



INTERNATIONAL SOCIALIST REVIEW

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by Farrell Dobbs

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Farrell Dobbs

TRENDS

IN THE TRADE UNIONS

Until recently it had appeared to peoples abroad that a big majority in the United States, the working class included, supported the mad schemes of the capitalist ruling class to police and exploit the world for private profit. That picture is now changing. The true image of social reality in this nation is being disclosed as the costs of imperialist aggression hit the home front ever harder. Stirred massively by deep-seated grievances, black freedom fighters are standing up for their rights with iron determination comparable to that of independence fighters in colonial countries. As the capitalist overlords conduct a military assault on the Vietnamese, an unprecedented and steadily expanding antiwar movement has arisen at home. And now an upsurge of struggle has begun within the working class—the mightiest force in the land—as previous conditions of relative prosperity for a major segment of the workers give way to a growing sense of economic insecurity that permeates the class as a whole.

War-inflated prices and war taxes are biting into labor's purchasing power. Pay increases won on the picket line quickly shrink as living costs continue to skyrocket. AFL-CIO economists report that an overall hike of 25 per cent in take-home pay won by industrial workers between 1960 and 1967 actually dwindled to about 11 per cent after adjustment for price increases. Present inflationary trends indicate that a point has been reached where more and more workers will begin to experience an outright drop in buying power and a consequent lowering of living standards. The Johnson administration is helping to accelerate that development by striving to keep wage raises limited to the rate of increase in labor productivity, setting an annual ceiling of 3.2 per cent as "still about the right figure." This form of attempted wage freeze puts workers in the position of having to increase their output at greater profit for the capitalists simply in order to slow down the rate of decline in their own living standards.

The AFL-CIO also reports that between 1960 and 1967 corporate profits rose some 77 per cent, about seven times the net wage increase for industrial workers across the same period. Bragging about his stewardship of capitalist interests in a message to Congress last January, Johnson forecast new highs in profits for the banks and corporations. Part of it will be raked off from war production, paid from tax money shelled out by working people. Another part will be gouged out of workers through intensified speedup on the job, backed up by company actions to discipline workers who resist the pressures. Paralleling the latter course on behalf of all capitalists, Johnson has taken the lead in pressing for stronger police forces and more stockpiling of police hardware. These instruments of repression are intended for use not only against black freedom fighters and antiwar demonstrators but also against striking workers.

Meanwhile unprecedented billions of tax money are poured into the maw of the war machine while vital social needs in this country remain criminally neglected by the capitalist government. Grave national problems result in the spheres of health, housing, education and other social needs. All sections of the working class are hurt, with Afro-Americans and other minority peoples who are mainly workers suffering the most. All these factors—endangered living standards, neglected social needs, tax gouging, abusive pressures on the job, capitalist acts of repression—are coalescing to generate worker opposition to the Vietnam war. The trend gets further impetus from the increasingly apparent unjust, immoral and genocidal nature of the imperialist assault on the Vietnamese. Some trade union support to the student-based antiwar movement has already resulted, but worker opposition to the war policy and its consequences centers mainly on economic struggles within industry. In that sphere the changing mood among the workers finds expression in growing determination to put their own class interests ahead of imperialist war needs.

Stiff wage demands are being pressed by the union rank and file, as sentiment grows to fight for effective escalator clauses designed to keep earnings abreast of soaring living costs. While younger workers are especially inclined to fight hard for the demands, it is also true that union members generally are showing greater readiness to strike. Work stoppages in 1967 rose some 50 per cent above the 1964-66 average and more strikes occurred during the year than in any of the last 14 years. Several walkouts were of unusual length. Rank and file unionists did not hesitate to tie up facilities involving war production and they showed a readiness to back their leaders if they had the guts to resist government strike breaking. In several unusually bitter struggles the workers displayed great solidarity, impressive staying power and strong self-confidence.

With increasing frequency union members have been rejecting contract settlements recommended by official negotiators and sending them back for more concessions from the employers. On occasion rank and file sentiment has been emphasized by hurling adjective, eggs and even chairs at union officials. The workers are making it plain that they want full use of the union power in defense of their class interests.

Their aims collide with the basic line of bureaucratic union officials who want peaceful coexistence with the ruling class, a relationship that can exist only on capitalist terms. The clash forces the bureaucrats into some unusual gyrations. Much as they want peaceful relations with the capitalists, they must try to deliver something for the union ranks or their essentially parasitic role would stand nakedly exposed. What follows was graphically shown in the New York City sanitation strike.

Mayor Lindsay issued a back-to-work order to the sanitation men under threat of asking use of the National Guard against them, and Governor Rockefeller said he would call out the troops "if necessary." The strikers stood firm, demands for action in their support spread through other unions and the New York City Central Labor Council threatened to call a general strike if troops were brought into the city. As the situation then moved toward a contract settlement, curious newspaper reporters asked for an explanation of this out-of-character conduct by the bureaucrats who dominate the central council. One of them said, "We are under pressure from our members and there are certain things we must do. It's our bread and butter." Another unnamed official summed up the problem facing all union bureaucrats with the remark, "Reasonableness and statesmanship at the bargaining table today may elect your successor tomorrow."

Confronted with the waning ability of union bureaucrats to police the workers, the capitalist government is stepping up its strikebreaking activities and preparing tougher antilabor laws. Alongside of special laws against specific strikes, as in the imposition of compulsory arbitration on the railway shopmen a few months ago, around 50 new bills against the unions have been tossed into the Congressional hopper. Some of these are designed to intensify direct government policing of internal union affairs. Other measures are intended to outlaw industry-wide and multi-union bargaining, to block union coalitions and mergers and to impose more rigid strike controls. One bill introduced by Senator Smathers, a Florida Democrat, would set up a special "Court of Labor-Management Relations" with power to ban whatever strikes it chose and order compulsory arbitration.

Frightened by the governmental attack, the union bureaucrats strive to assure "statesmanlike" attention to the employers' side in labor disputes. This produces growing disharmony between official union demands and the workers' actual needs. To make things even worse, the bureaucrats shy away from strike action that touches war production and in reality they have no stomach for any kind of a clash with the ruling class. Instead of struggling against the capitalist government when it intervenes on the side of the employers, they seek government help to get compromise settlements of contract disputes on giveaway terms, substituting that capitulatory policy for necessary use of the union power. The bureaucrats show an increasing tendency to propose "voluntary" arbitration of contract renewals and last December the AFL-CIO Executive Council said it would support wage control by the government if Johnson "determined there was a national emergency." Workers are further hurt by the writing of no-strike clauses

into contracts with employers. And if the workers are driven into walk-outs because of outrageous company violations of the contract, the bureaucrats join with the bosses in forcing them back on the job.

Basically the general run of union officials clings to their role as keepers of class peace under capitalist rule, even though strong membership pressures may knock them off balance now and then. In return they hope to get modest economic concessions to appease discontented workers, primarily through collaboration with "friends" of labor in the capitalist government. Toward that end they keep the workers tied to capitalist politics in the general form of support to the Democratic Party, an instrument wholly controlled by the ruling class. This false political line, which is basic to the existing crisis of policy and leadership in the unions, requires closer examination. Before probing into it more fully, however, it is purposeful to examine the price workers are paying for misleadership and the consequent rise of new oppositons to bureaucratic misrule.

Last December the AFL-CIO reported a current membership of 14.3 million. Although up 1.8 million over the 1962-63 low point, the figure still falls short of the 1956 highwater mark of 17.5 million. From another standpoint the AFL-CIO represents only 18.6 per cent of the general labor force and it is continuing to experience a relative decline in proportion to the growing labor force. Only part of the disproportion results from expulsion by the craven federation leadership of unions that were subjected to smear attacks by the capitalist government, a recent example being the Teamsters. Mainly the bad showing in relation to the broad labor force results from failure to organize the unorganized, a default arising from plain dry rot in the union officialdom. This disastrous situation constitutes a state of class disunity that is expensive for all workers. The cost is especially great in the case of unorganized workers who must face the capitalist class without benefit of any union protection whatever.

The rank and file of organized labor suffers from steady erosion of union control on the job. A daily price is paid as hard-won gains, achieved through years of struggle, are gradually given away by union officials, and the situation is made even worse by an almost universal breakdown of grievance procedures. Add to that the leadership failure to defend the workers' economic interests in the face of wartime inflation. Then consider the general leadership default on all major social issues of the day. It all amounts to a bankrupt policy course against which the workers are chafing as they resist strangulation of internal democracy that exists in varying forms and scope throughout the union movement.

Faced with a resulting decline in their leadership authority, the union bureaucrats are floundering around in an effort to get off the hook of rank and file criticism. This has led to palace revolts within the official hierarchy, carried out in the hope of staving off membership uprisings against the whole ruling caste. Top officers have been dumped by unions in steel, electrical manufacturing, rubber and public employment, to cite some main examples. What the process adds up to can be summarized in the course taken by Walter Reuther, head of

the United Auto Workers, who has challenged AFL-CIO president George Meany for central leadership of the union movement. The clash reflects two general types of bureaucratic outlook and method, both class collaborationist to the core. Meany symbolizes the openly reactionary AFL hack trained in the Gompers school of labor fakers. Reuther, on the other hand, typifies the slippery demagogue who learned in the CIO to mouth class struggle phrases while actually knuckling under to the corporate overlords. Neither of them offers a solution to the workers' problems, as a look at their policies on key questions will show.*

Meany is dead against a break with the capitalist politicians who are dealing labor ever-harsher blows. So slavish is his support to Johnson and the Democrats that Secretary of Labor Wirtz could term last December's union session at Bal Harbour the "first joint convention of the AFL-CIO and the President's Cabinet." In the 1968 elections Meany has gone all out in backing Johnson and his party of war-lords, racists, strikebreakers and capitalist profiteers. Although Reuther is somewhat cagier about support to Johnson, he has subordinated his clash with Meany to a collaborative effort to secure the election of Democrats this fall. Reuther opposes formation of an independent labor party as a "reckless, dangerous idea." He calls for a political realignment, with conservatives concentrated in the Republican Party and liberals in the Democratic Party. The liberals, on whom Reuther would have labor continue to stake its fate, are before everything else capitalist agents. In every class showdown they will support capital against labor and the record is full of glaring examples to prove it. So Reuther's "realignment" talk is just a glib way of pretending to disagree with Meany when they actually remain united on basic political line.

The essential identity of their political views is further revealed by their common opposition to the Afro-American concept of black power. If that concept is to have real meaning it must connote a trend toward a complete break with capitalist politics of all varieties and the launching of independent black political action. Since they flatly oppose such a political course, both Meany and Reuther echo the capitalist smear campaign—Meany more openly, Reuther more deviously—in which the concept of black power is equated with "black racism." Compounding the felony, both practice tokenism, gradualism and deception concerning the criminal discrimination against black workers within the unions.

On the surface it would appear that they do have an important policy difference over the Vietnam war. Meany backs Johnson to the hilt in pressing the imperialist assault on the Vietnamese and he smears critics of his line within the unions with red-baiting attacks. Reuther, in contrast, has allowed identification of the UAW with the Labor Leadership Assembly For Peace, initiated and controlled by union

*This article was written before President Johnson announced his withdrawal from the presidential campaign.

bureaucrats who differ with Meany on the war. While its very formation reflects strong opposition to the war among union members, including growing sentiment for immediate withdrawal of U. S. troops, the LLAFF limits itself to a call for negotiated settlement of the war, carefully staying within the framework of the present tactical dispute going on in the capitalist class. To the imperialists, "negotiations" mean the obtaining of acceptable concessions from the Vietnamese and they intend to continue the war until that objective is accomplished. From that it follows that the LLAFF line violates the right of the Vietnamese to self-determination and it puts the imperialist war aims ahead of the interests of labor in this country.

Despite this basic flaw in LLAFF policy, there remains a positive side to the dispute among union bureaucrats over the war issue. It helps open the way for rank and file discussion of the question, setting the stage to battle out development of a correct policy course at every level in the union movement. At the same time forces are set into motion that will be capable of passing beyond the control of any wing of the bureaucratic hierarchy. Such a development is vitally important, because any union official who supports the war, even if he does so critically, is bound to wind up with a false line on all other matters touching the interests of the working class.

It is on the latter count that the common basic line of Meany, Reuther and the union bureaucrats in general is most plainly revealed. Meany, with his customary crudeness, provided a labor cover for Johnson's strikebreaking in the name of the war when he accepted appointment to the Morse board that laid down compulsory terms of a working contract for the railway shopmen. Reuther tried essentially the same thing when he recently offered to submit terms for renewal of UAW contracts to arbitration, only to be turned down by the auto corporations. I. W. Abel, president of the United Steelworkers, aped Reuther by pressing for arbitration of new contract terms this year in steel, but in his case a ground swell of opposition within the union blocked the scheme. Rare is the top union official who will differentiate himself from Reuther's weasel-worded disavowal of "resort to strike action that endangers the health and safety of the public," or to put it another way, will uphold the unconditional right of all workers to strike in defense of their class interests. Violation of this basic labor principle cripples exercise of union power on the job and, along with the bureaucratic default in the political sphere, underlines the serious nature of today's crisis of working class leadership.

