japan and Germany for the benefit of Soviet Russia."

Reading like statements which appear daily in the *Deutscher Beobachter* the aims of Mr. Fish's committee could justly be ascribed to a National Committee to Keep America Safe for Hitler. Not the least prominent of the aims of Fish's committee is to support the so-called Ludlow national war referendum.

It is important to note that the Isolationist-Tory-Trotskyite grouping places as much emphasis in their agitation upon the national war referendum as they do upon retaining the Neutrality Act. Their tactic, as explained by one of their spokesmen, is to "use the referendum as the counter-weapon to check any drive for Presidential embargo control."

In other words, the so-called war referendum is being used in the first place as a maneuver to prevent basic revision of the Neutrality Act, and, secondly, as a reserve weapon to be brought into play should the Foreign Relations Committees report favorably any measure not acceptable to the Isolationist-Tory bloc.

Just as the unneutral Neutrality Act is based on the illusion that strict neutrality on the part of the United States was both possible and desirable as a means of keeping us out of war, the Ludlow-LaFollette-Nye war referendum seeks to establish the even more dangerous illusion that by a national vote on the eve of war, when the country is confronted with ruthless fascist aggression and "undeclared" war, the American people will be able to save themselves from involvement.

The pro-fascist clique plays very cleverly on the assumption that by a referendum, to take place at the moment when the question of war or peace is to be decided, the people can determine the course of American foreign policy. The underlying motive, of course, is to prevent the people now from influencing the course of American foreign policy.

They first try to create the false impression that any effort on the part of the United States to embargo aggressors and to help the victims of aggression would lead in itself to involvement in war. At the same time they

re-echo the Rome-Berlin cry that Roosevelt is the war-maker and must therefore be "isolated and quarantined" by Congress, which is called upon to deny him his powers as Chief Executive in the conduct of foreign relations. Then they try to adorn this pro-fascist policy with the democratic trappings of a war referendum. According to them the people are to sit idly by while fascism continues to expand and to submerge smaller nations and to jeopardize American security until such a time as they may be called upon to vote on the question of the declaration of war in which troops are to be sent abroad.

If the American people were to follow their advice they would never have the opportunity to vote on such a question. By the time such a contingency would arise we would be so hemmed in by the forces of fascism, our strength at home and abroad so undermined by fascist intrigues that we would consider ourselves lucky indeed if we could put up a last-minute defense.

In this connection it is well to note that it is these pro-fascist spokesmen, as well as their isolationist dupes like Senator LaFollette, who are the ones engaged in spreading a paralyzing psychosis of war fear among the people. This tactic is implicit in all their agitation and may be compared with the hysteria of fear deliberately created by Chamberlain and Daladier in their countries prior to the Munich agreement.

The misnamed War Profits Bill, supported largely by the leading reactionaries and the anti-New Deal forces, is another example of this. The sponsors of this measure have frankly declared that their purpose is to prevent any steps likely to lead to war by striking the fear of war into the hearts of the people. Never seriously working for the passage of the bill, they have, however, included in it an elaborately worked out system of ostensibly "confiscatory" taxes which would strike at the wage worker making \$1,000 a year as well as the multi-millionaires.

Unreliable, unworkable, this fantastic measure is typical of fascist demagoguery. It is to be noticed that these gentlemen do not advocate practical measures, such as the nationalization of the munitions industry, the railroads and the banks, nor do they favor steeply graduated taxes against the higher incomes and the bigger business to finance both social and national security.

A bolder stand is necessary on the part of the New Dealers in both Houses of Congress and the Administration if teeth are to be placed in the President's pronouncements on world affairs.

The Foreign Relations Committees of the House and Senate should not find it difficult to arrive at an agreement which will be acceptable to the people.

The Pittman peace bill standing by itself is completely unsatisfactory and does not have public endorsement. Public sentiment is solidly in back of the principles embodied in the Thomas amendment, or outright repeal. The repeal of the Neutrality Act and immediate enactment of an

embargo against Japan are the minimum demanded by the people.

These measures at the very least should be forthcoming from this session of Congress and without further delay if we are to fulfil our obligations not only to the world

front against aggression but to our national security as well. Nor can any progressive or New Dealer expect to get hearty endorsement of the people in 1940 unless he can demonstrate his consistent record in the fight for national security.

The Municipal Elections

BY BEN DAVIS, JR.

The recent city elections—especially the Maverick victory in Texas, the Farmer-Labor results in Minnesota, and the defeat of the Hague slate in Bayonne, New Jersey—register highly significant advances for the camp of progress. Continuing the progressive trend expressed in the outstanding New Deal municipal triumph in the Chicago mayoralty elections, they are straws in the wind for 1940. No one, not even the bitterest enemy of the New Deal, can deny that they have a great bearing on the forthcoming 1940 elections. And because they have a favorable bearing, the Republicans and anti-New Deal Democrats have been rather close-mouthed about them.

Unquestionably, these elections afford fruitful lessons which every progressive, in and out of Congress, can use to great advantage.

One of the most outstanding triumphs was the victory of Maury Maverick, forthright New Dealer and outspoken champion of the developing progressive South, over Mayor C. K. Quin of San Antonio. This was a distinct setback to the Garner anti-New Deal machine right in its very lair and will be felt by the Garner-Republican tie-up nationally. The victory stands out all the more because it was the Garner-Quinn Democrats who, through demagoguery and corruption, defeated Maverick in the 1938 elections.

The democratic camp was pretty thoroughly united this time. The scattered division which previously rent it and played into the hands of the Garner forces in the 1938 elections were absent. C.I.O. and A.F. of L. unions stood side by side. The issues were made clear and the people rallied to the clean-cut policies of the New Deal. It was a stinging rebuke to the red-baiters who worked the old red-herring overtime in an attempt to smear Maverick's fusion ticket which got in all but one candidate.

The achievement of an almost compact trade union unity served as a magnet which drew together the Workers Alliance and other progressive organizations. Especially outstanding was the role of the Negro and Mexican people who accounted for a sizable Maverick vote. Through the medium of the Texas council of the National Negro Congress, the issues were clarified with the inevitable result that 6,000 Negro votes went to Maverick.

