

AUTO BOSSES DEMAND MORE PROFITS

Fifty Billion Dollars A Year

An Editorial

Fifty billion dollars a year is the sum that the American people are being called on to spend for the war.

Most people, even if they were to sit down with pencil and paper, would find it hard to comprehend how much that sum really represents. We don't mean in terms of gold, or in terms of how many times it would stretch around the world if dollar were placed next to dollar — but in terms of how much human endeavor it takes to produce that wealth, and how much good it could accomplish if its use were devoted to socially progressive ends.

One or two examples will suffice: It is more than ten times the sum spent for unemployment relief during the whole period of the depression. It is more than a hundred times the amount spent by the government for slum clearance and low cost housing. It is a thousand times the amount spent by the government for prevention of disease each year.

Yet this sum of money, and the billions being spent by all the other contending powers, is only part of the price the world has to pay because the first world war did not end with the abolition of the economic and political rivalries which lead to modern war and with the establishment of a Socialist United States of Europe and a World Socialist Federation.

It is a staggering price to pay for every year of the war, and the masses have already been told that it will be a long war and they know that they will have to bear the burden of paying it both during and after the war. Yet they would pay it gladly, they would pay twice the price gladly and still consider it cheap, they would voluntarily and eagerly make sacrifices they do not today dream of, if they could be sure that it would lead to the utter destruction of Hitlerism and the kind of world after the war that would prevent the recurrence of other wars in the future.

But who can honestly assure them that this will be the outcome of the present war?

The mere military defeat of Germany and the replacement of Hitler by some other representative of the ruling class, is no guarantee whatever that Hitlerism will be destroyed. Unless the source of fascism, which is the decaying capitalist system, is also destroyed, we will live to see a new and equally bloody Hitler rising on the ruins of a defeated Germany in the space of a few years, aspiring to lead another struggle for world power.

Furthermore, which of the statesmen of the war can guarantee that even after defeating and subjugating Germany, fascism will not spread to those countries where it has not yet come to power?

Everyone knows that even if the United States wins, the war will be followed in this country by the greatest depression it has ever had. Millions of workers will be unemployed, the farmers will be unable to sell their crops, the middle class will be ruined by inflation, and the political situation resulting from this economic chaos will enable demagogues to arise, win a following and make an attempt to become American Hitlers.

The workers in this country who can look ahead, who understand that it is futile to attempt to destroy Hitlerism without at the same time eradicating its capitalist roots, who do not want to spend fifty billion dollars a year only to find that it has been wasted or used to enrich the soil of American fascism, will join the struggle to aid the German revolutionists in their fight to overthrow the system of Hitlerism in Germany, and support the movement to establish a Workers and Farmers Government and prevent fascism here.

Unions Face Run-Around From War Labor Board

By DON DORE

JAN. 6. — Complications and differences are rising thick and fast in connection with the establishment of the new War Labor Board.

Among the host of unsettled problems are questions of the composition of the board, its procedure, policies and powers.

A proposal by the AFL-CIO leaders that the new board be composed of four union men, four employers and one additional "public" representative already appears headed for the scrap-heap. Administration quarters last week let out the information that a tentative executive order calls for a board of 12, with four "public" representatives.

This recommendation is in close accord with the demands of the employer representatives, who have demanded a board of eleven. It is the belief of the employers that the more so-called public representatives on the board, the more certain there is that it will be predominately pro-employer in attitude.

'PUBLIC' REPRESENTATIVES

Experience has demonstrated that the "public" representatives tend greatly to lean toward the employers, as they are usually drawn from administration and professional circles closely tied to the upper class.

The union leaders, however, are for only one "public" representative, in the belief that it will be easier to influence a single individual to take an "impartial" position.

The size and composition of the board are not the decisive questions. Far more important are the questions of procedure and policy.

The procedure already recommended in the tentative executive order indicates that the unions are headed for a swamp of red tape and delay.

JUNGLES OF RED-TAPE

The proposed procedure includes the following series of steps, each one calculated to provide weeks if not months of delay in the handling of grievances:

1. Direct labor-employer negotiations until possibility of agreement is "exhausted"; 2. Further negotiations under supervision of the U. S. Conciliation Service; 3. Certification of the dispute to the War Labor

IWW Defense Committee and Pacific Coast Unions Aid 18

Contribute Money to Assist Appeal of Case To Higher Courts

The Civil Rights Defense Committee, the organization mobilizing public support for 18 Socialist Workers Party and CIO members convicted of violating the 1940 Smith Gag Law in the Minneapolis "sedition" trial, this week announced that the General Defense Committee of the Industrial Workers of the World and two West Coast CIO unions had contributed money in support of the defendants.

The General Defense Committee sent a contribution of \$100 with a letter expressing the hope that "this small donation will help you in your efforts to vindicate these fellow workers of any wrong doing against society."

IWW PERSECUTED DURING LAST WAR

The Committee, which rallied support for the IWW members persecuted in the Palmer "witch" hunts during and after the first world war, is together with the American Civil Liberties Union and the Workers Defense League supporting the work of the Civil Rights Defense Committee in appealing this case to the higher courts.

Local 9 of the Industrial Union of Marine and Shipbuilding Workers of America, CIO, of Los Angeles, contributed \$25 toward the support of the appeal.

Lodge 1845 of the Steel Workers Organizing Committee, CIO, of Huntington Park, Cal., also donated \$10 to aid the defense.

The Civil Rights Defense Committee is the authorized national organization for collecting funds and mobilizing public support for the 18 convicted defendants. Its national headquarters is at 160 Fifth Avenue, New York City.

Board; 4. Mediation by a War Labor Board panel, without power to make public recommendations; 5. Voluntary arbitration through an arbitrator selected by agreement of the board, or if that is not possible, by an arbitrator chosen by lot from a panel named by the President; 6. Final arbitration by the full board, empowered to make binding "determinations" and "awards."

It is easy to see where this type of procedure will lead.

To begin with, the employers are starting to stall around with even the most minor grievances in the shops. They are under no compulsion to yield anything to labor, enfeebled by the loss of strike rights. Thousands upon thousands of complaints of every type are bound to pile up. Not a tenth of the complaints will even be discussed by the board.

ANTI-LABOR LAWS

Even so, the employers intend to take no chances with the board. They are continuing to demand that it be guided in all its decisions by a set of predetermined policies favorable to the open shop, fixed wages, etc. If the new board fails to adopt such policies of its own volition, the employers hope to enforce

Jim Crow Policy Unchanged



Navy Department (after Dec. 7): "There has been no change (in this Jim Crow Policy)... and for the time being no change is contemplated."

Red Army Wins Victories With Armed Workers Aid

Worker Detachments Helped to Drive the German Armies Back On All Fronts

By JOHN G. WRIGHT

The Red Armies continue to advance along the entire front. In several sectors the German armies have been driven back more than 100 miles.

For a period of five months the Red Army had known nothing but defeats and grave reverses. Vast areas and strategic centers had been yielded to the enemy. The losses in equipment and manpower were staggering. Yet precisely at the moment when it seemed that nothing could stem the onward surge of the Nazi armies, the tide suddenly turned.

The troops which had been so badly beaten in the entire preceding period proved capable not only of withstanding the largest offensive yet launched against them, but of assuming the initiative themselves. For more than a month the Red Army has been scoring a series of successes along the entire 2,000 mile front.

To our knowledge, such a development had not been foreseen by

anyone.

The Nazi High Command in addition to blaming the severity of Russian winter, the difficulty of maintaining long lines of communication, etc., acknowledges that the enemy had proved far stronger than realized. The opinion of the Allied experts coincides by and large with the German alibi.

The Kremlin, after a period of reticence which is an ample commentary of its own astonishment, has finally dared to advance its own ritualistic explanation, to wit, — that the successes are entirely due to Stalin and his "military genius." Thus, if the Red Army advanced in the Stalingrad area, it was because Stalin had called the headquarters in that region on the telephone.

Stalin "personally planned and directed the operations" which led to the encirclement of the Nazis in the Solnechnogorsk area, northwest of Moscow. (Daily Worker, Jan. 4). Similarly, in the case of Crimea.

Dispatches from Moscow or Kuibyshev, which are issued by the official Stalinist agency TASS but which appear abroad as Associated Press or United Press dispatches, contain an ever increasing number of "announcements" that the victories are the fruit of Stalin's "personal planning." The interesting thing about these ritualistic and ridiculous boasts is not that Stalin is being credited with successes but rather that he is given credit for so little, and furthermore only for victories in the most recent period.

But whatever their source, the tenor of the explanations, is the same — in every case the answer in sought on the military arena alone. Naturally, climatic conditions, length of lines of communication, etc., play an important role in military activities. But they are not at all decisive.