Driven into action by the consequences of misleadership, new formations are arising within the unions in opposition to the entrenched officialdom. These groupings usually spring up round one or another concrete issue, often of narrow dimensions, and they do not at present tend to assume lasting character. If temporarily dissolved, however, they may well reappear after a time, again fighting on some specific issue. Their instability results mainly from lack of a developed program and experienced group leadership. Although yet to achieve the orientation necessary for a showdown with the bureaucrats, it is

significant that such formations are beginning to appear in the union movement generally, including a growing opposition to Reuther in the UAW.

In part the new internal union situation stems from changing membership composition in terms of both age and occupational categories. The union movement is becoming younger. Official figures show that nearly half the current AFL-CIO members are under 40 and about half of those are less than 30 years old. A widening age gap results between the rank and file and the self-perpetuating top bureaucracy, as shown by the fact that few members of the AFL-CIO Executive Council are under 60. The young workers tend to be most critical of faulty union policies, they want to assert their independence and they are quicker than older union hands to join rebel movements. This changing internal situation narrows the bureaucrats' base of support which has been built primarily on more conservative older workers, still on the job or retaining a voice in union affairs after retirement.

Another new factor is introduced by a developing trend toward unionization among so-called white-collar workers, especially in the case of teachers and public workers in general at various levels of government. As a rule these workers are among those who have long been getting the short end of the stick economically and many of them are up in arms about it. There is a pronounced upsurge, for example, in teachers' strikes. Across a ten-year period through 1965 there were only 35 walkouts by teachers. Then in 1966 alone 36 work stoppages occurred in the schools. From that time on there has been further acceleration of the trend, both in its national scope and in the number and intensity of strike struggles waged by teachers. The embattled teachers and other public workers fighting for their rights have had to face vicious forms of government strikebreaking that pose point-blank to the whole union movement the crucial need to develop a winning labor strategy.

Organized workers struggling to defend their interests are up against a capitalist class that has a stranglehold on the nation's economic life, monopolizes the political scene through its two-party system, has a subservient government at its command and stands generally united in using its power to fight the labor movement. To combat this monstrous ruling class the workers need to take united action, predicated on an effective labor program and exercised on the principle that an injury to one is an injury to all. This need stands poles apart from Reuther's threat to split the AFL-CIO in a bureaucratic hassle with Meany when not one issue of basic policy is involved. It would be far better if instead Reuther first concentrated on leading national UAW action to clear up so-called "local" injustices to the workers that are in fact common to the whole auto industry. Having set that kind of a good example for other union officials, he could then pass from simply making speeches about coalition bargaining to actually doing something to make it a meaningful reality.

All the union bureaucrats, without exception, bear responsibility for the fact that workers are split up into separate unions within single

companies to say nothing of single industries. A good start toward overcoming that harmful situation could be made by forming tight coalitions of the unions involved and then using that combined power to serve the workers' needs in a stand-up fight against the employers and their government. All union bureaucrats bear guilt for capitalist successes in dividing workers along racial lines. Leaders worth their salt would, through education and example, combat race prejudice in labor's ranks as self-defeating for the working class as a whole. They would fight militantly to assure full equality for black workers in the unions, on the job and throughout society.

All union bureaucrats tend to stress so-called "fringe benefits" in union contracts, related to unemployment compensation, retirement pay, health care and general social welfare. This is done in a way that saddles upon the union ranks responsibilities that should be met entirely by the capitalists and their government. It taps off pressures that organized labor should be putting on the government for action to meet the social needs of the whole working class. Many other violations of labor principles are committed by misleaders in the unions, among them the aiding and abetting of capitalists by joining in witch-hunts against worker militants who come under attack from the ruling class.

These grave leadership defaults must be corrected if labor is to develop a winning strategy, but that won't be done by bureaucrats who believe they have a stake in capitalism and are hopelessly wedded to collaboration with the ruling class. The task falls upon the oppositional formations now arising in the union ranks. They will have to shape the necessary policies and put forward militant leaders capable of carrying them out. Time and further experience will be required to develop an adequate program and mobilize sufficient forces to do the job. In the process, struggles over narrow specific issues will pose other and broader problems. Combinations of limited beefs will begin to meld into a body of class struggle perspectives. Out of all this must come a cohesive force of union fighters, firmly knitted around a clearly-defined programmatic outlook, ready to take on the capitalists in a class showdown and prepared to sweep aside any misleaders who stand in the way.

While the exact program that will be developed remains subject to rank and file decisions, reached democratically, it is possible to anticipate the general lines along which key points will emerge under the pressures of urgent class needs. These include rank and file control over union affairs; escalator clauses in all contracts, formulated to keep wages fully abreast of rising prices; reduction of the work week with no cut in pay; full compensation for jobless workers, including youth unable to find a place in the labor force; defense of the unconditional right to strike; complete union independence from government control; equal rights for all workers in the unions and on the job; full union support to the Afro-American freedom struggle in every sphere; immediate withdrawal of U. S. troops from Vietnam.

A key point remains that must be central to the whole program. Working class needs dictate a complete break with capitalist politics

and the formation of an independent labor party based on the unions. Imperative though it is to use the full union power on the job, the workers' interests cannot be adequately defended by fighting at that level alone. Gains won on picket lines are taken away by capitalist manipulation of the national economic, political and social structure. Even the right of toilers to withhold their labor is violated under the capitalist dictum that "You can't strike against the government."

President Roosevelt used that old saw, aiming it first at public workers, as the opening gun in a government attack on the powerful unions that arose out of the labor upsurge in the 1930s. Behind it lay the fantasy that the government is some kind of a mystical force standing above social classes, mediating impartially between them with a benevolent eye toward the good of all. Things didn't work out that way. Events showed that a government run by capitalist politicians always lines up with the employers against labor and that this applies to all politicians of the capitalist class, whether Republican or Democratic, liberal or conservative.

Roosevelt and his successors in the White House, backed by each successive Congress, have worked consistently to undermine labor's right to strike. One device used is fake "government seizure" of struck facilities to make it a fight "against the government." Laws such as the Taft-Hartley Act are used for general strikebreaking purposes and, where these fall short of capitalist aims, special laws are passed to break specific strikes. Court injunctions are being used to an increasing degree. Strikers are jailed, massive fines levied against unions and government agencies cooperate with employers in bringing damage suits against workers' organizations.

Further assaults on the right to strike are now in the making, again with much concentration at the outset on public workers. Walkouts by workers in government employment, among whom there is a mounting wave of militancy, are held illegal in every state, either by specific statute or common law. Federal employes are required to sign an infamous "yellow dog" agreement, a thing traditionally fought by labor, pledging that they will not go on strike. For them a walkout means subjection to felony charges. Since every public worker faces the government as the direct employer, the attack on their legal rights will do much to explode the myth that the government is an entity standing above the classes. Workers will better understand its true role as a repressive capitalist instrument whose assault on the right to strike is aimed at the whole labor movement. This in turn will help to politicize the workers' struggles in defense of their class needs, rights and organizations.

Blows received from their "friends" in government are already alienating workers from the Democratic Party to which the union bureaucrats have kept them tied. For years organized labor supported the Democrats as a virtually solid class bloc, but that is now starting to change. Increasingly distrustful of capitalist politicians and lacking their own class party to support, growing numbers of workers are shifting toward lesser-evil choices between Democratic and Republican candidates for

public office, more as a form of protest action than with any hope of getting a change for the better. Even this device is wearing thin, as room for such lesser-evil choices grows narrower and narrower. For those who care to see, a basic turn in union policy has become an obvious necessity.

Yet the union bureaucrats, who seem incapable of either learning or changing, cling stubbornly to their coalition with the Democrats. Some may flirt with a Republican candidate here and there in local elections, but virtually to a man they work to keep labor tied to the Democrats in national politics. Most of them go along with Meany in his politically obscene campaign in support of Johnson. Those who don't support Johnson turn to a Kennedy or a McCarthy in the Democratic stable. Trying to divert attention from the crimes of Johnson and all the Democrats against the workers, they have contrived a scare campaign about a Republican plan to attack labor, pretending that the same thing wouldn't happen if the Democrats get back into office in the 1968 elections.

No matter which gang of capitalist politicians are elected, Democrats or Republicans, government attacks on the unions will be intensified. Workers exercising their right to strike will find themselves in a head-on collision with capitalist officeholders. They will stand disarmed politically, watching the top union hacks beg unsuccessfully for a little mercy from the White House and Capitol Hill. New lessons will be in the making, teaching that pure-and-simple unionism has run its course. Workers can't fight effectively through their unions if at the same time they go to the polls and vote for political agents of the very employers against whom they are doing battle.

Fight the workers must and will, however, and in coming union struggles over economic issues they will learn the need to launch an anti-capitalist political offensive. Impulses toward the formation of an independent labor party will gain momentum. Once that step is taken and the workers step onto the political arena in their own name and with their own anti-capitalist party they will find many allies—minority peoples, students, working farmers, technicians, people in the professions, youth denied the right to work, members of the armed forces—all who are dominated and exploited by the capitalist overlords. With the aid of these allies labor will be able to take the governmental power. Only when that is done can our country be run in the interests of those striving for human advancement, with freedom at last from the oppressive rule of capitalist parasites who feed on human misery.

George Novack

THIRD PARTIES IN AMERICAN POLITICS

Deep disenchantment with the Democratic administration has stimulated great interest in alternatives to the major capitalist parties and given timeliness to a consideration of the role of third parties in American political history. Such a review would have to proceed from an analysis of the two-party system.

The undertaking is made difficult by the mystical aura enveloping this political structure. Most citizens place the two-party tradition in the same hallowed category as baseball, apple pie and corruption in high places. It is considered to be the normal, inevitable mode of political activity in this country.

The siamese-twin setup is not approached as the product of a particular configuration of historical conditions and social alignments in a particular phase of our national development. The ordinary American believes in the two-party system as devoutly and dogmatically as the Stalinist does in the one-party system. The United States has two parties as humans have two eyes and ears, two arms and legs. The Republican partnership appears as immutable and irremovable as these corporeal organs.

Any deviation from this pattern is considered abnormal, episodic and suspect. It is almost un-American to sponsor any political formation outside the charmed circle of the predominant parties or to engage in what Senator Eugene McCarthy dismisses as "irregular political movements."

The Democrats and Republicans are assigned the same monopoly in national politics as General Motors and Ford have in the auto industry. This comparison has more weight than a literary simile. GM and Ford presidents have served as Secretaries of Defense in the last three administrations: Charles Wilson under Eisenhower and Robert McNamara under Kennedy and Johnson. Such close personal links

between the giant corporations and the cabinet post in charge of spending tens of billions every year on profitable death-dealing items disclose the material basis of the tie-up between the governing parties and the dominant capitalist class.

The two-party racket is inherently a system resting on duplicity. During election time the candidates of the major parties masquerade as dedicated servants of the peoples' welfare in order to solicit votes and win office. A witty sociologist has observed that for the ordinary politician there are two sides to every question: the inside and the outside. The outs will use any means to get on the inside where the power and the troughs are.

To secure funds for campaigning and to stay in office Democrats and Republicans alike must do the bidding of business interests on all major questions of foreign and domestic policy. That is why the Johnson administration does not hesitate to cut appropriations for welfare even though it spends one-fifteenth as much on its mini-war on poverty as on its escalated war in Vietnam.

However, the two-party system is not immortal. It had a beginning and will have an end. Nothing in the Constitution of the United States dictates that there must be two parties, no more, no less. During the infancy of the Republic under George Washington there was no distinct party.

The two-party division originated during the administrations of Adams and Jefferson out of the Federalist and Democratic-Republican factions and was crystallized during the two terms of Andrew Jackson from 1829 to 1836 in the shape of the Democratic and Whig candidacies. The precedent for this dual form of upper class rulership, like so much else in early American politics, was given by the British parliamentary system where Tories and Whigs vied for control of the House of Commons, although the American parties have had a far more popular basis from their birth than their British counterparts.

The Republican Party

The most successful and enduring of all the third-party movements in American history came as a climax to this period in national politics. That was the swift rise of the Republican Party which is today one of the pillars of the two-party system. An understanding of this party's evolution and the main reasons for its victory and longevity can cast considerable light on the chances of other third party movements in the United States.