There is a tremendous lesson, all by itself, in Maverick's

overwhelming Negro support. Maverick's continuous offensive against reaction, whether against the anti-New Deal Democrats in the South or the Tory Republicans up North, was never more effectively displayed than in his outspoken defense of Negro rights. He was the lone Southerner during his term in the House to vote for the anti-lynching bill. He launched out on many occasions for equal opportunities for Negroes in accordance with their citizenship rights. The fact that Maverick is a member of the Southern Council of the historic Southern Conference for Human Welfare, which is already on record against the reactionary poll tax which disfranchises poor whites and Negroes, is no secret—certainly not to the people of San Antonio. The conclusion is that it is by pressing onward against the reactionaries that success is to be found, and not by retreating, or even marking time. The people want to march forward.

A really inspiring and resounding victory was won against "I-am-the-law" Hague whose tin-horn dictatorship in New Jersey was shaken by the Bayonne elections. For the first time in twenty years the Hague yes-men were defeated in this city. The mayor and four commissioners—all candidates of the "Home rule, not Hague rule" forces, were swept into office. Sensing the doom of his stooges, Hague even deserted them and endorsed two anti-Hague men. The endorsees promptly repudiated his support, to the acclaim of the people.

Hague, of course, operates primarily through the local Garner-Glass wing of the Democratic Party, which is anti-New Deal, corrupt and anti-labor to the core. But like the reactionary Democrats on a national scale, he is tied up with the Hoffman-Hoover Republicans. (The voting in of Hague's admittedly unqualified son to the New Jersey bench by the Republicans left no doubt of their unsavory link with Hague.) The anti-Hague victory was accomplished by united progressive forces in Bayonne whose core was labor unity. A wide use of red-baiting, corruption, fake votes, floaters—for which dictator Hague's machine is notorious—was not enough, although in other New Jersey towns Hague's methods were the only thing that saved his machine from defeat by an unprecedented high anti-Hague vote. In Hoboken, West New York and New Brunswick also the New Deal camp made gains,

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even though the progressives were handicapped by many weaknesses.

There was a definite resurgence of the progressive movement in Minnesota when the Farmer-Labor Party forces succeeded in nominating all but three of the twenty candidates they had endorsed in the May 8 mayoralty primaries—this despite the sabotage and disruptive role of the Trotskyites. The progressive mayoralty candidate, T. A. Eide, polled 30,875 votes while the Republican incumbent, Mayor Leach, received 37,487 votes. But in 1937 Leach had a lead of 25,000.

This was a stinging setback to the Republican machine of Governor Stassen who harangued his way into office last November with some of the prize G.O.P. demagoguery of the entire 1938 campaign.

The run-off elections are on June 12. The Farmer-Labor unity slate had been drawn up before by a conference of over 350 delegates representing C.I.O., A. F. of L., Railroad Brotherhood unions, Farmer-Labor bodies and clubs, the unemployed and other organizations. The unity candidate for mayor, Eide, received a vote almost equal to the total vote of the defeated candidates. He takes his place on the final ballot against the tory Republican Leach.

Campaigning on a platform of "liberal, honest and efficient government," Mr. Eide stated the issue clearly:

"I am for the Roosevelt Administration, the New Deal. I have always actively supported the same, and intend to bring the New Deal to Minneapolis when elected."

In all wards, but the twelfth, the incumbent Farmer-Labor aldermen led the ticket. And even in the twelfth, Farmer-Laborite Foley will be on the ticket in the run-off. The Republicans were not without the aid of the notorious fascist, Gerald Winrod, who wrote supporting articles in his Silver Shirt paper, the *Defender*. It will be recalled that Winrod ran on the Republican ticket in the 1938 Kansas elections.

Concerning the major progressive, municipal triumph won thus far, suffice it to note in passing that with the Democratic Party as its vehicle, a coalition of New Deal, labor and liberal forces won a striking victory in the Chicago elections. Mayor Kelly, backed by labor, the unemployed and progressive organizations, got the biggest vote ever polled by a Democrat in that city. Thirty-one of the fifty aldermen are New Dealers. Republican representation in the City Council was cut from seven to six. For the first time in the history of Chicago's large South-Side Negro community, the second and third wards are now out of the Republican column and are represented by two Negro New Dealers, one of whom is Earl Dickerson, outstanding attorney.

There was also a progressive victory in the municipal election at Springfield, Illinois state capital, and a labor triumph in Peoria, indicating that the New Deal sentiment is strong in the small industrial towns as well as in the main urban centers.

The progressive movement for clean, honest government in Los Angeles, California, which began last September with the recall of the reactionary Mayor Frank Shaw and the election of reform Mayor Fletcher Bowron, likewise scored an impressive success in the recent City Council primaries.

The fact that the Republicans won three new state offices and re-elected five G.O.P. incumbents to office in the Michigan spring elections was due, in a large part, to the failure of the Democrats to do much campaigning. Labor failed to carry its effective united action against the Fitzgerald anti-labor bill into the election arena.

Elsewhere in Michigan, however, it was another story. Wayne County, which includes Detroit, elected nine Democrats and but one Republican. The fascist Coughlin's satrapy, Royal Oak, traditionally Republican, went Democratic by a clean sweep.

Wisconsin, which was pretty much seduced by Republican demagoguery in 1938, began to shift. Progressives got the edge in school board elections in Milwaukee and showed progress in Kenosha and Madison. In Superior, the progressive mayor was re-elected and a union man got in as alderman.

In Oklahoma City, Oklahoma, two supporters of the New Deal (one, the A. F. of L. state leader, the other a small grocery man) were elected to the City Council ensuring a progressive majority for the coming year.

Baltimore, Maryland, saw an impressive New Deal victory in the Democratic mayoralty primary with the nomination of Mayor Howard W. Jackson and the defeat of Charles Buck, candidate of the reactionary Bruce-Curran-O'Connor machine. Jackson was supported by a united front of the labor and liberal forces of the city.