Thus, during the Finnish invasion in 1939-1940 the Soviet troops had very short lines of communication and yet were unable to advance against a foe vastly inferior to the German Army. We might point out in passing that Stalin's "genius" was

(Continued on page 3)

Seek 'Business As Usual' At OPM Conference

Corporation Heads Ignore Union Plans to Convert Auto Industry for War Production

JAN. 6. — OPM and auto corporation officials have been kicking up a cloud of dust in Washington the past few days to conceal their failure to prepare for the conversion of the auto industry to war work, which has resulted in the cessation of virtually all auto production and in unemployment for no less than 450,000 auto workers.

A month after the attack on Pearl Harbor, the OPM yesterday convened a conference of auto labor and corporation leaders to discuss plans for "conversion of the automobile industry from a peace status to an all-out defense basis."

The conference began the same day as large CIO and United Automobile Workers advertisements in leading newspapers put the finger on the OPM and auto-

From the word go, the conference has shaped up as nothing more than window dressing to quiet agitation about the "business as usual," "patriotism with profits" attitude of the auto corporation owners. It is also being used to silence union leaders who have been clamoring that labor be given a voice in the organization of war production.

Jean Meichler Shot By Nazis As A Hostage

French Trotskyist Lifelong Fighter for Social Emancipation

We have just received news from France that our comrade Jean Meichler has been shot by a German firing squad. Arrested some months ago, he has just been shot as a hostage.

Jean Meichler had been a member of the French Trotskyist movement from its beginning in 1929. Throughout the years he had been an unwavering propagandist of our ideas who completely devoted his life to our organization. He was a victim many times, not only of the bourgeois French courts, but also of the military authorities. A reserve officer in the French Army, he had been demoted for his revolutionary activity. He has fallen now, together with hundreds of other workers, under German bullets.

But massacres and tortures cannot hold back the revolt of the peoples, which will bring the end not only of Hitler but of all capitalist reaction. The day of reckoning will come.

BOSSES AGREE TO NOTHING
As the first sessions of the conference have already shown, a "voice" is all that labor will get. The boss spokesmen so far have agreed only to participate in a joint conference "advisory" committee of five union and five industry representatives.

Contrary to misleading press reports that the conference has agreed on plans for mobilization of the entire industry on a planned basis and that labor is to be given a voice in production policies, the employers have agreed to nothing. They have committed themselves neither to pooling of resources, accepting the recommendations of the "advisory" committee, nor even conversion of the industry.

All labor representatives were excluded from a passenger-car subcommittee which met on Monday afternoon with Price Administrator Henderson to request that General Motors and Chrysler be permitted to manufacture more passenger cars. The companies claim they want to use up their inventories before converting their plants for war production.

This was one of the four proposals (Continued on page 3)

'United Nations' Pledged Against Separate Peace

But Pact Will Be Adhered to Only So Long As It Serves Interests of the Signatories

The new year was ushered in by the addition of one more pact to the long list of agreements which have been made in previous years—and then usually broken—by the contending powers. This new agreement, the Declaration by United Nations, was signed in Washington on Jan. 2 by the United States, Great Britain, the USSR, China and 22 smaller anti-Axis belligerents.

The "United Nations" pact forms a diplomatic parallel to the "Anti-Comintern Pact" signed by 13 European and Asiatic nations in Berlin on Nov. 25, 1941. This is affirmed in the first of the two provisions of the Declaration in which each of the signatories "pledges itself to employ its full resources, military or economic, against those members of the Tri-Partite Pact, and its adherents with which such government is at war."

The second provision contains a pledge by the signatories not to make a separate armistice or

Prime Minister Churchill last August.

WHY PACT WAS SIGNED

The Declaration, although it is not a treaty, is regarded in Washington, to be as binding as a formal treaty which would have required legislative ratification of the signatory nations.

The announcement of the agreement came as no surprise to the world. It was to be expected that following the conferences in Washington there would be some formal ratification of the alliance by the opponents of the Axis which has been in operation for the last half year. According to the New York Times, the idea of the Declaration originated with President Roosevelt and Secretary Hull, two or three days before its announcement when it had become plain that Manila would be lost. But the fall of

(Continued on page 3)

"The Party And The Trade Union Movement"

In this, the fourth installment of his final argument to the jury in the Minneapolis "sedition" trial against members of the Socialist Workers Party and Local 544-CIO, chief defense counsel (and defendant) Albert Goldman discusses the part played by Trotskyists in the labor movement.

I come now to the question which I consider third in importance. First is the question of whether or not we advocate the violent overthrow of the government; second in importance is the question of our attitude on the war; and third is the question of our activities in the trade unions. When we consider that question we come to the point that actually explains the reason for this prosecution.

THE PARTY AND THE TRADE UNIONS

MR. GOLDMAN: More time, ladies and gentlemen, was spent on the trade union question in this case than on any other single question, including the central issue of the case as to whether or not there is a conspiracy to overthrow the government by force and violence. And I am not surprised at that. I expected it because the trade union question has far more to do with this case than the question of the overthrow by force and violence of the Government of the United States.

Consider the chief witnesses for the government — who they are, what they are doing now, what role they played in Local 544 before the indictment — and the conclusion is inescapable that this trial is essentially a contest between two factions in the union, with the government being part of one faction. I dare anyone to attempt to disprove that statement. Of course counsel for the government cannot admit that and they must try their best to disprove it. They must repeat over and over again: "This case involves only the question of whether or not the defendants violated certain sections of the law. But all in vain! No matter what the government says, it cannot escape from the facts."

Therefore, I hope that you forgive me if I deal with the question of trade unionism, as it is involved in this case, quite extensively.

EVERY PARTY SEEKS INFLUENCE IN UNIONS

To work in the interest of the unions and thereby get the confidence of the workers and be elected to offices in the union, is a right which I shall defend day in and day out. Every person living in the United States, every group in this country, has a right to do exactly that. And as for us, we intend to exercise that right. It is unquestionably true, ladies and gentlemen, that the Socialist Workers Party would like to have great influence in the trade union movement so that it could persuade the workers to follow socialist ideas. Unfortunately for us and much to be regretted by us, is the fact that our influence in the trade union movement is very limited.

Every political party desires to get control of the unions. The question is for what purpose and in what manner? Can it be denied that the Democratic Party would like to get and retain control of the trade union movement? Can that be denied of the Republican Party or any other party? Of course not. Every political party attempts in various ways to get support in the trade union movement and as far as the Republican and Democratic Parties are concerned, they succeed in getting control of that movement through tying themselves up with the bureaucrats who lead that movement.

OUR FAITH IN THE WORKERS

The trade union movement is the most powerful institution in this country. Why? Because it includes in its ranks vast numbers of industrial workers and railroad workers and is thus able to continue or to stop production and by stopping production, to throw the country into a terrific turmoil. If the trade union movement had leadership with social vision, it could easily solve the problems of this country but unfortunately the leadership is in the hands of narrow and bigoted men.

WHAT ARE OUR AIMS IN THE TRADE UNIONS

Do we then attempt to control the trade union movement? If by that is meant that we send our members into the trade unions with instructions to work in the interest of the members of the trade unions and to gain the confidence of every worker and to be elected to office, then we must admit that we try to control it. But only in that sense and in no other sense. The history of Local 544 conclusively proves our contention that our work in the trade union movement is of that nature.

We are interested in bringing immediate benefits to the workers. Does it appear to be contradictory that socialists work to bring immediate benefits to the workers and at the same time look forward to a revolutionary situation when the masses will be dissatisfied with the dreadful conditions confronting them? Why is it that we try to improve the conditions of the workers? Remember that our object is to win the confidence of the masses and to do so we must work for an immediate improvement in their conditions. We must show them that their poverty and suffering is not brought about by anything they do, but by the existence of the capitalist system, by the greed of the capitalist class. We must show the workers that what we are interested in is in improving their conditions.

But we also tell them that no matter how much we try to improve their immediate conditions, the social system under which they live makes it impossible in the long run to achieve any real improvement. Whether the workers like it or not, they will ultimately find themselves in a situation under the present social order when there will be no solution except to change that social order.

OUR RECORD IN LOCAL 544

Under the strict rules of evidence it was impossible for us to prove how much the defendants have done to improve the conditions under which the workers labor. But enough has been permitted into evidence to show beyond the peradventure of a doubt that the activities of the Dunne brothers, of Farrell Dobbs, of Carl Skoglund and of every other defendant who is a member of Local 544, aided the truck drivers in getting improved conditions. Can there be the slightest doubt of that? Who built Local 544? The defendants played by far the most important role in organizing the truck drivers. The evidence is overwhelming that in their activities the defendants were motivated by the fundamental aim of improving the conditions of the truck drivers and other

Albert Goldman Tells The Jury Why Trotskyists Are Interested In Unions And How They Function In Them

What did the government try to prove by introducing the question of trade unionism? It tried to prove that the Socialist Workers Party aims to gain control of the unions and to utilize that control for the purpose of getting the masses organized into unions to take up arms against the government. That in essence is the government's position.