The Republican Party emerged in the 1850s as the political product of a great national crisis and an instrument for coping with it. It had been prepared for by previous experiments along similar lines in the 1840s: the Liberty and Free Soil parties. These three formations had one major feature in common: opposition to the slave power. The big Southern planters then occupied in American economic and

political life the same paramount position that the corporate giants have today. They controlled the Presidency, Congress, Supreme Court and armed forces. They shaped the main lines of foreign and domestic policy through manipulation of all three branches of the federal government at Washington, either directly or in collusion with Northern partners called "dough-faces," after the Northern representatives who voted for the Missouri Compromise of 1820.

The preferred political agency of the slavocracy was the Democratic Party, then as now infested with white supremacists. Under Polk's administration which conducted the war with Mexico over Texas from 1846 to 1848, this party became an utterly pliant tool of the slave dealers and cotton planters. But the Southern ruling class could, if necessary, get along with the Whig apparatus which was an unprincipled coalition of diverse elements whose leadership was largely concerned with competing for the spoils of office.

The politically organized anti-planter forces in the North consisted of the fast-ascending manufacturers, the expanding small farmers, the urban middle classes and part of the wage workers. For several decades they tried to curb the planters' appetites and aggressions, weaken the grip of the slave power and secure satisfaction for their demands through the established two parties. When this proved too frustrating and fruitless, the most militant and forward-looking resisters of the slaveholders organized independently into the Liberty and Free-Soil parties.

Neither movement was able to displace the Whigs as the chief challenger of the Democrats. They disintegrated and disappeared, not because their programs and objectives were not valid, beneficial and required for national progress, but because they were premature. The hour had not yet arrived when an oppositional party of this advanced type could contend for supremacy. Although these pioneering efforts collapsed, their work was not in vain. They cleared the ground for the crop harvested by their Republican successor.

The Republican movement, launched in 1854, was not essentially different in its components, support, positions and aims from these precursors. But it came forth under more matured and propitious economic, social and political circumstances and with far more powerful forces behind it. It was a mass expression, and became the prime political beneficiary of a colossal shakeup and split in the social structure of the United States.

This epoch-making change was brought about by the irrepressible conflict between the pro-slave and the anti-planter camps which erupted into the Civil War. The Republican Party was the outgrowth of a realignment of social forces in the Northern states. It was basically an alliance between the industrial capitalists and the freehold farmers, both of whom were intent upon checking the expansion of the slave power and creating an electoral apparatus to promote and protect their special interests.

The Republicans were a high tariff, national banking, railroad

subsidizing, free enterprise, free soil and free labor organization. They were unlike the Abolitionists to their left and even antagonistic to such militant figures, white and black, as Garrison, Douglass, Phillips and John Brown who were determined to exterminate slavery "root and branch," i.e. by any means necessary.

Republicanism was not motivated by a revolutionary program or aims. It was a party of reform which aspired, not to uproot slavery and its upholders, but only to put a bit and bridle upon the Southern planters and displace them as the top power in Washington.

The Republican Party came to power in the 1860 elections, only six years after it was established. The most important developments along the way were bound up with the growing internal crisis in the slave system of production, the misery of the Southern poor whites, the unrest among the slaves, the expansion of the wealth and power of Northern industry and Northwestern agriculture, the conflict over the possession and admission of the territories into the Union, the disintegration and disappearance of the Whig Party, the economic depression of 1857, the intensified division between the Northern and Southern states, John Brown's raid and the three-way split of the Democratic Party in 1860.

Lincoln's electoral victory in that year differed from an ordinary presidential replacement in stable times. It signified a drastic shift in the balance of political power among the social classes. This had revolutionary implications. The Northern manufacturers at the head of the Republican coalition had taken over the federal government from the Southern planters who had held the upper hand for decades. In contemporary terms this was comparable to a labor party superseding the Democrats in command of Washington.

The electoral overturn of 1860 posed the following question: Would—or could—the Southern slavocracy peacefully accept and adjust themselves to a change which meant surrendering sovereignty in national affairs to their mortal enemies? Like other outworn and desperate ruling classes, they decided to fight out the issue by force of arms rather than abide by the verdict of the polls. This lesson from American history on the limitations of constitutional democracy when class conflict reaches a showdown should be engraved on the minds of the present generation of radicals.

The pro-slave insurrection of the Confederacy precipitated the Civil War in which the anti-planter camp led by the industrial capitalist-small farmer alliance had to cinch on the battlefields the political hegemony they had hoped to obtain through the ballot box. The inescapable dynamics of the war compelled the Republicans to radicalize their policies and take ever more drastic measures to conquer the enemy. This party of gradual reform was forced by circumstances beyond its control to pilot the people through the greatest social and political revolution of the nineteenth century. In order to win the Civil War, shatter the slave power and prevent the planters from returning to supremacy, they had to abolish slavery, expropriate four billion

dollars worth of property in human beings, occupy and reorganize the defeated Confederate states.

The present two-party system issued from the aftermath of the Civil War and Reconstruction. As the favored vehicle of the victorious capitalist rulers, the Republican Party underwent another profound transformation—this time in the reverse direction. After it had fulfilled highly progressive functions, it turned into the reactionary tool of big business and high finance we know today.

The discredited and damaged Democratic Party managed to recuperate from the disruptions of the Civil War and reconstitute itself on a somewhat different basis. It assembled under one tent all those elements which could not get along or go along with the Republican plutocracy: Big merchants and small businessmen, farmers, Northern workers, Southern white supremacists, professionals and certain liberal dissidents. After the Civil War period, the Democrats were used by the ruling class, like the Whigs before them as a safety valve for social protest and a reliable replacement to administer the capitalist regime.

The rise of the Republican Party proves that a third party can come to power in the United States and remain a principal contender in national politics—provided objective conditions are favorable. The main trends of economic and social development are decisive in shaping the course, the life-span and the chances for success of any serious challenger to the traditional parties.

This truth was positively affirmed by the achievements of the Republican Party both in its radical and its reactionary phases. It has been confirmed in the negative by the fate of all third party movements since the Civil War.

The Republican Party was lifted to the heights on the flood of a revolutionary reconstruction of American society along bourgeois-democratic lines. It has stayed in the field because the capitalist class it represented has maintained and enhanced its economic, social and political strength. It was swept to the top and held on there thanks to the surge of forces connected with the industrialization of the United States under capitalist auspices.

Populist and Progressive Movements

The third parties which have sprung up in the past hundred years have had to make their way and try to find a foothold in the political arena in an altogether different setting. They had to buck up against the conservative post-revolutionary conditions that attended the impetuous, almost uninterrupted expansion of the capitalist system of this country. This has been the main stumbling block in their path to power or even their survival—and in the end these adverse conditions proved to be insurmountable for them all.

Third parties in the United States over the past century have belonged to two different categories; they have had either a middle class stamp

or a working class basis. The formations of the first type, Populist and Progressive in character, were predominant during the first phase of this development.

Despite their subsidiary differences, these middle class reform movements had fundamentally similar features. All were engendered by the inequities of an ascending national capitalism and stimulated by its economic fluctuations. They embodied protests against the domination and depredation of the big financial and industrial interests which commanded the heights of the economy and the established party machines. They sought to curb or reverse the inexorable processes of capitalist centralization and control over the decisive domains of American life.

They had plenty of fighting spirit, as the proclamation of Mary Ellen Lease of Kansas, "let's raise less corn and more hell," indicated. But these movements lacked stability, stamina and realistic objectives. The Populist-Progressive hosts wanted to equalize opportunity, disperse the ownership of property, share the wealth more fairly and improve the living standards of the masses. They set out to democratize the political structure by transferring control of the federal and state governments and the courts from the plutocracy to the people. They expected to prevent imperialist adventures and keep the nation at peace.

They marched against the fortresses of plutocratic power time and again between 1872 and 1917 with these purposes in view. They had much to their credit. Their opposition prevented the money men from riding roughshod over the American people and was a potent factor to be reckoned with at every step by the masters of the land. They won certain of the reforms they proposed and fought for: women's suffrage, party primaries, the initiative, referendum, and recall of elected officials, direct election of U. S. Senators and the graduated income tax. They were responsible for gains in social welfare, prison reform, child labor legislation and settlement house work.

Their most valuable achievements were in the cultural field: the improvement and extension of free public education and free public libraries, the renewal of realistic literature from Howells to Dreiser, the liberal reinterpretation of American history under Beard and Parrington, a more enlightened jurisprudence, and finally the creation of Dewey's pragmatic philosophy.

But none of their major objectives were attained. The Populist-Progressive crusades did not establish any enduring national party to compete with and displace what they called the "Gold Dust Twins." They didn't effect any substantial changes in the American economy which redistributed incomes more equitably at the expense of the big capitalists. They forced the passage of anti-trust laws only to see the monopolies grow greater, stronger and wealthier year by year. They couldn't hold back the imperialists from entering the Spanish-American war or the four wars of the twentieth century.

The root causes of their failures were lodged in their class positions and dispositions. These middle class reformers did not want to abolish,

capitalism but only to modify its operations on behalf of their constituencies. They demanded a larger share for the masses (other than the Indians and Afro-Americans) in the progress and prosperity of the profit system.

If the Progressive forces were stirred into anger, organization and action by every onset of hard times, the subsequent periods of capitalist revival and boom dampened their fighting ardor, disoriented and devitalized them. Thus they found it difficult to maintain themselves as a formidable independent force through thick and thin. Large sectors of their followers either turned back or were pulled back by opportunistic leaders toward the most demagogic of the major parties, as in 1896 and 1912. And at every crucial juncture in foreign affairs the reformers either split or backed the warmakers.

At bottom these movements had a utopian character and a retrogressive outlook. They sought to draw American capitalism back to its childhood as it was growing into monopolist rule and imperialist world dominion. Since they did not look and could not act beyond the precincts of a bourgeois society remodelled to their unrealistic specifications, they had to endure the logical consequences of its actual path of development: centralization of wealth and power, growing inequality, poverty amidst plenty, discrimination against minorities, political reaction and militarism.

Unable to grasp the dynamics of the principal forces at work in American social evolution and in their world, the gradualist movements gradually lost whatever capacities for progressive influence they originally possessed and petered out one after the other.

The Socialist Movement

Around 1900, after several decades of propaganda in restricted circles, a distinctively new sort of third party came into being. It was far more radical and more in accord with the laws and lines of development governing the twentieth century. This was the socialist movement.

In contrast with the Populists and Progressives, socialism was explicitly working class in its social basis, programmatic premises and proposals. It revolved around the conception of replacing capitalism with a new form of economic and political organization based upon public rather than private ownership. It was not merely anti-monopolist but anti-capitalist. In projecting a revolutionary perspective for the American people, the socialists of that time completely divorced themselves from the Democratic and Republican machines and declared war to the death upon them.

During the first twenty years of this century socialism became a factor in American politics on a national scale for the first time. Because of the still far from exhausted potentialities of U. S. capitalism, this initial mass socialist venture could not play more than a

preparatory role. In addition to this unavoidable historical restriction, the movement was vitiated by reformist practices and then devitalized by two splits. The first was occasioned by the U. S. entry into World War I, the other resulted from the irrepressible and legitimate conflict between the reformist-centrist elements and the left wing generated by the impact of the Bolshevik revolution.

Neither the waning Socialist Party of Norman Thomas nor the young oncoming Communist Party could make much headway against the adverse currents of the booming 1920s, any more than comparable radical groupings could grow in the 1950s. The great spurt in the size and influence of the American Communist Party came with the crisis years of the early 1930s when it rapidly became predominant on the left. Even the Socialist Party expanded during the depression days and their immediate aftermath.

Until the mid-1930s both of these working class organizations remained opposed in principle and in practice to any participation in the two-party system on a national scale. They then began to alter their attitudes and break with the tradition of independent class politics upon which the socialist and communist movements had been built. They did so for different reasons but with equally disastrous results.

As in everything else, the SP drifted away from its original electoral policy, which placed it in intransigent opposition to the capitalist two parties, in a slow and gradual fashion. It took three decades for its infidelity to its founding positions to be completely consummated. The old guard socialists in the leadership of the garment unions took the first step when they broke away from the party in 1936 and formed the American Labor Party in New York as a pseudo-independent means of garnering votes for Roosevelt.

Although Norman Thomas and his cohorts repudiated this abandonment of the socialist tradition, they proceeded to imitate the example on a local scale by backing the reform Republican LaGuardia in the 1937 New York elections for mayor. When the Trotskyists condemned

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this lapse into opportunism, they were expelled from the SP and had to form the Socialist Workers Party.

Through inertia the SP continued to field a national ticket in a number of presidential races thereafter but without much fervor or conviction. The hopes of their leadership and much of their dwindling membership more and more shifted to the prospect of reforming or realigning the Democratic Party. In 1964, for example, its veteran standard bearer, Norman Thomas, supported Johnson as "the lesser evil." The SP National Committee emphasized its commitment to coalition politics by suspending the entire Young People's Socialist League for its resistance to this endorsement. Today, the SP, which originally urged people to climb out of the two-party swamp, has become totally immersed in it.