These election returns, coming from very nearly every section of the country and taking place simultaneously with the magnificent victory of the coal miners, leave no doubt of the strengthening of the labor, progressive and New Deal camp on a nationwide scale since last year.

There is evidence of a definite "sobering up" after the riot of demagoguery with which the Republicans drenched the country last fall. Disillusionment has begun in centers where the Republicans promised themselves into office, as in Minnesota, and important areas in Michigan and Wisconsin.

Above all, the developing unity of labor on the electoral field has been the foundation of these progressive triumphs. It has been the cornerstone of rallying the unemployed, the farmers, the Negro people, the national groups, the small business and professional people to a winning democratic front coalition. And the extension of labor's unity of action is the key to further progressive advances.

A weak spot to be eliminated, however, is the slow pace at which Republican hypocrisy is getting its just desserts in the farm areas. The organized crystallization of an anti-Republican sentiment in the farm centers is not yet as

marked in the rural areas as in industrial centers. The labor and progressive movement should give serious practical attention to this for the 1940 elections. For the Republicans are making an increasingly big play for the farmers.

The Negro people were a highly contributing factor in these victories, particularly as shown in San Antonio and Chicago. If Maury Maverick, in the very den of the Garner anti-New Deal reaction against Negroes, pursues a forthright position for Negro rights, certainly it can be done elsewhere in this country. This means an uncompromising struggle for the immediate day-to-day needs of the Negroes (especially jobs), against discrimination and for the passage of the Anti-Lynching Bill. This is a job for the progressives in and out of Congress.

An important factor in determining the outcome of the municipal elections, which will play a still more influential role in 1940, has been President Roosevelt's anti-fascist orientation in foreign policy which stands as a weapon of offensive against the reactionaries even on domestic issues. His note to Hitler and Mussolini, his more clearly defined anti-fascist policy, has won large and increasing support from the American people. It serves as a special basis for winning Americans of Polish, Lithuanian, Czech descent, in fact all those nationals of countries invaded or menaced by the fascist axis, to the New Deal in the remaining municipal elections and in 1940.

It was by taking the offensive with the New Deal as the main clear-cut issue that the progressive forces were able to score these victories. This results in rallying broad circles of the people, who must still be gotten fully into motion for the extension of progressive New Deal policies.

The place to begin the fight is in the small communities, the rural areas and the cities. The community is the first-line trench in the battle for the needs of the people and for a New Deal victory in 1940. This was made clear by the recent U. S. Conference of Mayors held in New York. Greeted by a message from President Roosevelt and keynoted by Mayor LaGuardia, the conference pointed out the great need of expanding W.P.A., low-rent housing, social security and other New Deal measures, as the key to recovery. It approved Attorney General Murphy's plea for the protection of civil liberties. These should be the basis of the progressive platform in every community if the New Deal is to go on to victory in 1940.

Still other pivotal municipal elections to take place are in Minneapolis, as well as New York City, San Francisco, Detroit and Cleveland in the fall. They too will have national significance for 1940. Their outcome is as yet unknown. But the lessons of the recent city elections show that the broadest front of the people, with labor unity as its core, is the way to victory for the camp of democracy.

Two Reorganization Plans

BY ROBERT NORTON

In the midst of unbridled demagoguery and hysteria emanating from the Congressional "economy bloc" concerning the inefficiency and wastefulness of popular governmental activities, the New Deal has won another important victory. It is quietly placing into effect a series of administrative reforms which are moving in the direction of more *democratic* control and efficiency in modern government. This program is being carried out by President Roosevelt under the Reorganization Act of 1939 which was passed by Congress early in April by an overwhelming majority, notwithstanding the deceitful campaign leveled against the Reorganization Bill last year, when the Tories then branded it as a diabolical plot to foist a "dictatorship" upon the country.

The objectives sought by the New Deal program, however, are not those which the reactionaries have in mind, even though they may use the same terms. When the Garner-Taft forces demand "economy" in government, they are thinking of the total elimination of essential governmental functions. When the cry is raised to drive out the "politics in relief" or to "restore relief to the States," the true meaning of this language is to kill the social and

economic values of useful work projects and to replace them by the social and economic wastefulness of the dole, to throw the control of Federal works projects to the local political machines where the "politics" will be unhampered but more amenable to the dictation of big business. And when Wall Street calls for more "efficiency" in government—particularly in those phases of Federal and State activity which offer a basis of comparison with private business—the true objective is generally drastically to curtail expenditures for social welfare, to throttle the effectiveness of governmental operations by impossibly rigid requirements and standards and to introduce reactionary, bureaucratic controls and management.

The New Deal's program is aimed in the opposite direction. The purpose is to strengthen, not to weaken, the essential governmental functions. The aim is to streamline the immense administrative apparatus of the Federal government, to improve the collaboration of all sections of the government on matters of basic policy and to guard against bureaucracy. The goal, in short, is to cause the government to function more democratically, on a higher

plane of effectiveness than before, without sacrifice of governmental principles or social values.

The principles of this program were emphatically stated by President Roosevelt in submitting his first reorganization plan to Congress a few weeks ago. He said:

"In these days of ruthless attempts to destroy democratic government, it is baldly asserted that democracies must always be weak in order to be democratic at all; and that, therefore, it will be easy to crush all free states out of existence. . . . These measures have all had only one supreme purpose—to make democracy work—to strengthen the arms of democracy in peace or war and to ensure the solid blessings of free government to our people in increasing measure. We are not free if our administration is weak. But we are free if we know, and others know, that we are strong; that we can be tough as well as tender-hearted; and that what the American people decide to do can and will be done, capably and effectively, with the best national equipment that modern organizing ability can supply. . . ."

These words, and the concrete proposals in the reorganization plans which accompanied them, were clearly a challenge to the typical fascist propaganda concerning the alleged congenital weakness, regimentation and inefficiency of democratic governments. They were also a challenge to Wall Street's corresponding dogma that private business alone can function efficiently and that government activities are inevitably dictatorial, wasteful and inefficient. Finally, these words and their related proposals were an effective reply to the campaign of distortion and lies, under the spurious slogan of stopping a non-existent "dictatorship," by which Hoover Republicans and anti-New Deal Democrats sabotaged the enactment of reorganization legislation a year ago and greatly narrowed the scope of the bill as it was finally voted by Congress this year.