Let us, then, analyze the evidence to see whether the government has succeeded in proving its contention. Mr. Anderson, in his opening statement, made it clear that the evidence would prove that the Socialist Workers Party conspired to dictate to the unions and to utilize the unions as instruments for the purpose of furthering the central aim of the party, to wit: to overthrow the government by force and violence. No other purpose was attributed by the prosecution to the Socialist Workers Party as far as the trade union question is concerned.

And then the parade of government witnesses began and on the basis of the testimony of those witnesses it could be deduced that the aim of the Socialist Workers Party in working within the unions was altogether different from that which Mr. Anderson indicated it was. Dictate to the unions! How could the Socialist Workers Party dictate to the unions of this country? Even on the basis of the testimony of the government's own witnesses, as elicited from them through cross-examination, it became clear that the Socialist Workers Party never could and never did try to dictate to the unions. And when you take into consideration the evidence of the defendants, then you can see that all that the Socialist Workers Party aimed at was to have its members work in the unions, do the best they could for the workers and the unions and thus gain influence with the workers.

Our party supports the trade union movement against the employing class, even though certain sections of the unions are led by the type of men whom we designate as reactionary. We have so much faith in the essential correctness of the trade union movement — so much faith that the workers ultimately will throw the racketeers and bureaucrats off their backs — that we support the trade union organizations. As was said several times by government witnesses who did not understand the significance of their testimony, we are always in favor of the workers as a class, against the employers as a class. To us, the workers who create the wealth of society are always right against the employers who get the benefit of that work. That is why we support the workers against the employers even though the workers at times are led by people in whom we have no confidence whatever. It has been sufficiently brought out in the evidence that we do not have any confidence in Tobin, yet we would unhesitatingly support the Teamsters International under the leadership of Tobin, against the employers.

The trade union movement at the present time, led by men like Tobin, who are interested only in their personal welfare, irritates many people. It irritates the small business men, the farmers and even many workers with the senseless jurisdictional struggles and clique fights constantly going on. As I said before, the leadership of the trade union movement lacks social vision and the task that we have set ourselves is to try to educate the members of the unions so that they will insist on having as their leaders men who understand the problems of society and who understand the power and the responsibility of the trade union movement in solving those problems.

workers and, what is more, they did succeed in improving the conditions of the workers in Minneapolis. You do not have to take our testimony for that, but the testimony of the witnesses for the government.

The defendants won the confidence of the truck drivers because we represented their interests. The truck drivers, who know nothing about socialism and surely nothing about Trotskyism, know the Dunnes, know Dobbs, know Skoglund and all the other defendants as people who are absolutely honest and sincere in their work. They know them personally and they understood that the defendants were working for the interests of the truck drivers.

Witness after witness for the government testified that they had been in opposition to the defendants, that they ran candidates against them in the elections of Local 544, but no one dared even to suggest that the defendants were not rightfully elected. The overwhelming testimony on the part of the government witnesses was to the effect that the defendants controlled Local 544 not by force, not by compulsion, but by virtue of winning the confidence of the men and of being elected to office in the most constitutional and democratic manner, with the rights of free speech and free criticism allowed to all opponents.

The membership of the truck drivers rose from 200 in 1934 to 6,500. Why do you think the truck drivers flocked into the union? Was it because the defendants were socialists or Trotskyists, or was it because the vast majority of them understood that they gained something practical by being in the union?

There were, of course, people like the government witnesses, who were not satisfied with Local 544 and its leadership. As I told you, modern society is constituted on the principle of "dog eat dog". There are many who try to benefit themselves at the expense of others and that is true of some people in the trade union movement. There is, in fact, no escaping from that principle anywhere under the present social system.

Two government witnesses came from Omaha. They turned out to be honest witnesses. These witnesses — Tommy Smith and Malcome Love — testified that they joined the party not because they understood the principles of the party but because they knew Dobbs and they knew the Dunnes and, said Tommy Smith, because the leaders of Local 544 were "labor-minded;" they were "the only ones who helped other unions organize the unorganized." Dobbs went from one

city to another helping his fellow workers and Tommy Smith said: "I joined not because I knew anything about socialism but I knew the leaders of Local 544; I knew how honest they are and I figured that what is good for them is good for me."

HOW THE PARTY HELPED THE UNIONS

The workers in the union could not write and could not edit a paper because they did not have the benefits of a formal education. It is not their fault. It is the fault of a system that condemns youngsters to go to work at the age of 13 and 14; it is the fault of a system that prevents youngsters from attending high school and college. The employers had no difficulty in finding people who could write for them — they had money to hire such people — but the workers didn't have any money and so they had to depend upon members of the Socialist Workers Party, members who were willing to work for little or nothing in order to serve the interests of the workers. We admit that our members in helping workers always have in mind to convince the workers that the ideas of socialism are correct, but it is untrue that they go into the unions only with that purpose. They constantly have the welfare of the workers at heart.

Mr. Anderson naively asked the following question: "What business had the Socialist Workers Party to organize the Federal Workers Section? Should not the government be trusted with taking care of relief clients?" And by the government, I presume, Mr. Anderson means the people who have charge of WPA and the relief set-up. No, Mr. Anderson, it is obvious that the 2,000 members of the Federal Workers Section did not have sufficient confidence in the government officials. Out of these 2,000 members, there were probably no more than half a dozen or so members of the Socialist Workers Party. The fact that 2,000 men and women considered it necessary to become members of the Federal Workers Section proves conclusively that they thought the organization to be of great benefit to them. These men and women recognized that to protect their interests, it is necessary to organize and exert pressure upon government officials who otherwise would neglect their duties.

It has been the universal experience of all people, that the government gives aid only to those people who are organized. The farmers organize, and if they don't — they should. The same is true of the small business men. The workers organize and the unemployed have a right and a duty to organize.

THE DEFENDANTS AND UNION DEMOCRACY

How did the members of our party who were in the

WHAT WE BELIEVE ABOUT STRIKES

Oh yes, we were in favor of strikes. Mr. Anderson, in his opening statement, evidently with the intention of startling the jury, accused the defendants of never being satisfied, of constantly agitating for higher wages and more strikes, never wanting to arbitrate or to negotiate. But what has the evidence shown? The defendants, of course, have called strikes; but only after receiving authority from the members of the union, only after all attempts to negotiate with the employers have ended in failure. As far as Local 544 is concerned, the evidence shows that since 1936 there has not been a single major strike — the truck drivers were organized and the employers understood that they had to negotiate with Local 544.

Mr. Anderson also promised to show you that the defendants never believed in arbitration. But Mr. Dobbs, while he was on the witness stand, explained to you that while we prefer direct negotiations between unions and employers and while, as a general rule, we do not think arbitration is the best method of settling disputes, still we accept arbitration under certain circumstances. There is no question of principle involved.

When Mr. Dobbs said that he does not believe that there are impartial arbitrators, he explained that in a society divided into classes the fundamental issues dividing those classes cannot be arbitrated. There is no possibility of finding an impartial arbitrator on these fundamental issues. But that does not mean that we would exclude arbitration under all circumstances. The fact is that both in Local 544 and when Mr. Farrell Dobbs was secretary of the 11-state over-the-road Area Committee, there were many cases of arbitration.

The evidence proves conclusively that the defendants practiced real trade union democracy to such an extent that the vast majority of the truck drivers followed the defendants and would now prefer them if they had a chance to indicate their preference by a democratic election.

LISTING THE GOVERNMENT WITNESSES

In contrast to the trade union policy of the defendants, I shall now show you what was the trade union policy of the government witnesses. As I indicated before, this case is nothing but a struggle between two factions in the union with the government siding with the faction consisting largely of the witnesses against the defendants. I will read you the names of the chief government witnesses and on the basis of their own testimony I think you must agree with me that they constitute the opposition to the leadership of the defendants in Local 544:

James Bartlett — now organizer for 544-AFL.
Eugene Williams — now organizer for 544-AFL.
George O'Brien — now organizer for 544-AFL.
Roy Wieneke — now organizer for 544-AFL.
Tom McCue — now organizer for 544-AFL.
Edward Blixt — now organizer for 544-AFL.
Sidney Brennan — now Secretary-Treasurer of 544-AFL.

Those are the main witnesses. Then we come to witnesses of secondary rank: What is their relationship to the power that controls 544-AFL? They are:

Walter K. Stultz — he and his wife are receiving pay from the Tobin Receiver of 554 in Omaha.