The Communist Party

The Communist Party has followed a similar path over the past three decades but in a more devious manner. Its repudiation of independent working class politics was far more brazen. After having castigated Roosevelt as a "fascist" agent of big business in 1936, Earl Browder, then Stalin's lieutenant as leader of the CP, abruptly proclaimed that the Republican candidate Landon "must be defeated at all costs." The price paid was scrapping the Leninist principle of no support to any political representative of the capitalist ruling class.

In reminiscences published thirty years later (see: *As We Saw the Thirties*, University of Indiana Press, 1967), Browder revealed that this turnabout was made on instructions from the leaders of the Communist International which, in reaction to the changed world relationship of forces following Hitler's triumph, swung to the policies of the popular front and "collective security" through the League of Nations. In the United States this alliance with the imperialist democracies required subordination to the Roosevelt administration.

While Foster readily accepted the proposal to support Roosevelt's reelection in 1936, Browder demurred, not for any reasons of principle, but for motives of expediency. He explained that open CP endorsement of Roosevelt would give a handle to the Republicans and thus harm more than help his return to office. The same objective could be better promoted, Browder argued, concentrating fire on the Republican candidate Landon. He persuaded the Comintern heads to accept this devious maneuver which guided CP electoral conduct that year. In his memoirs Browder gloats with pride over the success of this "tactic."

The formula for back-handed and shamefaced support of capitalist party candidates devised by the long deposed Stalinist leader has been retained and used by all his successors from Foster to Gus Hall. With intermittent exceptions (once in 1940 when Stalin was temporarily allied with Hitler and again in 1948 and 1952 when Washington

initiated the cold war, the CP has been enmeshed in "coalition politics" which has usually meant backing Democratic tickets.

Its participation in the Progressive Party campaign of 1948 headed by Henry Wallace represented a last spasm of earlier third party experiences combined with the electoral opportunism of the CP. This ephemeral third party was primarily engendered by the switch of U. S. imperialism from wartime alliance to global hostility toward the Soviet Union. Wallace, who had been Roosevelt's vice president from 1940 to 1944, was somewhat slower in adjusting to the changed requirements and new realities of world politics than his bourgeois colleagues. His resistance to Truman's foreign policy was mistakenly interpreted by many gullible people and exploited by the CP as serious opposition to Washington's cold war course and a peaceful alternative to it.

No sooner did the Korean war break out than the "peace-loving" Wallace wholeheartedly endorsed it, leaving his Progressive dupes in the lurch. He ended in the Republican ranks.

From 1956 on the CP has reverted to its more blatant opportunistic policy of supporting the Democratic presidential tickets as "a lesser evil" to the "reactionary, fascist, warmongering threat" represented by the Republican candidacies of Eisenhower, Nixon and Goldwater. Thus in 1964 both the CP and SP vied with each other in stampeding radical votes into Johnson's corral on the ground that the man from Texas would guard the "peace" against Goldwater.

Under the monopolistic and imperialistic capitalism of today, petty bourgeois progressivism of all varieties has become decadent and impotent. It has largely shrivelled into a set of formulas and pious wishes which give no substantial results, even in the way of reforms. Democratic demagogues have become adepts at mouthing its rhetoric in order to gull the public. Wilson's New Freedom, Roosevelt's New Deal, Truman's Square Deal, J. F. Kennedy's New Frontier, Johnson's Great Society and now Robert Kennedy's New America all belong in the repertory of Madison Avenue utopias culled from the vocabulary of progressivism.

Lesser-Evilism or Socialist Politics?

It has been emphasized that the fortunes of third party challenges in the past have ultimately been determined for good or ill by the objective conditions of the class struggle. The third party oppositions of our own time will be governed by the same laws of development.

Viable new political formations to the left of the entrenched capitalist machines would have to be based upon powerful ascending social forces, express and promote the main tendencies of progress in our national life, and develop programs and activities corresponding to the needs and demands of the exploited and oppressed.

The Socialist Workers Party favors the formation of two mass

political movements meeting such specifications. One would be a labor party issuing from the trade unions, as in England and Canada. The other would be an independent black party appealing to the millions of Afro-Americans with an intensified nationalist consciousness.

However, neither of these possible progressive variants of political development are on the scene in 1968. The Socialist Workers Party offers the only clear-cut opposition to the political agencies of the capitalist regime in the current presidential race.

In a number of states there will also be third party ventures under assorted "peace and freedom" designations. Such hybrid movements and improvised tickets will not have a solid class basis, a mass following, a definitive program or a socialist orientation. They will be belated and abortive reproductions of the "progressive" fiascos already interred in the political graveyard. They may temporarily rally a heterogeneous grouping of middle class dissidents around a formless radicalism and fragile reformism which will break into fragments as they run up against the realities of the confrontation with monopoly capitalism.

In 1948 the Progressive Party of Henry Wallace was on the ballot in 46 states and received over a million votes. It had sunk without a trace five years later. That same year the Socialist Workers Party launched its first presidential ticket on a more modest scale but with

young socialist

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a much sounder political perspective. Twenty years later it is conducting the most extensive and effective national campaign in its history.

The pseudo-realists of the "lesser evil" choices along with the opportunistic practitioners of coalition politics with the capitalist candidates will once more argue that an independent socialist campaign is ineffectual and unwarranted because the masses are not ready to support it. They want to enjoy the harvest without breaking the ground and sowing the seeds for a new departure in American politics.

They fail to understand that socialists in the United States today are at a point comparable to that of the Abolitionists and the most militant adherents of the Liberty and Free Soil parties in the decades before the Civil War. They are pioneers in a struggle wherein a deepening crisis of the reactionary ruling class provides promising openings for the forces of freedom.

By abandoning independent working class positions in order to swim like minnows behind the capitalist sharks in the channels of the two-party system, the Communist and Socialist leaderships have not only discredited themselves and weakened their organizations, they have demoralized and disoriented several generations of radicals who have virtually lost sight of the elementary principles and tasks of socialist political action. There are many young rebels who are disgusted with the Johnson administration and look beyond McCarthy and Kennedy, Gregory and Spock. Where, when and how will they hear about the authentic views and proposals of socialism if the voices of Marxism are silent or subdued during a national election and the field is left to the direct upholders and the would-be rehabilitators of a sick capitalist society? This is the time when they can learn about the liberating ideas of socialism from its genuine proponents instead of from cold warriors, contented and corrupted pro-capitalist liberals and renegade radicals.

The difficulties of American imperialism urgently call for the renewal and reinforcement of an honest revolutionary alternative in the heartland of world capitalism. The Socialist Workers Party proposes to provide leadership for this movement. The key points in its election program advocate ending the genocidal intervention by withdrawing American troops from Vietnam without delay; black control of the black community; support to all revolutionary regimes and movements from Cuba to Southeast Asia; workers power; and a fundamental socialist transformation of the United States.

Dick Roberts

THE AMERICAN DILEMMA IN VIETNAM

The major military and political defeat which the United States imperialist forces suffered in Vietnam during the month-long Tet offensive in February plunged the rulers of America into their deepest division since the Civil War of over one century ago. This brilliant victory of the revolutionary armies demonstrated that Washington could not achieve its military objectives without a gigantic escalation of troop strength—if at all. It demolished in one blow the myths upon which the Johnson administration had invaded Vietnam—Johnson's contention that he was aiding a government that had the support of its people against an external aggressor. The indigenous guerrilla forces which swept through all the major cities were repulsed, not by the armies of the Thieu-Ky regime, but by U. S. troops and devastating U. S. bombing. A war that was already hated by millions of Americans became a war opposed by a majority of Americans. The New Hampshire and Wisconsin primaries were repudiations which no U. S. president had ever before incurred in time of war.

These developments brought to a head four fundamental problems of American imperialism which have become hotly debated by the ruling class and its political agents in the Democratic and Republican parties:

- 1) It focused attention on the possibility that U. S. military forces were overextended on the world arena. Massive concentration of the armies in Vietnam might make the capitalist hold elsewhere on the globe exceptionally vulnerable to a new escalation of the colonial revolution. Without a sharp increase in the draft, Washington had already reached the point where reinforcements to Vietnam required

This article is the greater part of a speech given at the Philadelphia Militant Labor Forum, April 5, 1968.

calling up the reserves or transferring occupation forces from other bases around the world.

2) A world monetary crisis caused by the whole postwar extension of U. S. armies and investment into foreign lands was already in the making. Banking authorities agreed that the cost of a further major escalation of the war would be dollar devaluation and a potentially disastrous disruption of world trade.

3) The Vietnam war exacerbated the already explosive tempers of the Afro-American ghettos in every big city. On one side it deprived the city administrations of even their token reform programs; so-called "war on poverty" funds were slashed in one city after the other. On the other side the war forced young blacks to fight and die disproportionately for a racist system blatantly hostile to them.

4) The rising opposition to the war and the racist capitalist system was pointing tens of thousands of young radicals in a political direction outside of, independent of, and opposed to the capitalist political parties. The two-party vise on the American electorate was being challenged and this estrangement was certain to widen if the war deepened.

The questions I propose to discuss go beyond the sharp twists and turns of the capitalist politicians that have held the headlines. They concern the policy of the opponents of American imperialism. What effect do these fundamental crises have on the socialist and antiwar movements? What attitude should socialists and opponents of the war take towards these critical problems of capitalism?

The Foreign Relations Committee Dissents

On February 21, Senator Frank Church, one of the members of the Senate Foreign Relations Committee, made an extremely sharp attack on administration policies in a speech on the floor which was given little press coverage. He began by telling a story about a pilot who announced to his passengers that he had two pieces of news for them, one bad, the other good. The bad news, the pilot said, is that we are lost. The good news is that we are traveling at a record-breaking rate of speed.

This analogy is so horrifying because it applies to the rulers of this country with a stockpiled nuclear arsenal whose destructive power is the equivalent of one thousand pounds of TNT for each person on the earth. These atomaniacs are prosecuting a war in Southeast Asia, the ultimate logic of which is to employ those weapons not only in Vietnam, but also in Laos, Thailand, Cambodia and China.

On top of this, the administration's response to the NLF offensive which began in February, proved that these men are capable of pulling the nuclear trigger. The Orwellian logic of their genocidal bombing counteroffensive was frightfully summarized in that single sentence of the major in Bentre who declared "we had to destroy the city in order to save it."

In the concluding remarks of his speech, Church stated that "it is only a myth that aggression occurred in Vietnam which can be compared with aggression elsewhere. It is a myth that we have developed for our own convenience to rationalize our own policy." And Senator Gruening, after describing Church's speech as one of the greatest made on the Senate floor since Daniel Webster, stated, "I fear there is only one way out . . . and that is to confess our error and make plans to phase out our occupation, leaving the Vietnamese to settle their problems."

Church's and Gruening's remarks do not sound very different from statements made by a number of antiwar spokesmen, not only in the ruling parties (where they are on the extreme left wing), but also in the "peace and freedom" movements. Without taking them at face value, they are extremely symptomatic.

It will be easier to understand the present disagreements in ruling circles if we step back from the immediate context of the Vietnam war and place the problem in the context of U. S. post-World War II policies in Asia and the Pacific. A pertinent historical precedent to the current conflict is the controversy which took place between 1944 and 1949 over U. S. policy in China.

U. S. Imperialism in the Pacific Arena

The cornerstone of American foreign policy in the Pacific arena since the "Open Door" of the end of the last century, has been to open up the vast markets of China to U. S. exploitation. This broader context holds the key to the present tactical disagreement over the war in Vietnam.

In the Pacific, the second world war was primarily a struggle between Washington and Tokyo over control of Asian territory and above all, China. But this encounter was rooted in the nineteenth century imperialist subdivision of Asia.

Britain had conquered India and Burma, had an outpost in Malaya, had pushed into Hongkong, and carved out spheres of interest in China. The Dutch had clamped the vise of colonialism on Indonesia — at that time the Netherlands East Indies. France had seized an empire in Annam and Tonkin, Indo-China. Czarist Russia and pushed into Manchuria. The United States had occupied the Philippines.

The latecomer in this scramble for Asian markets and sources of raw materials was Japan. Tokyo began her imperialist conquest of Asia by seizing Korea and Formosa. In 1905 she made war on Russia to pave the way for seizure of Manchuria and later the grand prize, China. While the U. S. was beset with devastating economic crisis in 1931, Tokyo's armies marched into Manchuria. They invaded China in 1937.

With the fall of France in 1940 and Hitler's seemingly successful

invasion of the Soviet Union, Tokyo believed that the hour of her destiny had arrived. In less than six months, Japan had carved out a far richer imperial prize than Hitler in the course of the entire European war—even though it pales in contrast to Washington's empire today. Tokyo destroyed a good part of the U. S. fleet in Pearl Harbor, seized the Philippines from Washington; Hongkong and Malaya and Burma from Britain; and Indonesia from the Dutch.