Within the somewhat limited area now open to reorganization action, the plans thus far proposed by the President represent an effective start towards progressive administrative reforms and improved governmental technique. The major steps have been a realignment and consolidation of social, public works and financial agencies along functional lines and centralization of supervisory, investigational and planning functions in the office of the President, with greater opportunities for democratic influences in the Federal administration.

The effectiveness of the President's office as the chief administrative and policy-making post of the government is greatly re-enforced. Attachment of the Bureau of the Budget to the executive office gives the President closer control over the agency directly concerned with supervision of government expenditures and preparation of budgetary estimates, with coordination of governmental activities and with the development of intra-governmental efficiency through research and investigation. Likewise, the transfer of the National Resources Committee to the executive office and its reestablishment as the National Resources

Planning Board give the President direct access to the research findings and expert services of the one government agency which is now moving in the direction of progressive economic planning. Similarly, the attachment of the National Emergency Council to the White House will make directly available to the White House a functioning information service as to conditions, economic and social problems and public opinion in all sections of the country. Finally, the authority for appointment of six administrative assistants to the President will afford improved facilities for contact and information between the White House and all the agencies of the government.

Considerable social importance also is involved in the formation of the three new agencies which will consolidate many of the new activities undertaken by the New Deal. In view of the mounting attack by the reactionaries against the W.P.A., the incorporation of that administration in the new Federal Works Agency represents a potent defense measure against such tactics and against maneuvers to slash and mutilate the functions of W.P.A. Furthermore, by association with all the other public works activities of the Federal government, emphasis will be placed on the economic and social role and benefits of the W.P.A. From the standpoint of the new agency as a whole, the consolidation involved should improve the expansion and coordination of Federal construction operations and socially beneficial public investments generally. The other principal offices to be grouped in the Federal Works Agency are the Public Works Administration, the U. S. Housing Authority, the Public Roads Administration and the Public Buildings Administration.

Similar logic applies to the grouping of agencies concerned with social security, health, employment, education and youth activities in a new Federal Security Agency. The individual agencies involved in this consolidation are the Social Security Board, the U. S. Employment Service, the Office of Education, the National Youth Administration and the Civilian Conservation Corps.

Finally, the major lending and credit agencies, with the exception of those concerned with farm credit which are transferred to the Department of Agriculture, will be consolidated in a Federal Loan Agency. Under the latter's jurisdiction will fall the Reconstruction Finance Corporation, the Federal Housing Administration, the Federal Home Loan Bank Board and the Electric Home and Farm Authority. Other shifts, of less direct social importance, represent an unscrambling of the haphazard expansion of departmental activities through the years and the transfer of unrelated activities to their proper spheres in the interests of increased efficiency. All of these reorganization measures are subject to veto by a majority vote of both houses of Congress, but it is conceded by New Dealers and Tories alike that there is little prospect of such action.

The New Deal's reorganization program, as outlined by these moves, represents a major step forward toward

more effective government operation, even though a large area of important governmental activity is "exempt" from reorganization orders as the result of the previous maneuvers of the Garner-Vandenburg forces in Congress in whittling down the extent of the Reorganization Act.

The reforms of reorganization, however, remain as yet reforms of administrative machinery only; they do not lessen the need for more progressive management and popular control of that machinery. If, for example, the current efforts of the Garner-Glass Democrats to secure the administratorship of the new Federal Loan Agency for Jesse Jones are successful, the influence of that anti-New

Deal gentleman, who has limited the functions of the Reconstruction Finance Corporation principally to aiding big business, would be extended over a still more important area.

The success of the New Deal's drive for democratic efficiency in government requires a consistently progressive policy and personnel which will serve the interests of the people. It requires, also, more organized and sustained expression and pressure of public opinion on Congress and the Administration, so as to ensure the fullest participation and influence of the democratic majority of the people in the governmental and political life of the country.

The Mayors' Viewpoint

BY ESTHER CANTOR

The recently concluded ninth annual meeting of the United States Conference of Mayors demonstrated the growth of the organization as a vital national agency for progressive action and reflected the strong, compelling sentiment of the country for continuance and expansion of the New Deal.

Under the vigorous leadership of Mayor LaGuardia of New York, reelected president for the fourth time, the Conference of Mayors from one hundred and ten leading cities declared it to be in the interests of the cities that W.P.A. be continued, the Federal low-rent housing program expanded, labor united to eliminate costly jurisdictional disputes, and the nation's tax structure probed.

This concern with national affairs and understanding of the vital relationship between the municipalities and Federal government was recognized by President Roosevelt in his letter to the mayors.

The President thanked the cities for their cooperation in carrying out national policies, praised the conference for its aid to the Federal government, and cited the seventy United States agencies which have formal dealings with municipalities.

"It should be emphasized," he said, "that the success of many of the important tasks of the national government is dependent, to a large degree, on effective coordination and cooperation with the municipal governments."

Roosevelt concluded that it is "a useful and valuable thing to cooperate with each other and thus provide a sound basis for joint cooperation with the National Government on our common problems."

Mayor LaGuardia's opening address to the meeting, urging continuation and extension of the Federal government's work relief program for the nation's unemployed, was endorsed unanimously and further elaborated on by Mayor E. J. Kelly of Chicago and Mayor Daniel W. Hoan of Milwaukee.

LaGuardia demanded that Congress realize that "jobs must be considered on the number of unemployed, and not only dollars," and criticized the Byrnes Bill for its crippling effects through inequitable distribution of W.P.A. funds.

In defense of W.P.A., including the white-collar projects and the validity of the work relief program, the mayors approved the speech of Colonel Harrington, who assailed the House Appropriations Committee now conducting a red-baiting investigation aimed at discrediting the W.P.A. and disrupting the Workers Alliance.