Even the hostile government witnesses had to admit that the Socialist Workers Party members were always willing to help the unions. Stultz from Omaha was a hostile witness but, not being as shrewd as Bartlett, he admitted the truth. He testified that defendant Alfred Russell wrote letters for Local 554 in Omaha, that Russell helped negotiate with employers and that Russell and other members of the party edited a union paper to present the case of the workers to the public.

leadership of Local 544 exercise control of the union? What is the policy of the Socialist Workers Party with reference to the method of controlling unions? You will find that policy explained in the Declaration of Principles and in the pamphlet on trade unionism written by Farrell Dobbs. Complete inner-democracy in the trade unions is stressed both in the Declaration and in Dobbs' pamphlet.

Unfortunately there is very little democracy in the trade union movement. There is practically none where men like Tobin rule. But wherever the Socialist Workers Party members are elected to office, they see to it that the members of the union have full democratic rights.

We have a firm and undying conviction, ladies and gentlemen, that without the understanding cooperation of the masses of the people, there can be no progress; there can be no real progress if people do blindly what they are told to do, no matter how good the intentions of the leaders may be. There can be no real progress under the rule of dictators no matter how benevolent they may be. There can be progress only if the masses understand what they are doing, understand their rights and exercise those rights — only if the masses take control of their own fate and destiny — and this can be done only through education and the democratic process.

Some of you, when questioned by the Judge before being accepted as jurors, said that you had heard and read something about the Soviet Union and thought that it was a communistic or socialistic state. By this time I think you understand that, as socialism is conceived by the defendants, its existence is impossible without freedom, without liberty, without democracy. There can be no socialism without freedom of the press, freedom of discussion, without the voluntary cooperation of the masses.

By the testimony of the government's witnesses it was shown that in Local 544, under the leadership of some of the defendants, there was complete democracy, complete honesty and the local was completely free of gangsterism and racketeerism except insofar as some of the government witnesses tried to get away with certain racketeering practices.

Helen Hanifan — bookkeeper in 544-AFL.

Harriet Karlen — stenographer of 544-AFL.

The following witnesses testified that they were formerly on the Tobin Receiver's payroll:

Glen Smith — formerly organizer for the Receiver of 544-AFL, member of a squad. What kind of a squad, I think the jury understands. He was the man who beat up Jake Cooper and was proud of it — of course as he said — there were 12 others with him.

Henry Harris — bodyguard for Bartlett.

Jack Novack — member of what he claims to be a negotiating squad. That was the boy who obviously would be unable to negotiate anything with anybody.

The following government witnesses are members of the Committee of 99, organized on behalf of Tobin to oppose the leadership of the defendants in 544:

Karl Bath

Robert Bove

MR. SCHWEINHOUT (Prosecutor): Bove was not a member of the Committee of 99.

MR. MYER (defense counsel): Look on Page 1182 of the record, Mr. Schweinhaut.

MR. SCHWEINHOUT: I stand corrected.

MR. GOLDMAN: I continue the list:

Elmer Buckingham

E. G. Holstein

John Majersky

Joe Williams

All one has to do to become convinced that this trial is nothing but a continuation of the factional struggle in 544, is to read the names of the witnesses.

(To be continued next week)

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By Ernest Williams

What Fascism Means For the Negro

Two Negro figures as widely separated in their fields of activity as A. Philip Randolph, labor leader, and Arthur Mitchell, Democratic congressman, have praised the pamphlet, "What Will Happen to the Negro If Hitler Wins," by Chandler Owen. The reason is that despite their differences on most other questions, they are both agreed that the Negro's position in this country would become even worse than it is if Hitlerism were to become established here as a result of the war.

Now actually neither the comments by Randolph and Mitchell nor Owen's pamphlet are required to awaken the Negro people to the dangers of Hitlerism. Owen's pamphlet reflects, or at any rate utilizes, the Negroes' hatred of fascism. They have had too many experiences of their own to have any doubts on the question.

Without having a Hitler here, they already have suffered from everything that fascism brings with it. Starvation, lynchings, poll-tax barriers, racial discrimination — an American Hitler would not have to introduce these things into the "American way of life," he would only have to intensify them.

Everyone who understands this can also understand that the mere military defeat of Hitler in this war is not going to change the fascist-like oppression which the Negro people have suffered since long before Hitler was born.

What Does Hitler Represent?

And this seems to be just the thing which Owen does not understand. For him Hitler is apparently a madman, obsessed with a hatred of Jews and Negroes. But Hitler's main concern is not really with racial minorities — he just uses them to divert attention from his main purpose, he uses them to divide the people against each other so that they will not be able to unite against his oppression. In this respect he is not different from the Southern Bourbons; the only difference is that he applies their methods on a wider scale.

Owen bases his whole analysis of Hitlerism on personalities — on the differences, for example, between Adolf Hitler and Eleanor Roosevelt. He does not stop to examine the social forces, the political concepts, the economic motivations behind the various people he discusses.

Owen sees Hitler as the destroyer of Negro culture, as the personal enemy of Marian Anderson, Joe Louis, the N.A.A.C.P. Of course an American Hitler would persecute such people and organizations. But why would he do it?

Owen does not have any explanation other than that Hitler is mad. The truth is that Hitler is no madder than the other statesmen at the head of nations. He would do it because that would be his way of best distracting the white workers from their own problems, he would do it because that would be his way of best protecting and preserving the decaying capitalist system!

How the Negro People Can Fight Fascism

The trouble with Owen, and with Randolph and Mitchell, is that they don't have a program for improving the conditions of the Negro people. All they have to offer is the refrain: Things will be even worse than they are now if Hitler wins. Following this line of reasoning, the Negro people should forget everything else — the fight for decent living conditions, and for full economic, political, and social equality.

We Trotskyists believe that it is possible to defeat Hitlerism and at the same time destroy the oppression of the Negro people by the Jim Crow ruling class in this country. We say that the one is as important as the other, and that as a matter of fact, the two go hand in hand. We say that any fight which separates these two problems and says one is more important than the other is false, and will lead to neither the destruction of Hitlerism nor the destruction of Jim-Crowism. We say that anyone who tries to separate these problems is not fighting for the best interests of the Negro people.

Our way to fight Hitlerism is by establishing a Workers and Farmers Government, representing the true interests of Negro and white workers, run by them and for them.

In other articles THE MILITANT has shown that this is the only kind of government that can wage war that would not only destroy Hitler, but the political system (fascism) he represents and the economic and social system (capitalism) which he is trying to preserve, and which is the basic cause of racial discrimination.

The Negro people must support the fight to establish this kind of government not only for this reason, but because in addition this is the only way that they can be assured of economic, political and social equality for themselves after the defeat of Hitler.

Stalin On The Phone

According to the Stalinists, Stalin deserves all the credit for the recent advances of the Red Army, although they claim he merited none of the blame for its previous reverses.

The Sunday Worker of Dec. 28 features a headline, "General Byelov Tells How Stalin's Phone Call Inspired Attack That Routed Nazis" over a story in which Major-General Byelov relates the wonderful effect on the struggle at the front of a personal phone call from the Kremlin itself.

What a pity that Stalin did not think of using the telephone six months earlier!

Auto Heads Demand More Profits

(Continued from page 1)

posals put before the conference by C. E. Wilson, president of General Motors. Not one of these proposals dealt with the question of conversion of the industry to war production.

CORPORATIONS DEMAND MORE ARMS PROFITS

The three other corporation demands were for more favorable terms in the government contracts, as follows:

1. That future arms contracts contain so-called escalator clauses, permitting the contractor leeway to add materials and labor costs not originally estimated to the price fixed in the contract.
2. That the government discontinue the requirement of a certificate of non-reimbursement before a manufacturer is allowed the privilege of amortizing new plant costs. The purpose of this requirement is to prevent contractors from collecting twice

from construction of new plants — on the contract and in tax deductions.

3. That Army-Navy procurement officials issue stronger letters of intent. These are letters in which the procurement agencies stipulate that they are agreed to issue certain contracts to a company. They are a tentative agreement, not a binding contract. What the auto manufacturers want is to make letters of intent binding on the govern-

ment, but not on themselves.

OPM Director William Knudsen, former head of General Motors, assured his successor, C. E. Wilson, that the OPM was taking favorable action on the matter of escalator clauses and letters of intent, and that Congress is considering a bill to do away with certificates of non-reimbursement. This indicates the character of the conference.

FOOL THE PUBLIC

The day before the conference, the War and Navy Departments announced with much fanfare that they were planning to offer the automobile industry \$5,000,000,000 more in war orders. The impression was conveyed to the public that the automobile industry was gearing itself to a speedy conversion for tremendous war production.