There are two documents of special interest, relevant to this mighty expansion of Japanese conquests and the subsequent war in the Pacific. The first is the notorious Tanaka memorial—an exceptionally important document because it is one of the very few in history wrested from the archives of the ruling class. It was drawn up in the early 1920s by the Japanese general and premier, Baron Tanaka, outlining precisely the step-by-step plans for Japanese world conquest which imperial Japan proceeded to follow.

The document was obtained by Soviet intelligence in 1925 and leaked to the American press. Leon Trotsky held the post of chairman of the Soviet foreign policy committee for the Far East at that time, and his account of how its intelligence service obtained the Tanaka memorial, published in the June 1941 issue of the *Fourth International*, provides an informative glimpse into the machinations of imperialist strategy.

The Tanaka memorial is significant today because it shows that imperialist powers, over the course of time, do and must make blueprints for foreign conquest. The U. S. hasn't constructed bases all over the world and giant armies without drawing up plans about how to use them. The existence of such documents, as Trotsky pointed out, does not by itself prove that the imperialists are going to use them. What proved the authenticity of the Tanaka memorial was what Japan actually did and what lent credence to its validity in 1925 was the emergence of a new capitalist power, Japan, with inadequate markets to sustain its expanding economy in a world already divided between the capitalist powers. Nevertheless, the existence of such plans is pertinent to our discussion because of the recent revelations about the "Pax Americana" study,* a Pentagon blueprint which Senator Fulbright has demanded be made public.

The second document was signed and dispatched on November 26, 1941, two weeks before Pearl Harbor. This is U. S. Secretary of State Hull's terms for a secret treaty with Japan, which was made public in the U. S. State Department's China White Paper in 1949. The key passage from the secret treaty proposal reads: "The Government of Japan and the Government of the United States have agreed that toward eliminating chronic political instability, preventing recurrent economic collapse, and providing a

*This document was prepared by the Douglas Aircraft Corporation under army sponsorship. Originally entitled 'Pax Americana,' the name was subsequently changed to 'Strategic Alignments and Military Objectives.'

basis for peace, they will actively support and practically apply the following principles in their economic relations with each other and with other nations and peoples:

"1) The principle of non-discrimination in international commercial relations.

"2) The principle of international economic cooperation and abolition of extreme nationalism as expressed in excessive trade restrictions.

"3) The principle of non-discriminatory access by all nations to raw material supplies.

"4) The principle of full protection of the interests of consuming countries and populations as regards the operation of international commodity agreements . . ."

Open markets, free access to raw materials, open trade—those were the imperialist guarantees Washington wanted to refrain from war with Japan. Tokyo's answer, of course, came two weeks later with the bombing of Pearl Harbor. That event could hardly have surprised the Secretary of State when Washington's policy—as this document reveals—was to box Japan into a corner which would, in fact, stifle the Japanese economy—in order to free Asian markets for penetration by U. S. capital.

A closer look at the pattern of fighting between the "Free World" armies over domination of the Asian continent indicates that early in the war Roosevelt had his eyes set above all else on China. The Japanese armies were engaged in Burma, Thailand, Malaya and Hongkong by the British; and in Amman, Tonkin and Indonesia by a combination of French, Dutch and Australian armies. Washington, however, seized the important Pacific bases, the Philippines and China. This division of "liberating crusades" already testified to the emergence of Washington's military might.

It did not go unnoticed. A May, 1945, *New York Times* dispatch from London stated that "qualified British quarters" complained that "Britain desired to play a considerably larger role in the Far Eastern war than the United States was disposed to allocate to her." If liberation was the real aim, one might well ask what it mattered whose troops performed the role.

The dropping of atom bombs was not at all inconsistent with Wall Street's plans for Japan. In the last days of the war, that country was devastatingly bombed, her fleet utterly crushed—in a word, her armed potential for empire, destroyed, entirely in accord with Roosevelt's own dreams of empire.

But the fall of Japan only set the stage for the contest over China. Here the major combatants were not the United States and other imperialist powers, but the United States and the Nationalist Chinese government of Chiang Kai-shek on one side, and the Chinese peasant armies under the leadership of the Communist Party on the other.

The Chinese revolution began long before World War II paved the way for its victory. By 1937, when the Japanese armies invaded China, the revolutionary Chinese peasants had already established bases of dual power. Side-by-side with Chiang's Kuomintang government, there existed deep in the Chinese interior the Yen'an government of the Chinese Communist Party—with a massive army numbering over 500,000 troops at its command.

In the face of the Japanese invasion, and under Moscow's direction, the two governments entered what the Maoists called the "Peoples Anti-Japanese United Front." They explicitly shunned the perspective of overthrowing Chinese capitalism. Under the terms of this coalition, the Yen'an government would stop fighting the Kuomintang—even stop criticizing it—and together both sides would fight the Japanese. In the secret pacts Stalin made with the imperialists at Teheran and Yalta, he agreed to allow capitalism to prevail in China for the low price of a port in Manchuria.

Washington's Ambassador to China, Hurley, in April of 1945, interviewed Stalin and reported back to Washington, "The Marshal was pleased and expressed his concurrence and said in view of the over-all situation, he wished us to know that we would have his complete support in immediate action for the unification of the armed forces of China with full recognition of the National Government under the leadership of Chiang Kai-shek. In short Stalin agreed unqualifiedly to America's polity in China as outlined to him during the conversation."

After Roosevelt had secured Stalin's agreement regarding China, he attempted to stabilize the coalition between Mao and Chiang. This adds a most elucidating chapter to the history of the cold war. Roosevelt feared that if Chiang did not accept a deal with Mao, Chiang would be destroyed by the revolution.

With Stalin's agreement and Mao's support, such a deal would seem to be a foregone conclusion—a deal which would have sealed the death of the Chinese revolution and would have paved the way for American finance capital in Peking. Between June of 1944 and May of 1946, everyone from Vice President Henry Wallace to Secretary of State Marshall went to China to try to consummate the deal. But it never worked out. In essence, fulfillment of the agreement was beyond the control of its architects.

After two decades of bloody repressions, including the slaughter of one peasant army after another, Chiang and his followers were

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well aware that they could not survive a coalition unless the revolutionary armies were disarmed and disbanded. And the revolutionary armies, in their turn, were well aware of the fate that the landlord butchers would mete out to them if they followed Stalin's and Mao's advice to agree to disarm. While Mao procrastinated over the treaties, Chiang proceeded to take every opportunity to sabotage them. Mao turned one army over to Kuomintang "leadership" and Chiang massacred it. Furthermore, in spite of Mao's faithful adherence to the coalition pact, peasants continued to seize the land and a militant strike wave erupted in the cities.

While Washington talked about peace, it continued to aid Chiang Kai-shek's forces and began a mass mobilization of U.S. troops in the Pacific. Right at the end of the war, Washington rushed 55,000 marines into the Chinese area vacated by Japan to hold Eastern cities until Chiang's arrival. At the same time it supplied U.S. airplanes for Kuomintang troop movements and it armed and supplied Chiang's troops—to the tune of well over one billion dollars in direct military aid.

When Marshall's final attempt to patch things up between Mao and Chiang in the mid-summer of 1946 proved unsuccessful, however, Truman was prevented from carrying out U.S. troop reinforcement of Chiang's armies by two interrelated and undreamt of crises for American imperialism. These were the threat of eruption of successful social revolutions in the key capitalist states of France and Italy which necessitated U.S. military occupation of Europe—and the coincident irresistible demand of the American troops themselves to return home.

This rebellion, which Mary-Alice Waters fittingly calls the "Hidden Chapter in the Fight Against War" in a pamphlet published last year,* was of crucial significance in the further unfolding of the Pacific war. Briefly, the American GIs refused to become counterrevolutionary occupational troops and conducted a "Bring the Troops Home Now" movement on their own initiative. They had been sent to China ostensibly to help disarm the Japanese troops, but soon realized they were taking part in a Chinese civil war.

They saw the miserable, half-starved Kuomintang conscripts and the misery of the Chinese people. Then, as they wrote in letters home, they were ordered to blast small Chinese villages unmercifully, not knowing how many innocent civilians were slaughtered. On January 29, 1947, after a one-and-a-half-year struggle organized by the American soldiers and supported by demonstrations of their parents and wives in this country, Truman was forced to order a unilateral withdrawal of American troops from China.

Even so, the arms and money supplied by Washington to Chiang enabled him to hold out for over two more years. It was not until

*GIs and the Fight Against War, by Mary-Alice Waters. Young Socialist, P.O. Box 471, Cooper station, New York, N.Y., 10003. 25 cents.

June of 1949, after more than 22 years of struggle, that the Chinese revolutionary armies marched victoriously on Shanghai and Chiang took refuge in Formosa. Washington's public responses are well-known. The "loss" of China was used as one further piece of evidence in the McCarthy anticommunist hysteria and as a justification for Truman's intervention in Korea only one year later.

U.S. bases in Asia and the Pacific have been armed to the teeth with SAC bombers ever since. It is those bases, under the SEATO pact, that paved the way for the U.S. support to the Diem regime—setting the conditions for the present war in Vietnam. They necessitated the partition of Korea, the support of puppet dictators in Thailand and Laos, and so forth.

A turn of the magnitude of the U.S. withdrawal from China in 1947 was inevitably preceded by discussions, splits and disagreements, in ruling-class circles which also have to argue out their tactics. They often perform this task with more class consciousness than some of the self-appointed representatives of the working class.

Ironically, this particular ruling-class discussion was brought to light thanks to the anticommunist fanatics of the postwar period. In 1949, the State Department released a number of the secret documents in its celebrated White Paper. Most instructive is the speech General Marshall made in a secret session of the Senate and House foreign relations committees in the spring of 1948, a year and a half before Chiang's collapse.

Marshall began by explaining why the statement he was making couldn't be made public: It "would be destructive of the morale of the [Chiang] Government and its army . . . it would actually be helpful, even stimulating, to the morale of the Communist Party, and especially the Communist army."

"In the opinion of virtually every American authority," Marshall went on, it is "impossible to conquer the Communist armies by force." Additional major military aid to Chiang, Marshall argued, had to be ruled out because of the effect it would have on American public opinion. "It involves obligations and responsibilities on the part of this Government," he stated, "which I am convinced the American people would never *knowingly* accept. We cannot escape the fact that the deliberate entry of this country into the armed effort in China involves possible consequences in which the financial cost, though tremendous, would be insignificant when compared to the other liabilities inevitably involved." (Emphasis added).

In a somewhat cynical digression, Marshall explained how much U.S. military aid had already been given, countering the right-wing charge that Chiang had been abandoned. At the time of the U.S. marine withdrawal, Marshall said, the marines "abandoned" certain military materiel, including munitions, to the Chinese government forces.

Marshall was particularly worried about over-extending U.S. military forces: "We could spread our influence out so thin that it

could be of no particular effectiveness at any one point." And he concluded by emphasizing the priority of U. S. interests: "We cannot afford, economically or militarily, to take over the continued failures of the present Chinese government to the dissipation of our strength in more vital regions where we now have a reasonable opportunity of successfully meeting or thwarting the Communist threat, that is, in the vital industrial area of Western Europe."

In other words, Washington was militarily and politically thwarted. It could not risk Asian war because this would threaten its interests elsewhere, particularly in Europe, which were more important, and the American people wouldn't go along with it. There wasn't a shade of disagreement over the long run perspective of conquering the China market, as events in Korea proved less than a year later.

The crushing of the revolution was inextricably linked with supporting a corrupt, unpopular and dictatorial puppet regime. No coalition government was possible because Chiang, like Thieu and Ky today, could not survive it. But the landlord clique itself was totally incapable of carrying through any reforms. This couldn't be sold to the American people, particularly when the opponents that would be ranged against the U. S. armies were not the ten or twenty million Vietnamese peasants, but the 600 million peasants of China. Instead, the U. S. ruling class adopted the two-China policy. They defended Chiang in Formosa in order to provide a political and military staging area for later aggression. They simply undertook a tactical and temporary retreat—and they did so, without putting the subject to an electoral vote. They were quite conscious of the sentiments of American public opinion against such an invasion—even though at that very moment Truman's anticommunist witch-hunt was already underway. What they needed was time to shift public opinion, if they could, toward war and to rebuild their armies and navies in the Pacific. McCarthyism, which came soon, was no aberration; it flowed directly from the immediate and long-range requirements of the imperialist rulers.

Without filling in the intermediate history, it is quite evident that all the powder-kegs, all the revolutions and counterrevolutions which have dominated the Asian arena for two decades, were the direct result of these imperialist adventures on the part of the United States. Today, the whole of the Chinese perimeter, not just Vietnam and Korea, stands divided. And each case contains the potential for further war.