"These investigators," Harrington charged, "seem entirely absorbed in hunting things to criticize."

The mayors, who know of the accomplishments of the W.P.A., by their applause for Colonel Harrington's speech, showed their strong condemnation of the witch-hunt into W.P.A. and saw in the alleged investigation a Congressional attempt to scrap the whole W.P.A. program.

On housing, the U. S. Conference of Mayors reflected the same unanimity in approving the speech of Mr. Strauss.

With democracy "challenged as never before . . . it becomes a matter of crucial importance to seize upon issues that unite rather than divide, in order to consolidate the progressive and liberal temper of America," Strauss told the mayors, and said that "housing is that kind of an issue."

Mayor LaGuardia urged the other mayors, all coming from cities suffering from acute housing shortages and slums, to support the \$800,000,000 appropriation now pending in Congress for continuation of the New Deal's housing program.

While the proposal for a nationwide survey of the country's taxation structure indicated the acute problems confronting the cities on finances and the concern for enactment of better tax laws, the meeting's resolution opposing federal taxation of municipal bonds reveals unclarity, as well as the stranglehold maintained by the banks on the cities' finances. Fear that banks will increase interest rates if required to pay taxes on city bonds was underlying the resolution. It is true that the cities are milked and hampered by the banks, paying privately owned financial institutions exorbitant rates of interest for money used for the public welfare.

But this makes it all the more urgent that the Federal government enact legislation to tax tax-exempt securities; and at the same time extend long-term credit to the cities at no or low interest rates, breaking the noose of the banks around the necks of the cities.

The mayors expressed sharp criticism with the present inequitable election districts which deprive urban centers of proper representation in state legislative bodies and in Congress.

The proposal for the establishment of a Secretary of Urban Affairs and the plea of Mayor C. D. Scully of Pittsburgh for greater home rule, and the criticism of unresponsive state legislators reflected this dissatisfaction.

It was fitting that Mayor Hague was not present when Attorney-General Murphy, warning that the "seeds of barbarism have

been sown among us," assailed public officials who suppress civil liberties as an "arrogant minority that happens to hold the key to the gun-room."

He urged the country's mayors to fight "militantly" to preserve the democratic rights of the people.

"Guard against tendencies and practices that corrode democracy and sap its strength," he counseled, revealing that eight hundred anti-Semitic organizations are fostering propaganda in the country.

The special civil liberties unit of the Department of Justice has received a "deluge of complaints from citizens whose rights have been abrogated by tyrannical officials," he said. The complaints, he said,

"... indicate clearly that some public officials have used their power arbitrarily; that ordinances have been passed and invoked that are oppressive and unjust and violate common rights; that citizens have been denied the right to express

their opinions and to worship as they please; and that some have been prevented from petitioning government for redress of grievances."

Whether the many progressive New Deal policies endorsed at the conference will be carried out locally by the mayors is conditional on the strength and unity of labor and the progressives acting in cooperation with all pro-New Deal forces to translate the resolutions into public action.

In this connection, the commitments made by the mayors on work relief, housing and civil liberties provide a powerful wedge for the progressive and New Deal groups in the municipalities to bring their demands to the fore for action, as well as to expose those mayors like Burton, Reading, Hague and Rossi who only give lip-service to the resolutions of the Conference while they sabotage the New Deal's program.

Farm Legislation

BY EDWARD T. ALLEN

All Congressional action for the past month on farm bills has centered around *appropriations* for 1940, and will continue to do so during the coming weeks as the farm appropriations bill moves into the conference stage. After the attempt of the "economy bloc" and the Budget Bureau to cut farm aid more drastically than for any other group, the action of the Senate in bowing to the demands of the farm organizations was a major blow to the Tories. The vote of 61-14, with an indication of a 74-15 vote if all had voted, was a smashing setback to the anti-New Deal Democrat-Republican coalition.

Notwithstanding all the headlines, the Senate additions brought a total only \$67,000,000 above last year's funds, little reward for the farmers for their uphill fight against the "budget balancers." Funds for *parity payments*, due to be made during the spring and summer of 1940, were increased slightly from \$212,000,000 to \$225,000,000, but with 75 per cent of parity price still the limit of government aid. The \$25,000,000 additional granted for *tenant purchase* operations merely fulfills the promise of the Farm Tenant Act for 1940, calling for a \$50,000,000 fund.

The third big Senate addition was a \$113,000,000 fund for the Federal Surplus Commodity Corporation for *surplus removal*, both for export subsidies and larger aid to needy, which more than doubles the \$90,000,000 already available from customs funds. This feature ensured support by dairy, fruit and vegetable farmers, who previously were uninterested in parity payments since only commodities under the A.A.A. got them.

The House "economy bloc" has not given up hope of being able to pare down or eliminate a large part of the Senate additions, and unless the strong pressure of recent weeks is maintained, they may succeed in doing so. Anti-Administration forces are trying to confuse the situation by playing up the President's formal statement against voting parity funds without voting taxes to raise the money, and Morgenthau's usual protest against upsetting the budget calculations. But the President's firm stand against curtailing social expenditures, plus the recent W.P.A. appropriations for the unemployed, will make it difficult for many conservative representatives from non-farm areas to oppose the joint aid to farmer and city needy.

Except for a share in the surplus removal funds, the *cotton surplus* problem is still unmet. Conflicting interests represented by Senator Cotton Ed Smith, Dr. Claudius T. Murchison of the

Cotton Textile Institute, and Oscar Johnston of the National Cotton Council, on the one hand, and Senator Bankhead and Administration Senators, on the other hand, have been too evenly balanced so far to get action. Aim of the big cotton interests is to drive the domestic price down to the world level, thereby making money for the textile trade, and for insiders on the cotton exchanges, as well as further to cut production and give big subsidies to the large planters. As proposed by Senator Smith the measure would be one of the biggest "steals" on the United States Treasury in history.