The capitalist press at the same time has come to the defense of the auto manufacturers and ballyhooed how much they have already accomplished. An editorial in the New York Times, Jan. 5, declares that "the automobile industry has already made much progress in converting its plants to defense use. It has some \$4,272,000,000 of defense orders and is currently producing ninety-three different defense articles."

But holding arms orders and actually producing are two different things.

The Tolson House Committee just before Christmas reported that "only a negligible part of this plant capacity (of the auto industry) is presently employed in the war effort. . . . A great automobile corporation (General Motors) showed that it was producing the tools of war at a rate which, if general, would require fifteen years for the completion of the armaments program already projected."

As to the projected \$5,000,000,-

000 Army-Navy orders, the New York Times, Jan. 8, reports:

"C. E. Wilson, president of the General Motors Corporation, said that the industry 'will do the best it can,' but he did not appear optimistic that it could reach the \$5,000,000,000 war production goal of 1942. He said retooling of plants in some instances would take a year."

AUTO BARONS WANT UNLIMITED CONTROL

Some union leaders will now contend that the auto barons and the OPM have been forced to give labor a place in the administration of production in the auto industry. They will point to this conference as an example.

So far, however, this conference demonstrates that the industrialists do not intend to allow labor to have a whit of influence on their production policies.

The real attitude of the corporations was made clear in the Automobile Manufacturers Association advertisement, answering that of the CIO, claiming that the attacks on the auto manufacturers "are designed to create a division so that certain groups (labor) may obtain control of the productive machinery of the United States."

This sufficiently indicates the chief concern of the monopoly owners. They want only to preserve their unlimited control over production and to be permitted to exploit productive facilities exclusively for their own interests and profit.

There is only one way in which the auto industry can be operated in a planned and coordinated fashion so as to provide steady jobs for the workers and adequate production. The government must take over this industry, together with all the war industries, and operate them under the control and management of the workers.

Red Army Wins Victories With Armed Workers Aid

(Continued from page 1)

as available then as it is now to the Red Army, but, for some reason, it failed to manifest itself then any more than it did throughout the first five months of the present war.

WHAT THE MASSES ARE FIGHTING FOR

We explain the victories in exactly the same way that we explained the stubborn resistance of the Soviet soldiers and masses prior to the latest phase. What we are witnessing on the Soviet battlefields is a revolutionary war being fought by the masses in the straitjacket of the Stalinist bureaucracy. The Red soldier, the Soviet worker and peasant are demonstrating on the battlefields the unyielding courage and incentive of those fighting to protect the conquests of the October revolution of 1917. In defending the first workers state in history, they have really something to fight for. There is no ruling class of capitalists to sabotage and betray the struggle.

The events which are occurring in wartime in the USSR are taking place under conditions and against a background without precedent in any other country in the world. It is hardly possible to exaggerate the tremendous resurgence of the Soviet masses since the outbreak of the war.

ARMING OF THE WORKERS

One of the manifestations of this resurgence is the arming of the population, especially the workers in the large cities. From the columns of the official Moscow press it is clear that the initiative for this arming, the formation of workers' detachments and the institution of universal military training (which went into effect October 1, 1941) did not originate at the top. As early as last August large workers' detachments were formed and they have since participated very actively in the war.

It is by no means accidental that the German armies suffered their first decisive defeats when they reached Rostov, Leningrad and Moscow where the largest of these detachments participated directly in the defense. While this is featured in the Moscow press, the Kremlin carefully deletes all reference in dispatches abroad to the role of these proletarian militias who fight not as guerrillas behind the lines, but coordinate their activities with those of the regular troops.

In other words the Red Army has been reinforced by an armed population, above all in the cities. In the last few months, the Red Army ranks have added millions of new soldiers. Parallel with this, changes have likewise taken place in the officer corps.

IN THE OFFICERS' RANKS

Among the ranking officers singled out for praise in the recent dispatches, the overwhelming majority are newcomers. Hardly a day now passes without a large number of new appointments and promotions. In the space of the last three months literally thousands of generals and tens of thousands of colonels, majors, captains and lieutenants have risen to replace the former incumbents. Among these newcomers there are unquestionably many men who have actually distinguished themselves in battle, have shown real ability, and have gained the confidence of the soldiers. Obviously a new selection is taking place among the cadres of officers. And this selection cannot be confined like the previous ones exclusively within the framework of the Kremlin's political needs and considerations.

From the columns of the official Stalinist press it is possible to adduce a great many striking

instances of the growth of the initiative and confidence among the masses themselves. We confine ourselves here to the fact that the gag law of July 3, 1941 has remained unenforced. This law, as the readers of THE MILITANT will recall, is aimed not against real spies and diversionists, but against all Soviet citizens who violate the Kremlin's prohibition of discussing the war or the conditions behind the lines. Any one who expresses doubts, criticisms or dissatisfaction is guilty of a crime punishable by 2 to 5 years in prison.

PRAVDA'S COMPLAINT

On September 27, 1941, Pravda complained bitterly:

"We have not yet rooted out in our ranks a liberal and tolerant attitude toward 'whisperers' and others who disseminate false rumors. There are not a few people, among them Communists, who are quite capable of listening calmly in a street car or in a store to twaddle which is essentially provocationist in nature. They do not at all deem it necessary to interrupt and to call the disseminator of false news to account. Nor have our courts really gotten down to business — Soviet society has still to hear about sentences meted out to those who are spreading provocationist rumors" (Pravda, Sept. 27, 1941).

The July 6 ukase is an integral part of the Kremlin's current campaign against "spies and diversionists." Naturally, no news of this is permitted to leak out abroad where it would prove very embarrassing — to say the least — to those who are now trying to explain away the Moscow Trials as having really extirpated the "Fifth Column." The Kremlin's admission that this ukase could not be enforced is proof of the growing confidence and self-action of the masses. Obviously only Stalinism is capable of pretending that fascist agents, spies, diversionists and their assistants are carrying on their activities in the open, and are actually obtaining help, sympathy and cover among the Soviet masses.

It is this mass resurgence that constitutes the major force behind the Soviet victories. In their turn these victories act directly to further strengthen the initiative and self-action of the masses.

ATTEMPTS TO DIVERT WORKERS' RESURGENCE

While speeding up the processes of regeneration, the war is at the same time accelerating the degeneration of the bureaucracy. The Kremlin is doing everything in its power to divert this resurgence into the most reactionary channels. A United Press dispatch from Kuliyshev for January 2 reports that the Red Star, the official organ of the Red

Army, has removed from its masthead "the Marxist slogan 'Proletarians of all Countries Unite!' and substituted the battle cry, 'Death to the German Invaders!'" (New York Times, January 5). The Kremlin is in mortal terror lest the Red soldiers and officers — the bulk of its readers — become infected with the spirit of international proletarian solidarity!

So long as the bureaucracy continues in power, the terrible threat remains that the great resurgence of the Soviet masses will be dissipated. The policies of Stalinism do more to nullify the effects of victories than any possible military preparations of the German General Staff. Soviet victories bring into an even sharper focus the fact that the salvation of the USSR depends upon the growing initiative and self-action of the masses combined with a struggle against the reactionary policies of Stalinism and for a return to the revolutionary program of the first workers' state.

'United Nations' Pledged Against Separate Peace

(Continued from page 1)

Manila only hastened the determination of the Washington conference to tell the world that they were fully united, in spite of recent reverses in the war, to use all their resources for a crushing victory over the Axis.

It was not only the haste with which the Declaration was drawn up which accounts for its brevity. The diplomatic design of the agreement was of course to counteract the effects of the Tripartite Pact. It was intended to exert counter-pressure upon those governments which still vacillate between the two warring camps, such as France, Turkey and Argentina.

DIPLOMACY STILL SECRET

Another reason the Declaration was so short was because the signatories do not feel it necessary or wise to tell the people everything that was discussed and decided on.

But it is obvious that the signatories in Washington discussed far more than the Declaration itself or military steps to carry it out. Many specific agreements of an extremely material nature must also have been arrived at, concessions made and inducements offered.

The United States and Great Britain must have obtained from Chiang-Kai-Shek recognition of their privileged position in the exploitation of China. The representatives of the Dutch government which, although driven from its homeland, still rules over 60 million inhabitants of the East Indies, must have been assured of their imperial possessions. Even the exiled House of Luxembourg must have been promised the restoration of its petty principality. And so on.

But there is, of course, no reference to any such understandings in the published pact. Whatever else has happened since the pacts of the first world war, the era of "open covenants openly arrived at," which was promised in Woodrow Wilson's 14 points, is as distant as ever.