The division of Korea which followed World War II was not resolved five years later in the Korean conflict. There have been not several but 15 years of inconclusive negotiations following that war. The masses of South Korea are victims of capitalist dictatorship, tens of thousands of prisoners from the war still remain in President Park's concentration camps. North Korea maintains the revolutionary perspective of uniting that country. The puppet generals are calling on Washington to invade North Korea in retaliation for the seizure of the spy-ship *Pueblo* in January.

Here is an illuminating clipping from the *Los Angeles Times*. Its headline reads: "Sabotage of South Korea Economy Seen as Real Aim of Communist Sabotage." And the kicker headline reads "Might Discourage Millions in Foreign Investments." The article goes on to relate how six corporations, including Motorola, Gulf Oil and Dow Chemicals, have launched major industrial projects in South Korea. "Kim Il Sung," it states, "may have other plans, but this is why South Korea has made the infiltration issue top priority and has now secured an extra \$100 million in U. S. aid for military modernization."

It is not just South Vietnam but the whole of Indochina which stands in the balance of the Vietnam war. Laos cannot remain divided if the victory goes either one way or the other in Vietnam; Thailand cannot be preserved as a military bastion if revolution succeeds in neighboring Vietnam and Laos. Cambodia cannot remain neutral in either case. The fallacy of the domino theory is not in its political and military implications but in the conception of the monolithic "communist conspiracy" which is supposed to lie behind it.

The fundamental question posed by the Vietnam war is the same posed by the Chinese revolution and the October revolution in Russia fifty years ago. One system or the other must prevail. Capitalism and socialism cannot exist indefinitely side-by-side and there can be no peace until the world capitalist system is abolished. Recent developments only confirm what has long been evident to revolutionary socialists, that capitalism has exhausted its long range potential for development, that we are living in the stage of its death agony, of its thrashing about here and there in this desperate and hopeless struggle to make the world safe for American investment.

Unfortunately the representatives of the oppressed on the world scene are fundamentally divided in face of this reality. On one side, continuing the tradition of Marx and Lenin and the October revolution are those who accept the reality that "peaceful coexistence" between imperialism and world revolution is impossible, who believe that world peace can only be obtained when imperialism is once and for all ended, and who make no concessions, no deals which would in any way gloss over or deny this fundamental trend of world history.

On the other side are the international tendencies of Stalinist bureaucratism—both the Moscow and Peking varieties—who believe that some sort of status quo with imperialism is possible and desirable. Their tactics and strategy flow from this hugely erroneous misconception. In China, in 1944 through 1949, they actually thought that some kind of coalition government between the capitalist parties around Chiang and the social revolution was possible and they made every effort to obtain it. To the revolutionary concept of a working class and peasant united front against capitalism, they raised the utopian concept of a united "peoples" front of all three classes. But that is not a united front at all, it is a capitalist government in power. And the capitalists are usually more conscious of the real alternatives than the advocates of peaceful coexistence and coalition governments.

Here is the view of *The Economist*, Britain's long standing and influential interpreter of imperialist necessities, on this question in relation to Vietnam:

"The real issue," it states, "is who controls Saigon. The South Vietnam that emerges from the war may be neutral in a military sense . . . It cannot be politically neuter. It will either be a society organized on a marxist basis, or it will not. There is no third option. The peace settlement may give certain secured positions to the people on the losing side. They may be allowed the right to operate as a tolerated opposition; they may even be given a few junior jobs in what will politely be called a coalition government. But the commanding heights—which means the ministries that regulate the armed forces and the economy—will be controlled by men who speak for one system or the other."

The Split in the Ruling Class

The fundamental problem facing the capitalists today is quite analogous to the problems Marshall was tackling in 1949. Vietnam like China highlights the difficulty of carrying forward the assigned tasks of imperialism under the regime of bourgeois democracy. In order to prosecute this unpopular war in support of corrupt puppet dictators, this unjust war which masses of Americans oppose, this costly war which requires bigger and bigger taxes, lower and lower real wages, the imperialists must establish political stability at home that can only be achieved through outright force, repression against the black community, against organized labor, against critics of their policies. This is why the drive of imperialist expansion on the world arena and toward world war is also a drive toward domestic reaction.

This is not to subscribe to the recent hysteria promulgated by the American Communist Party that "fascism" is around the corner. Immediately, the perspective is clearly the opposite. The capitalist perspective is peace candidates and peace campaigns in order to obscure the fundamental issues, in order to dilute, channel away and neutralize the growing radicalism in this country. What I am projecting is the long run alternatives within which the imperialist system must function.

The unpopularity of the Vietnam war is eloquent testimony to the problems that will beset the capitalists when they are confronted with "two, three, many Vietnams." And it is in this sense that I point out the only ultimate program for American imperialism on the domestic arena is totalitarian dictatorship.

With that in mind, it should be evident that the question of opposing imperialist expansion over the long run is much more than a moral question for the overwhelming mass of Americans. It means either forward to socialism or backward to barbarism. And the barbarians in this case have at their disposal a nuclear arsenal capable of destroying mankind.

The significance of the "Pax Americana" document which the Senate Foreign Relations Committee says it is trying to bring to public

attention is that it must contain a long range perspective of U.S. global expansion and control which certain capitalist rulers believe to be impracticable if not catastrophic at the present time. "The unfortunate situation we are involved in in Southeast Asia could have been avoided," Senator Hartke stated Feb. 16, "if the American people had been aware of what was being planned and what was going on."

More immediately, as I stated at the outset, American capitalism is facing four crises all of which revolve around the war in Vietnam. These were the subject of Senator Church's speech which was entitled "The Torment in the Land." For one thing, Church tried to drive it into the heads of his colleagues that further escalation of the war along Johnson's path could do nothing else but jeopardize the two-party control. War opponents, he stated, "resent the spreading mantle of militarism at home. They have, I must say quite frankly, greater sympathy for Dr. Spock and the ministers now under indictment, than for the Government prosecuting them. And they are skeptical about the freedom in our land."

Church connected the war with the inner-city crisis: "The President," he stated, "expresses the hope that hardened veterans, returning from the fighting in Vietnam, will join the police forces in our cities to help keep order. But even as he issues his appeal, he knows that other veterans, equally seasoned in the black [sic] arts of guerrilla warfare, are returning each day to the slums and ghettos. As whole blocks were burning in Detroit last summer, one such veteran turned to his buddy and said: 'It's here, man, that the real war is.'"

Church consequently condemned the administration for spending 55.7 per cent of the budget on military forces and only 12.2 per cent for health, education and welfare.

On the question of the dollar crisis, Church took an interesting position. After pointing out that "retrenchment of government spending abroad is inescapable, if the calamity of the dollar's devaluation is to be avoided," he advocated that the Senate refuse to lift the gold cover on the dollar in order to restore to the Senators some control of foreign policies which they allegedly lost in the Gulf of Tonkin resolution four years ago. When that vote actually came before the Senate in March it was almost defeated. Church and Gruening joined forces with special gold-mining interest groups and mustered 37 votes against removing the cover, to the majority of 39 for removing it.

Finally, Church covered the point of the over-extension of U.S. military forces. "We lack the manpower," he declared, "to extend to the rest of Asia the policy we pursue in Vietnam. For if Americans must fight on a spreading Asia front, we shall soon run out of both men and money." This recalls what General Marshall said in secret session: It is not so much the men and money as the overwhelming price of public discontent.

"I propose," Church concluded, "that we seek out the rational middle ground, where the limits of our intervention are drawn to correspond to the limits of our resources, and where we reserve direct military

measures for those occasions that actually pose a clear and present threat to the security of the American people."

Church and some other Democratic and Republican politicians, speaking for a sector of the capitalist class, advise a hold back at the present time. They don't advocate abandoning U.S. bases in South Vietnam, they don't advise a general retreat from Southeast Asia or anything close to it. They just want to cool it for a time. They don't want a major escalation of the war. They believe that a bombing halt will gain more politically than it will lose militarily. Going ahead at the previous tempo, they feel, is fraught with too many dangers to domestic and world capitalist rule.

If these representatives of a certain section of the ruling class are successful in maneuvering their class as a whole into adopting this temporary retreat, it can only be emphasized that the retreat in 1949 was followed by almost twenty years of war. Holding back the imperialist war drive is a long ways from ending it.

Only with these considerations in mind can we adopt a realistic attitude toward the split over foreign policy in the ruling class. Revolutionary opponents of capitalism believe that the only lasting solution to the problem of imperialist war is the abolition of the imperialist system itself. Coalitions with the capitalists in any form do not further the advance of socialism towards ending capitalism. Such deals hinder this advance. Genuine socialists do not believe that capitalism can be reformed from within, that you can join sides with capitalism, "infiltrate" it, so to speak, and eventually alter it. The whole history of the last century shows that such infiltration only ends with the socialist spokesmen being coopted by the capitalist regime.

If there is anything that this glance over postwar history should suggest, it is that the basic programs and policies of American capitalism have not changed in any essential aspect since World War II. The capitalists haven't got any less arrogant, less brutal, less disposed to inflict genocidal slaughters on mankind. They've gotten more belligerent, more dangerous. They have bigger armies; they attempt to encompass and control larger sections of the globe. And this is not out of any preference on their part, it is not a question of who they have in office. It is because of the fundamental necessity of imperialism to halt any and all revolutionary advances in order to forward its scheme for world domination and for no other reason. That is what the "Pax Americana" study is about.

Frank Lovell

THE REUTHER—MEANY SPLIT

Few of the one-and-a-half million members of the AFL-CIO United Automobile Workers union are familiar with or care much about the stated differences that have developed between Walter Reuther, president of their union, and George Meany, president of the AFL-CIO. Yet these differences, which have brought the AFL-CIO to the brink of split, are a real reflection, albeit in distorted form, of the feelings, desires and hopes of broad strata of union men and women in this country.

The stated differences are but a superficial expression of a much deeper conflict whose source can be traced to the disparate historical origin, development, personality and style of the two men. Reuther came out of the ranks of those insurgent militants who sparked the drive which toppled the open shop in the auto industry and culminated in the organization of the mass production industries under the banner of the CIO. He fought on the picket line, was beaten up by Ford's goons, and clawed his way to leadership through a series of bitter internal factional battles. The point that must be underscored is that Reuther's power base rests upon a union which arose in the process of fierce struggle against both the auto barons and the hidebound AFL bureaucracy and which has prided itself on its tradition of democratic rank and file participation in union affairs.

Reuther's style and personality have been shaped and conditioned by the events which molded the character of the UAW. His resort to the techniques of social demagoguery and his devious maneuvers and stratagems in contract negotiations are all part of his necessary adaptation to the pressures of a vocal, oftentimes recalcitrant and sometimes rebellious membership. Little wonder that he is often embarrassed and dismayed at the blatant crudities of a George Meany.

In contrast to Reuther, Meany is a bureaucrat's bureaucrat. He came out of the conservative, craft-ridden AFL Plumbers Union and quickly graduated into the ranks of the bureaucratic hierarchy. His power base is in the bureaucracy itself to which he is completely beholden. Meany is many times removed from any contact with the union ranks. Meany is so free from any taint of union militancy that he was able to boast at the time he was elevated to his present high position: "I never went on strike in my life, never ran a strike in my life, never ordered anyone else to run a strike in my life, never had anything to do with a picket line." Such are the credentials which qualified Meany in the eyes of his fellow bureaucrats as candidate for president of the reunified AFL-CIO in 1955.

During his 13 year tenure as head of the AFL-CIO, Meany has consistently confirmed his impeccable qualifications. When called before the National Labor Relations Board in the fall of 1966 to testify against charges of "unfair labor practices" brought by General Electric and Westinghouse against several AFL-CIO unions in the electrical industry which had formed a bargaining coalition and were presenting joint demands to the corporations, Meany claimed that he had not personally directed the union strategy and denied knowing anything about the course of negotiations.

The Meany image remained unchanged when projected together with Lyndon Johnson during a half-hour chat in the Fish Room of the White House, the labor federation president proclaimed his agreement with the capitalists' president on the major political and economic issues of the day.

Reuther, for his part, has disassociated himself and the UAW from Meany's crudities by resigning, prior to the 1967 auto contract negotiations, from the policy-making AFL-CIO Executive Council. In an interview with a *New York Times* correspondent on the eve of the Ford strike last September, Reuther said of his leaving the AFL-CIO Executive Council, "No question about it—I'm liberated." He further explained his reasons for disengaging himself from the mossbacks on the Council by saying: "When you try and try and try to get through that brick wall, and it only gets thicker, and then you can use your wings to fly over it, it's a wonderful feeling." But this doesn't say much about what Reuther intends.

His views are usually expressed in the most general terms—peace, freedom, social justice. In a statement he made early in the game, when the break with Meany was definitive, Reuther broadly defined his goals:

"American labor needs not apologize for its programs, for they are not related to any narrow self-servicing interests of labor, but are related to the basic unmet needs of all the people and the whole nation.