As against this, Bankhead's proposal to subsidize cotton export, as has been done for wheat, in order to regain export markets, would cost much less and involve none of the other bad effects, as President Roosevelt has pointed out. It is not a long-time program, although it points in the direction of a two-price system, and may bring to a head the fallacy of the present policy of trying to maintain a price higher than the world market on all domestic production. This problem is so urgent that action must be taken at this session, or American farmers will face a further loss of world markets.

It is not true, as will be said, that the surplus funds now added by the Senate will take care of the situation. At most, 25 per cent of the \$203,000,000 can be used, and to do so would cripple the scrip plan of giving more relief aid just inaugurated. Success for the Byrnes proposal to trade cotton and wheat for tin and rubber for military reserves would help to the extent of only one million bales at most, whereas at least eight out of twelve million bale stocks need to be moved.

Meanwhile the first two *reorganization plans* included two significant changes: bringing the now independent and banker-minded Farm Credit Administration into the Department of Agriculture, so that their policies can be brought into line with those of the Department; and the shifting of the R.F.C., which contains the Commodity Credit Corporation, into a new Federal Lending Agency, with perhaps a new head appointed above Jesse Jones, who has hindered the loan policies of the A.A.A.

On April 18 the House Committee on Agriculture voted to pigeonhole the *Kennedy-Coughlin Cost of Production Bill*, H.R. 2371, after two blasts from the National Farmers Union, in which the measure was described as a step towards fascism by individuals not unsympathetic to totalitarianism. It is now com-

pletely dead for this session. Meanwhile the National Farmers Union introduced two important bills of its own—S. 2395 applying to wheat, and S. 2434 applying to cotton—and is preparing a bill to bring dairy products under the A.A.A. as a basic commodity. The wheat and cotton bills are domestic allotment amendments to the A.A.A., with a modified form of price-fixing worked out through a certificate plan, ensuring parity prices or cost of production, whichever is higher on the domestic portion of the crop, and graduated protection for the family-sized farm.

Chances of the wheat measure being passed are heightened since it removes the need for making any large appropriations, and both Congress and the farm organizations are keenly conscious of that problem just now. The cotton bill has less chance due to the turmoil and confusion in the cotton areas which has not yet crystallized. It will, however, bring forward important principles which will have to be reckoned with in the future. The milk bill would weaken the milk trust's fake "cooperative" grip on the milk-sheds while strengthening the A.A.A., and would help achieve a national program for milk. Its chances are slim, with both the trust and the big milk "cooperative" opposition.

Two minor but significant bills are before the Senate Agriculture Committee after being passed by the House: H.R. 3800, limiting soil conservation benefits to \$5,000 to big farmers not having tenants, and the H. J. Res. 258, which puts the burden of justifying a reduction in the number of tenants and croppers upon the landlord and County Committee. The present law puts the burden upon the cropper or tenant to convince the County Committee that the charge was unwarranted, and the additional benefits should be withheld from the landlord.

No hearings have been held upon either the progressive *Lee Tenancy Bill*, S. 1836, or the *Bankhead Bill*, S. 1365, for increased tenancy aid through federally insured mortgages, nor has action been taken upon continuing the reduced interest rate upon Land Bank loans and Land Bank Commissioner loans, or upon reducing outstanding emergency feed and seed loans.

A concerted drive, headed by the Agricultural Producers Labor Committee, an adjunct of the pro-fascist Associated Farmers, and joined in unfortunately by most of the leaders of the Farm Bureau, Grange, Milk Producers Federation, and the National Co-op Council, to amend the Wages-Hours, Wagner, and Social Security Acts so as to exempt all workers in any way connected with farm products, under the guise of not hurting the poor farmer, has been making headway because of inadequate organized opposition from the working farmers and the New Dealers.

The flood of anti-alien bills now before Congress has not passed unnoticed by the farmer organizations. The Farmers Union vigorously objected to passage of the Hobbs concentration camp bill. President Vesecky pointed out that, while allegedly aimed only at aliens, measures such as the Hobbs bill "threaten to undermine our democratic institutions and to destroy our liberty."

Social Security

The House Ways and Means Committee, concluding its hearings upon proposed amendments to the Social Security Act, will introduce shortly a bill which will include some of the following changes and features:

Old Age Insurance: employee and payroll taxes will be retained at the present rates. Benefit payments will begin in 1940. Basic rates will be increased 30 to 50 per cent and will be according to the schedule already publicized in the press. There

will be minor additions on supplementary benefits for wives and dependents. But although basic benefits will be computed according to average wages per quarter instead of total wages, the computation will include quarters of partial or total unemployment, so that the penalty for unemployment existing in the present law will be continued. Provisions will be made to include maritime workers on American ships under the benefits, but workers in industries which are first processors of agricultural commodities (now included) will be dropped from the categories covered. Proposals of the Social Security Board for extending coverage and for preparing for eventual extension to agricultural and domestic labor are not included in the contemplated bill. No changes will be offered on questions of public assistance to the aged, dependent children, etc.

Unemployment Insurance: The most important item the Committee will report out on this question is the proposal that States which have accumulated large reserves relative to benefit payments may reduce the tax rate (paid by employers) provided they establish the following minimum standards of benefits: waiting period not over one week; benefits to last for at least 16 weeks; no benefits shall be more than \$15 per week or less than \$5 per week; benefits to be paid for partial unemployment. About ten states will be able to utilize this proposal.

Any reduction in taxes for unemployment insurance is detrimental. While some States have large reserves, others are virtually bankrupt. Future layoffs may strain the reserves of any State. Enemies of unemployment insurance could make big capital out of a status of bankruptcy of State systems.

The minimum standards provided for in the Committee's bill are a substantial improvement over present standards, but there is no minimum standard for eligibility. At present State laws vary on the eligibility requirement (amount of earnings or period of employment which a worker must have had during the year previous to becoming unemployed). Experiences with State merit plans indicates that reduction of taxes will be accompanied in many States by a stiffening of eligibility requirements, thus depriving many workers of benefits.