NO GUARANTEES THAT PACT WILL BE ADHERED TO

Although the world has been assured that these are the "United Nations" — the designation personally selected by President Roosevelt after "long thought" — the participants in the Washington conference know very well that there is no guarantee that

the various powers will abide by their promises, open or secret. They know very well that while illiterate people are accustomed to signing agreements with a single cross, imperialist powers and their satellites sign agreements with a double cross.

The experiences of the last six years alone, to go back no further, have demonstrated that pacts are nothing but pieces of paper to be observed only so long as they serve the signers' interests. They know that alliances and diplomatic friendships are very transitory things.

The Stalin-Laval Pact of 1935 already sounds like something out of the middle ages. America's friendship for "poor Finland" in 1939 is also an embarrassing subject. The Stalin-Hitler Pact, the theme of many present-day explanations that differ so much from those of two years ago, is also testimony that pacts are here today and gone tomorrow.

Will Great Britain, for example, hesitate to make a separate peace any more than did its former ally, France, a year and a half ago, if its rulers thought such a step would best safeguard their interests? Is Chiang-Kai-Shek so devoted to democracy that he cannot again seek aid from the Mikado if the Chinese workers and peasants should threaten to take over the government? Who in Washington does not have fears that the Kremlin may yet, if the opportunity arises, arrange another pact with the Axis?

ONE PROMISE THAT WILL SURELY NOT BE KEPT

But even if the signatories are all sincere in their promises, it is to sign a separate peace, it is certain that most of the points in the Atlantic Charter, which serves as the basis for the present declaration, will not be carried out.

Who expects that Great Britain after the war will abide by section 3 of the Charter — which recognizes the right of all peoples to choose their own form of government — when it refuses to recognize that right for the colonial peoples in the British Empire today? Who expects it to voluntarily grant freedom to India or the Africans? Who expects the Netherlands to permit the East Indians to choose their own form of government? Or that the dictatorship of Greece

will grant any more democracy to the Greek people than they enjoyed before the war? Certainly not the signatories of the Declaration of the United Nations.

ROLE OF THE USSR!

The Soviet Union lost far more than it gained by signing the Declaration.

The Washington conference made it clear that in this period while the United States and Great Britain have their hands full in other parts of the world, the USSR is not going to get much, if any, material aid for the war against Germany.

A United Press dispatch of Jan. 2, printed in the New York Times, reports Stalin's "reluctance" to enter the war against Japan has been answered by Britain's decision that "the problem would be met from a different direction. It was stated that British man power and war materials originally intended to bulwark Russian resistance to Germany would be diverted to the Anglo-American bastions in the Far East. . . .

"This presupposes that American lease-lend war aid to Russia will be considerably curtailed to meet the worsening situation in the Pacific."

That is, despite the Declaration, the Soviet Union will not get more than moral aid for the fight against Hitler's armies.

But by signing the Declaration and endorsing the Atlantic Charter, Stalin committed the Soviet Union in the eyes of the world, and particularly of the German masses, to an endorsement of another Versailles Treaty.

Everyone knows that when Churchill says in the eighth point of the Charter that he is going to disarm Germany, he means that he will submit the whole German people to the same kind of crushing peace settlement that followed the last war and facilitated the rise of Hitler. That is why the German masses do not want a British victory over Germany.

When Stalin endorses Churchill's aims, he identifies the Soviet Union with Britain's war aims, and repels the support of the German workers who try to distinguish between the capitalist governments and the USSR as a workers state. In this way he strengthens the hold of the Nazis over the German people, and weakens the defense of the USSR.

They Fear Revolts In Europe Above Everything Else

By A. ROLAND

The Major War Aims

The program of war aims of the governments fighting against the Axis Powers can be readily reduced to two points:

1. Win the victory.
2. Prevent "anarchy and disorder" after the victory; that is, police the whole of Europe to prevent revolution.

The conduct of the war by the Allies bears these aims in mind at all times. All sorts of events and political strategies fit into this far-seeing aim of maintaining capitalism at all costs after the victory is won. We note that there is a great hullabaloo raised by a group that includes the most diverse figures (from former Stalinist sympathizers to editors of liberal magazines and also Max Eastman) concerning the policy of returning St. Pierre and Miquelon to Vichy France. But this is precisely in line with the main aim — of keeping in touch with and upholding those figures and forces in French society that can help maintain the status quo at the end of the war. The liberal writers may not see the light but the real leaders of the war know what they are about. Other reasons may also exist, naturally, but the "grand strategy" includes an eye to the future.

The other day there was a round table discussion in which, besides the Chinese Ambassador, such men as Professor Shotwell of Columbia University participated. The professor outlined precisely the war aims given. His first great aim was the prevention of any "anarchy" at the end of the war.

It might seem to some naive souls that with victory there ought to come the restoration of "democracy" to the European masses, so that these masses might decide for themselves their future fate. But this is precisely what seems to be feared by the various diplomats. The masses are not to be trusted to decide in the right way. The Allies prefer to decide for them. And to do this a little more than moral suasion may be required.

Stalin Renders Every Aid

So vital is this point that it was categorically and specifically included in the Soviet-Polish Pact. It undoubtedly formed a major part of the agreement worked out between Eden and Stalin. The papers, in fact, carried long columns of interpretation of the meeting between the two, stressing that it involved post-war developments and the laying of any ghost of revolution.

The lessons of the last war evidently have not been forgotten, particularly by men like Churchill who was a witness of post-war events at first hand. Churchill does not propose to have the job all over again of trying to put down a movement like the Russian Revolution — after it has gained headway. He would much rather scotch it before it could start.

Stalin will render every aid to this cause. Needless to say, he will do so for nobody's sake but his own. Stalin also remembers the last war and its sequel. He also prepares his strategy in advance. The New Leader seems utterly unplussed over the action of the GPU in first releasing and then rearresting the leaders of the Polish Bund (the Jewish Social Democratic Party). Heinrich Ehrlich and Victor Adler. These men may be released anew under the pressure that may be brought from abroad. But there remains the motive of Stalin in throwing them back into jail, despite their appeal, immediately after being released, to their supporters to give every ounce of support in the fight against Hitler.

Measures Against Potential Opposition

The answer to the riddle will not be found in anything that the Jewish leaders did either before or after their release. Some attempt may be made to frame them up on false charges. That will be nothing new for Stalin. But these men represent left socialism, and particularly the left socialist current among the Jewish workers. They represent the Bund which had become bitterly anti-Stalinist. They represent a left current in the Second International, weak as is that current. Their efforts were directed against Hitler in the German-Polish War in a manner to rally the workers as workers against fascism.

Stalin is therefore reluctant to let these Jewish leaders out of his grasp. He is actually encouraging all his allies (as if that were necessary) to take measures now against all future potential oppositionists, all those who might influence any body of workers in a socialist direction. Such men are a menace to those whose major war aim is to prevent the further spread of socialism.

The Allies face a tremendous dilemma in the carrying out of this war aim. The vast majority of workers fight in this war against Hitlerism and all that it represents. They will hardly be ready, once the fascists are defeated, to support any new forms of oppression that so closely resemble fascism as to be indistinguishable from it. They will not stand meekly by after making so many sacrifices in a war they were promised would make the world safe for democracy, and watch anyone suppress the masses in their fight to determine what kind of government and what kind of society they want.

Going Up!

We're still waiting for this price control we've been hearing so much about.

The wholesale commodities prices index of the United States Bureau of Labor Statistics stood at 162.2 points on Jan. 6. Four days before, on Jan. 2, it was 160. Four weeks before, it stood at 153. In August, 1939, it was 100.

Prices are like the weather, it seems, "people talk a lot about it, but nobody does anything" (Mark Twain). Except the bosses — they're making profits.

WHY we
Defend
The Soviet Union
By ALBERT GOLDMAN
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JOIN US IN FIGHTING FOR:

1. Military training of workers, financed by the government, but under control of the trade unions. Special officers' training camps, financed by the government but controlled by the trade unions, to train workers to become officers.
2. Trade union wages for all workers drafted into the army.
3. Full equality for Negroes in the armed forces and the war industries—Down with Jim Crowism everywhere.
4. Confiscation of all war profits. Expropriation of all war industries and their operation under workers' control.
5. For a rising scale of wages to meet the rising cost of living.
6. Workers' Defense Guards against vigilante and fascist attacks.
7. An Independent Labor Party based on the Trade Unions.
8. A Workers' and Farmers' Government.

'Trouble' With Hitler

Is the British government fighting against fascism? Or is it fighting only against a threat to its hold on the Empire?

Anthony Eden, British Foreign Secretary, in a broadcast on Jan. 4 announcing the results of his recent conference with Stalin, made it quite clear that the government which he represents has no grievance with fascism as such. What they are worried about is the possibility that the Axis may take away some of their colonial possessions and markets.