"We have come a long way. But there is still much unfinished work to be done . . . The only war that should engage man's attention and efforts is the war against poverty, hunger, ignorance and disease, the war to extend the frontiers of social justice and human betterment."—*Detroit Labor News*, November 23, 1966.

Meany sometimes makes statements like this too, but coming from Reuther it all sounds more genuine to most workers and seems to be more in their interest.

Reuther know how to be concrete when circumstances require it. For example, the 1967 auto negotiations were concluded with a signed three-year contract between each of the auto corporations and the UAW. All reference to the AFL-CIO, which had appeared in the previous contract language, was carefully deleted. This serves notice that the AFL-CIO is cut out of the auto industry. Henceforth this sector of U. S. industry remains the exclusive province of the UAW. In so doing Reuther clearly reveals his intention to pull out and leave the AFL-CIO behind. His successfully negotiated auto contracts now reinforce his bid for the central leadership of the divided and dis-oriented trade union movement.

Reuther's way of dealing with the auto corporations, his organizational skills in managing the huge bureaucratic apparatus of the giant UAW, his handling of the Ford strike—all this makes a heavy impact and stirs the dulled senses of every trade union bureaucrat who happens to stumble upon it. There is growing evidence that Reuther came out of the 1967 auto negotiations looking pretty good in the eyes of the trade union officialdom. Of course, they don't know all the details. But around the country there are plenty of business agents in craft unions with wage scales below the UAW skilled trades scale who would like to avoid worry about reelection by negotiating 50-cent-an-hour raises for their members.

The Normal Pattern of Negotiations

There is no better way to examine in detail Reuther's credentials for leadership of the trade union movement than to review the 1967 auto negotiations, the conduct of the Ford strike, and the settlement that was reached with the auto corporations. Herein we will discover the differences in style, in method, and in goals that divide the Reuthers from the Meanys in matters of union strategy and tactics. We will also see what they have in common, for both are committed *in principle* to the idea that the working class and the employing class are, and must forever be, partners in the forward march of humanity toward an ever higher standard of living.

It is useful to look behind the scenes in order to understand better the real relationship between union apparatus and corporate management. Over the years the Reuther leadership of the UAW and the auto corporations have established a working relationship which lends the appearance of relative "industrial harmony." Each side maintains its own staff of economic advisers, research workers, and industrial relations experts. They keep abreast of the statistics on labor productivity, shifting unemployment, average wage rates, rising living costs, corporate profits. In this way, through an interchange of information and by means of countless contacts beyond the limited area of union-

management relations, top union officials and their counterparts in the auto corporations carry on continuous negotiations from month to month, year in and year out.

These negotiations proceed on the basic assumption of common interests. Both sides avow their concern for the health of the national economy, for promoting the needs of society as a whole and for maintaining profits and at the same time raising the standard of living of the working class. Reuther, as UAW president, shows a far greater interest in "community projects" to advance education, improve housing, and wipe out slums, than have any of the spokesmen for the auto industry. But they have gone along in the various civic committees. And in the most recent period, responding to the Detroit ghetto uprising of last summer, Henry Ford II began to overshadow Reuther in this area of public relations. In the course of these joint activities each side has come better to understand the other. Each knows what the other wants, what he needs, how he operates.

This mutual appreciation is naturally transferred to the bargaining table where "common interests" vie with antagonistic pressures. Each side seeks to reconcile the antagonism—to his own immediate advantage. To this end they have evolved a rather elaborate set of unwritten rules and a special kind of language—the language of labor-management diplomacy—by means of which neither says exactly what he means but both understand what is implied.

Something of this "knowledgeable appreciation of the other side" is, of course, present in all serious negotiations whether they occur between buyers and sellers in the marketplace or between the diplomats of great powers. It is no less the case in all dealings between the boss and the workers at all levels, whether in the shop or at the bargaining table. Reuther has managed to formalize this and in the process he has removed many of the crudities of "backdoor bargaining," "under-the-table deals," "sweetheart contracts," and outright "pay-offs" most commonly identified with the old Meany-type pure-and-simple trade unionist. Reuther has developed the new "bargaining pattern." And this is the Reuther style.

When time for a new UAW contract rolls around bargaining guidelines are clearly understood by the principal participants on both sides. Each knows in general terms and round figures what "the package" will be. What follows is the method for working out the details of the new contract, allaying some of the most galling grievances of the auto workers, and establishing the new basis of union-management relations for the life of the contract. It is a time of intensive stock-taking by both union and boss.

Traditionally the UAW calls a special convention in Detroit the year the auto contracts expire. The only point on the agenda is DEMANDS. This is always a big affair, capturing headlines and making big news in all parts of the country, and serving to alert the auto workers that their union is on its toes and in fighting trim. The year 1967 was no exception. The special convention, called in

April and attended by 1500 delegates from all locals of the union, set the stage for the formal opening of negotiations in July. The union was shooting for a big wage increase and guaranteed yearly income. Banner slogans on opening day of the convention demanded: "Eliminate the Wage Differential Between U. S. and Canada . . . Equal Pay for Equal Work," and served notice to the auto bosses: "No Tampering With Cost of Living Protection. We fought to win it . . . we aim to keep it."

These conventions are carefully prepared and well organized by the leadership of the UAW. They serve a double purpose: to bring the secondary leaders together and acquaint them with the "realistic demands" of the union, and to alert the corporations of what direction negotiations should take and of the areas in which some changes in contractual relations are needed. There is no other union leadership that approaches negotiations in such a methodical manner, and none that knows how to capitalize so well on the publicity resulting from these techniques.

All basic demands from all UAW locals around the country are carefully sifted, catalogued, and endorsed—after which the convention votes for "a flexible policy at the top negotiating table" and empowers Reuther and his staff to select the "hard core issues." Then there follows a "public relations" job by the UAW publicity department to "explain" the union bargaining position and the key demands.

In 1967 the "guaranteed annual wage" was again advanced to the top of the list, as it had been in previous negotiations. This time it had to share the top spot with "Equity." No matter if auto workers failed to learn from all this exactly what they were asking for in the way of wages, in 1967 as in the past, the auto corporations knew in advance, just as Reuther did, what the limits were. And both knew that the real issue between them was the cost-of-living provision in the auto contracts, but neither of them had much to say publicly about this in the opening stages.

As the bargaining process unfolds the whole bureaucratic apparatus of the UAW is brought into play, covered over with a paper-thin veneer of "democratically elected negotiators." This is how it works: Top negotiating committees are selected to meet separately with each of the auto corporations. These negotiators are picked by the UAW subcouncils to which local unions send delegates. Each team of negotiators is headed by the UAW vice president in charge. In 1967 the team chiefs were Leonard Woodcock for General Motors, Ken Bannon for Ford, and Douglas Fraser for Chrysler, while Vice President Pat Greathouse headed a fourth team of negotiators to meet with American Motors and with representatives of all companies in the farm implement industry.

Reuther is accustomed to open negotiations with each of the corporations and in the final days he travels from one set of negotiations to the other in last-minute efforts to "finalize the agreement," as they say in that peculiar jargon of theirs.

But before this happens there are several stages through which negotiations must proceed. After Reuther sets forth the union position on opening day, negotiations proceed apace, but nothing much happens. Then, sometime around the middle of August, the UAW takes a strike vote of the membership, authorizing the leadership to call a strike "if necessary."

Now come the corporation spokesmen with their sad tale of woe, telling how ill-prepared they are to grant concessions in these trying times but hinting at what they might be willing to give for the sake of harmonious relations. Next the union selects a "target company" for strike action if no settlement is reached by that fateful day in September when the auto contracts expire.

Very quickly then, with only a couple of weeks to go, the broad outlines of a new agreement are established and the serious bargaining begins. This occurs over how much shall be allotted for health plans, for disability income protection, for supplementary unemployment benefits, for care for retired workers and their survivors, for additional holidays, and for wages. These are matters that must be settled under terms of the national contract. And both sides agree that a deadline must be met. Sometimes they find it necessary to postpone the deadline, but there is no advantage to either side in extending the negotiations indefinitely, once there is firm understanding on "the package."

When the national agreement has been "finalized" and initialed and each side has congratulated the other on a job well done, there remain the "local issues." These have to do with working conditions in the shops and the relationship between local union committeemen and plant supervision. This is where the class struggle between worker and boss is most sharply defined, and the issues are myriad, involving infractions of shop rules, management's prerogative of job assignment, work classification, speedup, etc. Much of this, like the class struggle in all forms cannot be amicably resolved. It cannot be reduced to contract language and set down in rigid rules to be followed. By the time of contract negotiations workers are so dissatisfied with the old conditions that they often walk out and refuse to accept the new contract until their local grievances are settled.

This is a more important stage in the contract negotiations than is generally recognized. Both company managers and UAW bureaucrats understand it as a necessary "safety valve," a time when workers are allowed to "blow off steam" as they say among themselves.

After a week or ten days on the picket line the workers are expected to have "thought things over," the UAW regional director has appeared at strike meetings to "explain" the new contract, and company spokesmen have expressed a willingness to make some local concessions. Votes are taken. The majority decides to return to work. The workers go back to the plants and the struggle over working conditions begins all over again, under terms of the newly signed agreements. Some-

times the most militant leaders in the plant are reprimanded, and some may be fired.

This stage of "local negotiations" may extend over a rather long period of time. For example the 1967 GM national agreement was signed on schedule December 14 without a strike and on December 28 the UAW announced that a majority of its 375,000 members in General Motors plants across the country had ratified the new three-year UAW-GM contract. But at the end of February (almost a quarter of a year after "top table" negotiations ended) 29 of the 168 GM bargaining units in the United States still had not signed local agreements and were preparing local strike action.

This, then, is the general pattern of UAW contract negotiations. There are an agreed upon time table and recognized mutually accepted stages of negotiations. In the end a working relationship between union and management evolves in the form of a legal document—the contract. This pattern is identified with Walter Reuther as president of the UAW. He likes to take full credit for it, considers it a mark of his "statesmanship," and boasts of the benefits auto workers have won within the framework of this formula. But the truth is that Reuther is not the sole author of it. The auto corporations have had a big hand in the development of it and have benefited from it. It is the formula for "industrial peace" in the age of big business and the big union.

Corporate profits testify that the auto industry has not suffered under what they call their "industrial relations" formula. Certainly auto is in as good a position as other industries, such as steel or electrical machinery, where other methods and a different formula have been practiced. This is not to say that the super-profits of the auto industry are a direct result of the labor policy of the corporations. But it is clear that their profits have not suffered and that the wages of auto workers are far from excessive.

There comes a time when the tried and tested pattern of union-management relations is threatened, disrupted by social and economic pressures beyond the control of corporation heads and union officials. The beginning stage of the 1967 UAW contract negotiations occurred at such a time.

The 1967 Settlement at Ford

Right at the start negotiations bogged down. Union spokesmen were talking about the guaranteed annual income, salary for hourly-rated employees, some form of profit sharing, substantial wage increases, more pay for skilled workers, higher pensions, wage parity for Canadian workers, a scholarship and refund tuition program, and in general, "Equity." But these weren't the issues of major concern to either party at that time. What divided them was the "escalator" clause in the union contract, the provision for a quarterly, cost-of-living wage adjustment corresponding to rising prices as recorded by the U. S.

Labor Department's consumer price index. The auto bosses had made it clear that they wanted to eliminate it from the new contract.

There is always pretense in negotiations. But in this instance both sides pretended not to know anything, to be unable to fathom the depth of their problem. One "anonymous" company source complained, "the negotiators haven't given us any indication where there is room for give. And that is what collective bargaining is all about." The UAW responded through an equally "anonymous" spokesman. "There just isn't any communication. And this may be the thing that will make a strike unavoidable." A strike was unavoidable, but not for want of communication.

Prices, including auto prices, are going up. But the auto corporations wanted to put controls on the price of labor. They demanded that wages be regulated through a fixed ceiling, that the UAW give up the protection provided by the cost-of-living clause. The UAW could not bow to this demand. That is what made the 1967 Ford strike unavoidable last September.

The auto industry expected the strike and prepared for it. General Motors Corporation drafted a financial assistance plan for the "Big Three" corporations. All negotiations on their side were coordinated, centralized, unified. They practiced "coalition bargaining" without talking about it.

Reuther, for the UAW, ran the Ford strike as if it were the result of a misunderstanding of signals at the top negotiating table. He kept trying to remind the corporation spokesmen that the UAW still had some bargaining power, and had greater forces in reserve. He was careful throughout never to violate any of the basic ground rules that are understood and taken for granted between union bureaucrats and big bosses.

On September 7, when the UAW-Ford contract expired, 160,000 Ford workers struck. They voted to return to work October 25.