It is obvious from the above that the proposed bill of the House Committee despite certain improvements is both inadequate and seriously unsatisfactory. For an adequate program for strengthening the Social Security Act see article in the April number of NATIONAL ISSUES. Meanwhile we list here a few progressive proposals which may be submitted on the floor of Congress as amendments to the committee's bill:

Old Age Insurance: (1) compute basic benefits on average wages in periods of full employment of the worker concerned; (2) extend the insurance to all workers immediately; (3) reduce the retirement age to 60.

Unemployment Compensation: (1) eliminate tax reductions; (2) make minimum standards listed above requisite for all States, regardless of tax action or reserve situation; (3) add minimum eligibility requirement—say 13 weeks employment in past year, the present requirement in three States and about the best of any (except Wisconsin); (4) extend coverage to all workers (i.e., instruct States to do so), regardless of industry.

Write your Congressman, as well as the House Ways and Means Committee, at once expressing your demand to improve the proposed bill of the House Committee. Support the amendments listed above but press for more progressive and basic changes which are needed to make the Social Security Act serve the needs of the people (see April number for these), especially to liberalize the old age pension system to provide \$60 monthly for all persons over 60.

CONGRESSIONAL CALENDAR AND DIGEST, JUNE, 1939

NEUTRALITY REVISION

The fight against the pro-fascist "Neutrality Act" has been going on for a long time. You have written your Senator, your Congressman, telegraphed Chairman Pittman, appealed to the President. Maybe you think you have done your bit. But right now—in the next few weeks—the vital issue of American foreign policy is going to be decided. The Senate hearings are over. The main witnesses have had their say. Now it's up to you again. And your peace, your security are at stake. The tory-isolationist bloc of Senators Nye, Clark, Taft and Vandenberg threaten a filibuster against repeal or revision of this suicidal "neutrality" legislation. In the name of "keeping America out of war" they threaten to talk the people out of the freedom to act for peace.

The activities of "Peace and Security week" (April 26 to May 5) showed that there are additional hundreds of thousands of people who are just beginning to understand the nature and the source of the war danger—the Rome-Berlin-Tokyo axis. People who read the newspaper, listen to the radio—and learn from history—know that there is no truth in the Taft-Reynold-Hitler slanders that President Roosevelt wants to lead us into war. These people are new to the campaign against the "Neutrality Act." They haven't written their Senators, they haven't yet made themselves heard in Congress.

You can find people like these in your community. Mobilize them in a new, broad, sweeping campaign for repeal or drastic amendment of the "Neutrality Act." And no matter how many times you have written before, write your Senator and Congressman again. Put the President's foreign policy as set forth in his message to Congress in January, over the top—now, before Congress goes home.

Rally greater support for the Thomas-Geyer neutrality amendments (S.J. Res. 67) which represent a step in the direction of distinguishing between aggressor and victim nations. Demand that Senator Pittman's "cash and carry" neutrality bill be revised so as to include at least the provisions of the separate resolution introduced by him for placing an embargo against Japan. Mobilize public opinion in behalf of H.R. 5432, the bill introduced by Congressman Coffee which would place an embargo on all trade or commerce with Japan. Organize public pressure everywhere to demand from Congress and the Administration that the Neutrality Law should be revised to restrict and penalize the fascist war-makers or, failing this, that it should be repealed.

"WAR REFERENDUM"

Hearings before the Senate Judiciary Committee were begun May 10 on the Ludlow-LaFollette "war referendum" bill in an attempt to divert public attention from the fundamental peace issue of neutrality revision. The ranks of those who are still fooled into believing that this is either a "democratic" or a "peace" measure are dwindling rapidly. It comes up now with the warm endorsement of Hitler and Mussolini, and that alone is enough to expose the Ludlow Amendment's worth to democracy and peace. Proponents of the bill have further stamped it by attacking President Roosevelt's foreign policy and echoing the fascist slanders about Roosevelt "war-mongering."

The bill has a fifty-fifty chance of emerging from the Senate Committee. But a letter to Senator Hatch, expressing firm opposition to it, will help assure its burial and strengthen the fight for repeal or revision of the unneutral "Neutrality Act."

ANTI-ALIEN AND REFUGEE BILLS

The Hobbs Concentration Camp bill has passed the House, with only 61 votes registered against it. This bill, H.R. 5643, can and must be killed in the Senate. Write the Senate Committee on Immigration. Tell the citizens of your community to stand guard against all so-called anti-alien bills, especially against those introduced by the pro-fascist Dies, Reynolds, Hobbs, Dempsey, Starnes and Smith (Virginia). (See May issue.)

Hearings on the Wagner bill (S.J. Res. 64) to provide refuge in this country for 20,000 children of fascist countries have won the widest support. This support proves that the great majority of Americans remain loyal to our democratic and humanitarian traditions. Senator Reynolds, after raising his voice against the bill at a pro-fascist meeting where he won the applause of Fritz Kuhn and the German-American Bund, felt obliged to "explain" himself for four hours in the Senate.

Passage of the Wagner Refugee bill can now be won, and it has a political significance far beyond the small number of children it would save from Nazi terror. Passage of this bill would be a real demonstration against Reynolds, Dies, Hobbs and Company and their reactionary drive to restrict or shut down on all immigration and to abrogate the Bill of Rights.

LA FOLLETTE CIVIL LIBERTIES COMMITTEE

Senator Schwellenbach has introduced a resolution to provide \$100,000 for continuing the work of the LaFollette Civil Liberties Committee. Both the A.F. of L. and the C.I.O. have given strong support to this bill. The exposure of such enemies of democracy as the Associated Farmers is not the concern of labor alone. It is a matter of vital importance to the preservation of the democratic rights of all the people, and to the exercise of those rights in the coming elections of 1940. Write Chairman James Byrnes of the Committee on Audits and Accounts of the Senate, and to your own Senator.

ANTI-LYNCHING

Delay on passage of the Wagner-Gavagan anti-lynching bill has already resulted in a number of new instances of this brutal crime. With almost a hundred signatures to the petition to release this measure from further committee consideration, it can be brought out on the floor of the House. Has your Congressman signed the petition on the Gavagan bill? Write him today.