"The trouble with Hitler," he said, "was not that he was a Nazi at home. The trouble with him was that he would not stay at home."

Eden has no complaints because Hitler smashed the democratic rights of the German people, destroyed the German labor movement, intensified the exploitation of the workers, conducted anti-Semitic pogroms. That was not "the trouble" with Hitler because it was no skin off the back of the rulers of Britain.

The only aspect of Hitlerism that disturbed Eden was the fact that now it threatens to seize part of the British Empire. When that happened, the British ruling class became quite indignant and, for the benefit of the anti-fascist British masses it is asking to support its war aims, began to make all sorts of denunciations of Hitlerite barbarism, cruelty, etc.

The aims of the British masses and the British ruling class in this war are not the same. The masses want the destruction of Hitlerism, the ruling class wants only the elimination of Hitler's threat to its own interests. Eden's speech made it clear that if the masses want this war to end with the destruction of Hitlerism, they will have to establish the kind of government in Britain which has the same anti-fascist aims they have.

On Thin Ice

In the course of a speech on Dec. 31 calling on labor to give up its fight against the open shop, Donaldson Brown, vice-chairman of General Motors, made some remarks which will not win him much applause among his industrialist friends.

Asking the government to exercise a "dictatorship" over industry until the war has been prosecuted successfully, Brown declared that the normal purposes of industry must be suspended for the duration, and controlling decisions made by the government.

Industry, he said, cannot determine what the requirements of the war machinery will be, and since the requirements of the war are "pre-emptive", production of war materials "must be determined according to a centrally conceived plan subject to change without notice as the course of the war continues to unfold."

"Government must do the planning with respect to all of this, and must dictate to industry to a large extent the requirements of the program."

Brown's remarks amounted to nothing less than an admission that industry cannot be depended on to adequately plan war production. The facts about the captains of industry which he half-cited are not new — there has been plenty of evidence that their main concern was and is to make profits and protect their monopolies, and that they subordinate everything else to this main concern — but for an industrialist of Brown's position to admit these facts is something new.

If the employers are, because of their "normal

purposes" (profits), unable to plan production for the war, if the government has to do the planning and then "dictate" to the employers, the only part the employers will play in production is to relay orders from the government to the technical staffs and workers in the factories.

But why should the employers reap such huge profits out of the war for acting as messenger boys? Wouldn't production be more speedy and efficient and less expensive if these "middle men" were eliminated altogether?

Of course Brown hastened to add that his proposal does not mean that the country's industries should be run by the government, and that all it means is there must be "an acceptance of governmental policy that will encourage and stimulate the maximum application of the skills, technique, and know-how on the part of management and men engaged in industry."

What this "know-how on the part of management" is, we don't know. But if the government can run industry better and cheaper than the bosses — and it can by taking it over and operating it under the management and control of committees democratically elected by the workers and technical staffs in the factories — then we are not particularly interested in knowing either.

We would be willing to go even a step further. If the bosses can be dispensed with in time of war, they can be dispensed with equally well in time of peace. If government planning plus workers' operation of the factories is good in time of war, it will also be good in time of peace. At any rate — in war or peace — we're sure they could do a lot better than the profit-greedy bosses have done.

Let The Employers Set An Example

Every time some Congressman or Treasury official starts blowing off steam about taking the profits out of war, the low income earners had better prepare themselves for new tax demands from their own pockets.

As soon as we read that Representative Treadway, ranking Republican member of the House Ways and Means Committee, had stated that it was "within the realm of possibility" that an individual income ceiling of \$15,000 to \$25,000 might be fixed, and that Chairman Doughty of this same committee had projected the slogan, "No war millionaires this time," we knew that the federal tax knife was being sharpened up to take a new huge slice from the workers' incomes.

The American people have heard this sort of talk before. They heard it just prior to the passage of the last huge tax measure. This turned out to be a bill to soak incomes as low as those of WPA workers and to levy a bunch of hidden sales taxes, but left the monopolists and war profiteers to continue their merry chase after bigger and bigger dividends.

We're all for taking the profits out of war — all the profits. And we're certain that the bulk of the American people would greet with joy a "no war millionaires" tax measure including all the proposals Congressmen talk about but never report out of committee.

The employer class has been shouting for sacrifices from labor. We'd like to see the employers set a practical example.

The employer class has been insisting that labor be prevented from "taking advantage of the war emergency" to press for the closed shop and union security. We'd like to see the employers prevented from taking advantage of the war emergency to squeeze out unlimited profits.

An organized demand must be raised from the ranks of labor and the farmers: "No war millionaires! Take all the profits out of this war! 100 per cent taxation on war profits! Draft wealth as well as human lives!"

The Same Jim Crow

Those who are fighting for the freedom of the Negro soldiers still serving jail sentences because of false and flimsy charges of "rape" hurled at them during the last war, may be interested to learn that they were almost, but not quite, saved the future job of having to fight for the freedom of soldiers who will have the same false charges directed at them by Jim-Crow elements in this war.

According to the National Association for the Advancement of Colored People, an order was recently issued by Lieutenant Lewis A. Bonifay of the 77th Coast Artillery "asking for the death penalty for relations between white and colored males and females whether voluntary or not." The order was allegedly issued because "reports have been received that white women in the vicinity have been accosted by colored soldiers."

The NAACP protested to the War Department, which replied on Dec. 31 that "the order was found to be contrary to the purport of verbal orders of the regimental commander who has caused the order to be withdrawn."

We do not know what the "verbal orders" of Bonifay's regimental commander were, nor what their "purport" was. But whatever they were, if they could be misinterpreted this way, we fear that the soldiers accused of the relations aforesaid, "whether voluntary or not," will face long prison terms even if they will not receive the death penalty.

Those who are fighting to free the Negro prisoners of the first war to save democracy may soon find that the second war to save democracy has expanded the field of their activities.

Profits, Prices Outrun Wages CIO Paper Shows

All Wage Gains Since August 1939 Wiped Out By Price Rises; Production Costs Down But Bosses Keep Charging More and More

The CIO *Economic Outlook*, Dec., 1941, gives some illuminating data on "equal sacrifice."

It reports that between August, 1939 and August, 1941, the workers in all manufacturing establishments increased their average hourly earnings approximately 17 per cent. It adds, however, that "During this same period, the cost of living increased 7.5 per cent. Since August, 1941, there has been an additional 4.3 per cent in the cost of living, with little appreciable increase in average hourly earnings."

"Thus, the 17 per cent rise in average hourly earnings has been reduced to a rise of 4.5 per cent as the result of the increased cost of living. By the 1st of February (1942) with the cost of living rising at the rate of 1½ per cent a month, the entire rise in real hourly earnings will be wiped out."

FIGURES DON'T TELL THE WHOLE STORY

It must be understood that the *Economic Outlook* is quoting official government statistics on the rise in living costs which are extremely conservative and are so weighted as to partially conceal the full rise. This is done by averaging into the cost of living index many commodities which are not used by the average family and which have not increased in price to the extent of staple products. If these commodities were not included, the figures would show that the rise in real hourly earnings has already been wiped out.

Comparing wages with profits, the *Economic Outlook* states that "while average hourly earnings and average weekly earnings are being almost completely wiped out by rising costs of living, profits on the other hand, in spite of increased corporate and excess profits taxes, are continuing to rise."

The CIO survey cites the conservative reports of the Federal Reserve Board, which show profits of 633 large industrial corporations to have risen 76.5 per cent higher in the first three quarters of 1941 over the similar period in 1939. Other figures compiled by the Office of Price Administration place the increase at over 100 per cent.

WHY ARE PRODUCTION COSTS RISING?
Using the figures of Leon Henderson when he testified before the Senate Banking and Currency Committee, the *Economic Outlook* scotched the plea of the industrialists that they have been forced to hike prices because of increased labor costs.

"Mr. Henderson testified that manufacturers have boosted prices an average of 17 per cent to cover a 7 per cent increase in costs. The other 10 per cent has gone into profits. Mr. Henderson

that the workers are being forced to take it on the chin to pay for this war, while the industrialists and bankers are getting muscle bound raking in the profits. The money-bags, who are hampering war production all along the line to ensure maximum profits and to strengthen their monopolies, are trying to throw dust in the eyes of the American people by yelling, "Wolf, wolf!" against labor.

WAR PROFITS RISE 44% IN 1941, SAYS LABOR DEPT.

A golden flood of war profits, still only in its initial stages, gives promise of the happiest New Year in American history to the industrial monopolists.