LEE BILL

The "tax the profits out of war" bill introduced by New Deal Senator Lee of Oklahoma is receiving some serious consideration. But war cannot be "taxed" out of existence. The fascist war danger must be met through embargoes against the war-makers, repeal or drastic amendment of the so-called Neutrality Act, and more active collaboration by the United States with the Soviet Union and the other democracies in behalf of world peace.

Taxation is a peace-time as well as a war-time problem. Read the article (*Recovery—Or Collapse?*) on the Chamber of Commerce tax program in this issue. Explain to your Senator that neutrality revision or repeal is one of the best ways to assure peace. And that repeal of the undistributed profits and capital gains taxes will not equalize the people's tax burden at any time.

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CONGRESSIONAL CALENDAR AND DIGEST, JUNE, 1939

(Continued from preceding page)

RELIEF AND W.P.A.

In our May issue we characterized the Byrnes bill, S. 1265, as one of the main sources of danger to the unemployed and the whole working class. With the acceptance of the President's first reorganization plan (see article by Robert Norton in this issue) the Byrnes bill has been withdrawn. The Garner-Harrison-Byrnes "economy" bloc, having fully exploited the usefulness of the Byrnes bill, is now adopting other tactics.

For the present they are allowing the main offensive to be conducted from the House Appropriations sub-committee, where the tory Democrat, Woodrum of Virginia, carries on his witch-hunt a la Dies.

One of the chief "investigators" for the Woodrum committee, H. Ralph Burton, has been exposed as a former Maryland state campaign manager for Father Coughlin's reactionary Union Party during the 1936 Presidential campaign. The parallel between the Dies and Woodrum committees is complete. Both disregard the canons of traditional American jurisprudence and follow a procedure based on the Hitler axiom that the biggest lies are the most effective. And both pursue the same ultimate objective—disruption of the labor-progressive ranks, in preparation for a victory of reaction in 1940. The more immediate job of slashing the 1940 relief and W.P.A. appropriation has been temporarily entrusted to the Woodrum committee.

As the battle lines are being drawn for a big Congressional struggle on this issue, we are glad to be able to register a real rallying of labor and progressive forces. Mayors of the principal American cities, presenting a united front that included Mayor La Guardia of New York and Mayor Kelly of Chicago, testified before the Woodrum Committee in defense of W.P.A. The U. S. Conference of Mayors also submitted a report expressing their approval of W.P.A. and the firm opposition of their communities to the "economy" bloc's irresponsible attempt to cripple or curtail it.

W.P.A. Administrator Harrington and Representative Cannon of Missouri, a member of the Woodrum committee, have both condemned the committee's procedure, while at the same time stressing the need for more adequate relief funds and expansion rather than curtailment of the W.P.A. program. And, finally, John L. Lewis has written the Appropriations Committee urging that three million workers must be kept as a "minimum of safety" on W.P.A. projects.

The conference of the Workers Alliance, scheduled to be held in Washington on May 27, should serve as a rallying point for all the labor, progressive and New Deal forces now girding for a show-down fight against the bi-partisan reactionary advocates of the dole, turn-relief-back-to-the-states, and other starvation "programs."

Write your own Congressman, condemning the actions of the Woodrum committee. Say you support the demands of the Mayors, the C.I.O., and the Workers Alliance. Say your minimum is \$2,750,000,000 to provide three million jobs.

WAGNER ACT

Latest developments on the Wagner Labor Relations Act are discussed in this issue. Continue to oppose all amendments to the Act. Be on guard against so-called "secondary" amendments like the reactionary maneuver to dissolve the N.L.R.B. and to establish a new five-man board. Keep writing. Keep working for labor unity.

HEALTH

Hearings on Senator Wagner's Health bill, S.J. Res. 64, were begun on April 27 before the Senate Committee on Education and Labor. This National Health Program has aroused the widest enthusiasm among progressive people in every community. It has the united support of the A. F. of L. and C.I.O., and both labor groups have sent witnesses to testify to the need of workers for more adequate medical care. In many communities local and regional conferences are being held to rally support for this measure. But, like all progressive legislation designed to meet even part way the most pressing needs of the people, the National Health Program has provoked a storm of tory opposition. This opposition is already well organized. Frank Gannett's so-called "National Committee to Uphold Constitutional Government" is engaged in a campaign to raise \$50,000 for the defeat of the Wagner Health bill. The recent convention of the reactionary American Medical Association condemned the bill as a "threat to the national health and well-being." The A.M.A. took refuge in the old weasel-word slogan of the N.A.M.: "We approve the objectives, but we don't like the methods." The A.M.A.'s House of Delegates advanced 22 "reasons" for opposing the National Health Program, one of which reasons gives the whole show away: "This bill proposes to make Federal aid for medical care the rule rather than the exception."

The Wagner Health bill can only pass if the people, rallying around the labor and New Deal forces, put up a really vigorous battle. Social-minded doctors in particular should make it clear that the A.M.A. is not *their* spokesman. Organize the people of your community in support of the Wagner Health bill. Write Senator Wagner and the Senate Committee on Education and Labor, supporting this bill as a *minimum* program.

FOOD TICKETS

The Federal Surplus Commodities Corporation plan for distributing food to the needy, and helping the farmers market their surplus crops has been tried in Rochester, New York (see April Calendar). It works! Write Milo Perkins, F.S.C.C. president, expressing your approval of the plan and asking that it be extended to your community. But be sure to add that you are opposed to the use of this plan as a substitute for present W.P.A. wages or increased relief and W.P.A. standards. Also write to your Congressman and urge that he support increased appropriations for the F.S.C.C.

WAGES-HOURS

The Norton amendments to the Wages-Hours law (H.R. 5434) have been favorably reported to the House. Write Representative Norton and your own Congressman, opposing amendment at this session. (see May issue.)

WALSH-HEALEY ACT

If you are really concerned about "taking the profits out of war" and if you believe that firms doing business with the Federal government should comply with the Wagner Act and other laws of the land—write your Senator urging him to support S. 1032, the amendments to the Walsh-Healey Government Contracts Act. Write Senator Walsh, too.

NATIONAL ISSUES