"Aggregate net profits of 600 industrial, mercantile, and public utility companies for the first 9 months of 1941 were approximately \$569,000,000, or 44 per cent larger than for the similar period of 1940," reports the December, 1941 Labor Information Bulletin of the U. S. Bureau of Labor Statistics.

"The profits of these companies," adds the report, "were also more than twice as large as in 1939, and 28 per cent larger than in the first 9 months of 1937."

Even before the United States was formally at war and when war production was barely under way, the war profiteers were cleaning up at a rate comparable only to that of the peak year 1929.

TAXES RISE — BUT NOT AS FAST AS PROFITS
The first reports on corporation incomes for the last quarter of 1941 indicate that the profit tide is rising. When the records for the entire year are in, the profit increase over 1940 is expected to exceed 50 per cent.

This phenomenal increase in profits has been chalked up despite the fact that taxes on corporate incomes and excess profits rose from an average of 30 to 40 per cent in 1940 to 50 to 65 per cent in 1941.

If the exorbitant sums which have been set aside for tax and "contingency" reserves — anywhere from three to six times greater in 1941 over 1940 for leading corporations — are added, profit-taking in 1941 would have put that of all previous years in the shade, including 1929.

At the same time only approximately 4,500,000 of the 40,000,

000 non-agricultural wage-earners in the United States secured wage increases (averaging 10 per cent) in the first eleven months of 1941, according to the latest report of Secretary of Labor Perkins (New York Times, Jan. 2, 1942).

BETTER THAN USUAL

Profits of the leading corporation in each industry give an even better idea of how the big industrialists have been making good on their war cry, "Business as usual — only better!" In the steel industry, for instance, Youngstown Sheet and Tube showed a net profit gain of 136 per cent for the first nine months of 1941 over 1940, and Jones and Laughlin hit the jackpot for a 93 per cent increase.

And that's just a starter. The big industrial monopolies are going into 1942 with a back-log of war orders amounting to more than \$20 billion, and with another \$100 billion in the offing.

This may mean rising prices, frozen wages, longer work hours, death and taxes to the workers. But it's the goose that lays the biggest golden eggs for the bosses.

Food prices are going up. But the big food trusts haven't found much cause for concern in rising prices.

Take a look at the profits of the big meat packers. Swift & Company managed to keep out of the red by a sum of \$17,808,725 profit for the first nine months of 1941 as compared to \$11,183,484 in the same period of 1940. That increase of 60 per cent should tide over the bosses for these hard times. The same might be said of Cudahy Packing Company which increased its profit-take 73 per cent over the first nine months of last year.

Bills To Register CP Are Blow at Labor Movement

The Communist Party is alarmed over the passage by the House of Representatives of the Dies amendments which require the registration of all members of the Communist Party as agents of a "foreign principal" and places the Stalinists in the same category as members of the Nazi Bund.

In a lengthy formal statement published in the *Daily Worker*, Dec. 31, 1941, the C.P. bitterly complains against this action. Measures, and even more drastic ones than contemplated in the bill, should be taken against agents of enemy governments, declares the statement. But it protests the idea that the C.P. is connected with any foreign government and is outraged that Congress should seek to link Stalinism with Nazism.

There is no question that the Dies amendments are aimed at providing an additional legislative weapon with which to persecute working-class political parties and the labor movement in general.

The C.P. claims, however, that these amendments — passed by the House of Representatives — "represent the most serious success of friends and admirers of Nazi Germany in an attempt to smash up the unity of the nation."

PLAYING THEIR OWN GAME

No, this can't be palmed off as a Nazi plot. It's the action of sober legislators who are just as concerned about winning the war as the Stalinists. They aren't playing the Nazi game. They are playing their own game of fight-

ing the labor movement by attacking the most vulnerable section of it, the Stalinists. And they are using the weapon which the Stalinists themselves perfected for use against their working class political opponents — the amalgam.

This is the slanderous device of linking their opponents with the worst enemies of the workers. This is the device which the C.P. uses now, when it seeks by labeling them as "agents of Hitler" to incite violence against the Socialist Workers Party, the Socialist Party, and its other opponents in the labor movement.

Indeed, the *Daily Worker* only two weeks ago criticized the government prosecution of the Trotskyists in the Minneapolis "sedition" trial because the defendants were tried for being what they were, Marxian socialists, instead of being railroaded on the Moscow frameup trials formula which accuses all Stalinist opponents of being linked to the Nazis.

The reactionaries attacked the Socialist Workers Party through

The Bosses, Not The Workers, Prevent Rise In Production

By ANTHONY MASSINI

The enemies of labor, the representatives of big business and the captains of industry, have all seized upon the war situation, and the needs of the war machine for war supplies, as justification of repressive measures against the unions.

They argue as follows: The Axis has had a head-start in the production of the instruments of war. This war can be won only by all-out production. Nothing must be permitted to interfere with that production. Above everything else, strikes must be prevented, for they are an aid and comfort to Hitler.

Of course, the employers would never think of placing the blame for strikes where it actually belongs: on themselves. Workers don't want strikes, and never have, even before the war. All they want is improvement of their conditions, higher wages to meet the rising cost of living, job security, etc. It is only when the bosses refuse to meet the workers' just demands and the workers see that they cannot get them met any other way, that strikes take place.

But even if workers were crazy and liked to strike for the fun of it, and even if the bosses were not responsible for strikes, still their argument is based on hypocrisy from beginning to end. For the fact is that the greatest threat to increased production in this country comes from the capitalists themselves.

War Has Not Changed the Bosses

The captains of industry have never been willing to produce anything unless they could make a profit from it. They have been the first to admit they are not in business for the fun of it. In peace time they never hesitate to shut down their factories and throw the workers out into the street if they don't make a certain percentage of profit. It would be foolish to think that they have changed just because war is declared.

A few months ago I. F. Stone, journalist in Washington, wrote a book called "Business As Usual" which demonstrated in a lot of detail that, despite the emergency declared by Roosevelt and the knowledge that United States entry into the war was inevitable, the leading industrialists and their representatives in the government, the dollar-a-year men, were still motivated exclusively by the desire for profits, and were exceedingly unwilling to take any steps that might interfere with their chances to pile up profits during either this period or after the war.

If anyone wants new evidence that the bosses and their representatives in the government have not changed in this respect just because of the formal declaration of war, we offer the following story told by Samuel Grafton in the New York Post, Dec. 27:

How the Bosses Sabotage War Production

The chief of the materials division of the OPM, William L. Batt, has been trying to get Congress "to provide funds for building the Douglas Dam on the French Broad River in Tennessee, a honey of a dam, because it can be finished in time for 1943 aluminum production, in the summer of which year it would come roaring in with 1,000,000,000 kilowatt hours, allowing us to up our aluminum perhaps 100,000,000 pounds per year."

But, says Grafton, Congress won't do it. "The House Appropriations Committee has mysteriously taken the money for this item right out of the recent deficiency bill. No dam, says the committee."

And the reason is that "to build this dam would necessitate flooding 12,000 acres of farmland, which happens to be keyed with a nearby canning industry." And because "one small bracket of the canning industry" might lose some money if the land was flooded, the friends of the canning industry are seeing to it that no dam is built, regardless of the effect it will have on the war machine which so urgently requires aluminum.

(Imagine what would happen today if the aluminum workers through a strike were to hold up 100,000,000 pounds of aluminum!)

This incident of the dam is not an exception; but an example, which is being duplicated in a thousand different ways in all sections of industry.

But does this mean, I am sure some people will ask, that I claim that the bosses don't care if Hitler wins the war? Not at all. Of course the bosses don't want Hitler to win. They want the United States government to win so that they can be sure of continuing to make profits not only in this country but throughout the world. And that is what makes their failure in achieving all-out production all the more significant!

For even though, to safeguard their own interests, they want to win the war, they are so concerned about making profits now that they are unable, though abstractly willing, to so run industry that maximum production will be insured! This constitutes a far stronger indictment of their methods than if they didn't want to win the war.

What a Workers and Farmers Government Would Do

No Workers and Farmers Government would tolerate such anarchy and sabotage in production — least of all, in time of war — as is tolerated in Washington today. A Workers and Farmers Government would quickly take steps to remove control of industry from people who are concerned primarily with enriching themselves. It would take the profits out of war production and place the control of industry and production in the hands of democratically-elected committees of the workers, to be operated in the interests of the majority of the people, in war and peace.

The best way to answer the attacks of the bosses on the labor movement is to show that it is the bosses and their greed for profits, not the workers, who are the real menace to all-out production.

The best way to assure continued production by labor is to force the bosses to grant labor's just demands.

The best way to increase production is to have the government put an end to profiteering in the war industries and take over the factories and have the workers operate them.

The best way to assure that the government will take over the industries is to join the fight for a Workers and Farmers Government.