On the eve of the strike Reuther suggested that it could be averted by submitting the wage issues to arbitration. He knew that the corporations, under the circumstances, would not pick up the offer. It was proffered to win "public sympathy" at the outset, but it was opened and never withdrawn.

In the middle of the strike, Frank Winn, a special assistant to Reuther, explained in a letter to the *Detroit Free Press* that the UAW proposal was for "voluntary arbitration," which, he explained, "is regarded by labor and responsible employers as an often useful tool in industrial relations." This again made clear to the auto industry that Reuther would welcome arbitration in which the arbiter's decision would be "final and binding."

Ford officials originally rejected this out of hand on the ground that it involved opening the corporation books—something the Big Three in the auto industry will not submit to. Nevertheless, such arbitration proposals are always a far greater threat to the union than to the company because just to limit the degree of exploitation to the already

established level, arbitration would presuppose "impartial" investigation and an attempt to adjust wages in accordance with corporate profits and increased productivity in the industry. The present political reality is that arbitration proceeds under the aegis of a government fact-finding board and that the "findings" always show the workers entitled to a wage increase exactly in accordance with the economic guidelines laid down in Washington.

In the case of the auto workers it might well have been that in the course of arbitration proceedings the corporations would have suffered some embarrassment, since their exorbitant rate of profit (after taxes) might have been found to be excessive and their increase in auto prices unwarranted. But these questions are not ruled on by the arbitrator. Only in the question of wages is the decision "final and binding." So when it is all over the corporations manage quickly enough to overcome their embarrassment and continue their mad scramble to increase profits and boost prices, but the workers are stuck with the low wages "award" of arbitration.

This arbitration gambit was a foolish and wasted move on Reuther's part so far as the interests of the Ford strikers were concerned. However, it did serve to demonstrate once again that Reuther is a "fair and reasonable" labor leader and that he is endowed with "statesmanship." This is most important to Reuther in his bid for leadership of the union movement. He wants the bosses to know that he has something to offer and the "know-how" to present it.

He missed no opportunity to show his respect and proper appreciation of the existing order. During the Ford strike, when the auto workers were determined to break the wage guidelines of the Johnson administration, Reuther found occasion on a television appearance to speak a few kind words in support of Johnson.

Since the auto settlements Reuther has become more critical of Johnson's course in Vietnam, but he carefully balances this with high praise of the administration's domestic program. Thus, in a letter to Johnson on February 23 of this year, he hailed as "imaginative and innovative" administration proposals for urban development. "Mr. President, I congratulate you on the vision and commitment that inspired this historic recommendation . . . Your proposals deserve full support . . . We will work hard to help pass them." This is telling Johnson and all others who care to listen whose corner Reuther is in. He is not on the side of the workers who are looking for substantial wage raises this summer to meet the rising cost of living, because this is what Johnson's domestic program specifically and explicitly opposes.

Union bureaucrats always talk over the heads of the workers to the bosses and the bosses' representatives in government where they think all the power is. Reuther is no exception. He ran the Ford strike as if it were simply a sounding board for his maneuvers in the auto negotiations, carefully blocking all avenues through which strikers traditionally organize their own actions. The conduct of the

strike discouraged rank and file discussion of strike strategy. Picket lines were limited in numbers and token in character. Strikers were requested to report only once for picket duty every 11 days.

No strike machinery was organized to provide for the pickets' needs. Cash benefits were kept to a bare minimum, \$20 a week for single men and \$30 for family men. Coffee and sandwiches were served to pickets at the plant gates, but even this was organized by "the union" so as *not* to involve the strikers directly in the conduct of their strike. A catering service was hired to perform this routine strike committee function. Talk on the picket line at the time was to the effect that the catering service cost the UAW \$35,000 for the first 10 days of the strike.

There was no effort on the part of the UAW leadership to inform the strikers about the conduct of their strike, to tell them of the stiff-necked attitude of the auto bosses, to acquaint them with the state of negotiations, or to alert them to the ever-present threat of government intervention and to explain what this would mean in light of pending anti-labor legislation in Washington. All this was left to the speculation of the strikers based on what information they could get from the daily newspapers, which gave the employers' side of the story and explained all developments according to the needs and hopes of corporation spokesmen.

Even the central issue—cost-of-living protection—which prompted the strike, was kept hidden from the strikers. The picket signs said: "We Want Equity." The strikers were asking, "How much is Equity?"

There was no sign that strike strategists at UAW Solidarity House ever considered issuing a daily strike bulletin to keep UAW members informed. Local union papers gave little or no information about the real issues of the strike and long ago gave up the practice of printing rank and file discussion letters.

Ford Facts, the official publication of Ford UAW Local 600, exactly once came out with a solicited and carefully edited "Ford Workers View" column. In this case, where the editor went out for a sampling of what workers at the Rouge plant thought about the Ford offer, he came back with clear statements of what these workers needed and wanted. One of them, D. T. Smith, Engine Repair, said, "I feel that the Company has failed to take into consideration our working conditions—more relief time, production standards, and retirement with full benefits at an early age." A young production worker, Redus Garwood, reported what these men were thinking about. He said: "When we young members got together this morning and discussed the Company proposal we were glad the huge strike vote was recorded last week. We need more money to buy the things young people need." Another young worker, Frank Wiecha of the tool and die unit, simply observed that Ford's offer "does not keep up with the cost of living." Of the more than 30 workers quoted in the survey all spoke about the need to improve working conditions and raise wages to meet the rising cost of living.

The same issue of *Ford Facts* carried the full text of the statement of the UAW International Executive Board rejecting the Big Three contract proposal. There is a vast discrepancy between the general demands of the top union officials and the specific needs expressed by the workers they represent. This is illustrated in one of the Executive Board's summary statements: "Collective bargaining, to perform a constructive role in our free society, should be based upon economic facts, not economic power. Collective bargaining decisions should reflect the relative equities of workers, stockholders, executives, and consumers. In the current negotiations, we are determined to get full relative equity for UAW members and their families, not out of the pockets of American consumers, but rather out of increased productivity and profitability." Clearly, in this statement, UAW officials were talking to the corporation heads and, indirectly, to the Johnson administration.

They hardly talked to the auto workers at all. The only mass meeting of Ford strikers in the Detroit area was held October 1, and Reuther invited Henry Ford II to attend and address the meeting. Ford turned down the invitation. But Reuther had nothing to report on that occasion and failed to emphasize that the auto corporations were bent on undermining the workers' cost-of-living protection.

One time the UAW officials did talk to the rank and file. At a one-day special convention on October 8 they asked for a dues increase. While Reuther used the Ford strike to push through a dues increase that will nearly double UAW income, no increase in strike benefits were provided for the Ford strikers.

The 'One-at-a-time' Strike Strategy

In case anyone gets the idea that no thought was given to the overall question of strike strategy, the UAW bureaucrats will be the first to dispute it. This strike was called and concluded under the sign of the now-famous "one-at-a-time strike strategy." This strategy is treated as part of the UAW's sacred heritage, and to question its infallibility as a key to success in any and all instances is a sacrilege. Younger members of the UAW are told often and at length how clever the leadership has been to take advantage of competition between the corporations by singling out "the one" to strike, thus cutting off its profits and injuring its competitive position in the industry while encouraging the others until the struck company simply gives up. Having forced one of the Big Three to sign a favorable contract with UAW, the others then have to follow. The historic example is the 1946 GM strike which lasted 113 days and was led by Reuther himself. We are never told how it is that GM's "competitive position" didn't suffer then or since. And we have already seen that in this latest Ford strike, the company suffered no serious competitive disadvantage and besides, the other corporations were prepared to underwrite the losses.

It was clear from the beginning that the aim of the 1967 Ford strike was not to hurt the company. Maintenance crews remained after the walkout to close down all furnaces and properly secure all machinery so as to insure an orderly and rapid return to production when the strike ended. Supervisory personnel was allowed through the picket lines at all times.

After the strike had gone on for a month, UAW top officials agreed to reopen three struck Ford plants. These were parts plants that supply American Motors Corporation. This decision came as soon as an AMC official notified Ford and the UAW that his firm was running out of parts and might have to close before the end of October.

UAW officials also agreed in the first days of October to open picket lines and allow parts shipments at two Ford installations in the Detroit area: the National Parts Depot in Livonia and the Detroit Parts Depot. Ford produces a variety of vehicles and parts for the Army, and the Pentagon had claimed that parts were urgently needed to prevent shortages at the Vietnam war front. UAW officials hastened to release all needed parts, unmindful of the effect on the strike.

In a similar action to prevent the Ford strike from "damaging the national economy" or "slacking the war effort" or threatening Ford competitors in the auto industry, Dougals A. Fraser, director of the UAW Chrysler department, rushed to Dayton, Ohio, to head off a strike at Chrysler's Airtemp plant there. Workers in this plant are members of the International Union of Electrical Workers, not the UAW, and their contract with Chrysler expired October 6. They make instrument panels and heaters for almost all Chrysler cars and a strike by them would have closed Chrysler plants across the country. There are about 2,600 workers in this Dayton plant and they voted in September to strike if Chrysler failed to settle with them before their old contract ran out.

Fraser's job was to get them to extend the old contract while negotiations continued. He argued that closing Chrysler would cut across the UAW one-at-a-time strike strategy and hurt the Ford strikers. The IUE workers voted to go along with Fraser's appeal, but of the 1,500 who attended the meeting only 600 voted. A second meeting had to be called in order to record a larger vote.

The IUE had earlier walked out for a short time at two GM plants but had agreed to go back to work without a contract—"in order to help the Ford strikers," as UAW officials put it.

This is the strike strategy in which no one suffers except the strikers. Only *their* demands go unanswered. The auto industry continues to increase production. Government demands for military supplies are promptly met. Strategic Ford plants are reopened. Other workers in the industry are urged to produce this year's high priced cars for last year's low wages. Ford continues to roll up profits. And Ford stock gains a point or two on Wall Street's big board.

Here is an example of how Reuther applies "coalition bargaining,"

which is his prescription for industries where the work force is split up and divided among several unions. He urges those unions to draft joint demands and present the bosses with a union coalition. This is the sensible, elementary, united action which union men and women expect. It is the very thing George Meany claims to know nothing about and never had a hand in. But when Reuther puts his hand in it, as he did with the Chrysler workers in Dayton, Ohio, who were represented by another union, the IUE, his "coalition bargaining" turns out to be a way to keep the workers divided and on the job in the midst of a strike when united action would be most effective and would afford them the best opportunity to win some badly needed wage gains.

This is not the worst of the crimes committed under the general heading of "strike strategy." It is often a tactical question whether to strike one company or a whole industry, but Reuther's course in the 1967 auto negotiations did not follow from a simple choice of this kind. His use of the usual one-at-a-time strike strategy was deliberately designed to forestall the industry-wide battle that is dictated by monopoly control in the auto industry and that must yet be fought by the UAW if the inroads of the auto giants into the living standards of the entire working class, not only auto workers, are to be blocked.

The time was favorable when the auto contracts expired last September. The employing class, the capitalist masters of this country, were and remain in deep trouble. They are caught in the Vietnam war trap and don't know how to get out of it. Their savage destruction of a whole nation and their wanton killing of innocent people have revealed the moral depravity of this ruling class and shocked the civilized world. There is widespread discontent among all classes of people here over this war and a deep sense of shame in significant sectors of the middle class whose members feel themselves implicated and responsible. The millions of black people are in open revolt against this society, which oppresses and humiliates them. And the unions are beginning to assert some of their old militancy in response to slashes in the standard of living brought on by the war's high prices and high taxes.

This was the time for all those leaders in the UAW, beginning with their president, to lead. What else are leaders for? They made some sounds at the start to give the impression of generals marshalling their forces. Vice President Leonard Woodcock told General Motors: "This union will not allow the corporation to weaken the cost-of-living protection of GM workers." That sounded good. How will this not be allowed? What is to be done?

Back in 1946, when the ruling class of this country was caught up in the post-World War II economic and political crisis, Reuther began to act like a leader. He was then UAW vice president in charge of the GM department. Right from the beginning the GM union committee, which he headed, conducted negotiations seriously, presented clear and specific demands, and gave the corporation to understand

that it meant business and wasn't there simply to go through the motions and make the record. Reuther attacked the corporation publicly and exposed their poor-mouth arguments by demanding that it "open the books." By mounting a big campaign for "wage increases without price increases," he dramatized to millions of CIO and AFL workers the injustices of the profit-bloated corporations and exposed their insidious propoganda that high prices are caused by high wages. He stood up against the hired "brains" of the richest and most powerful capitalists, answering each and every one of their twisted arguments, and he beat them down. In the end the General Motors Corporation agreed to the cost-of-living allowance. That was something new in union contracts of that day, and it has served the auto workers well ever since.

This lasting victory was not the result of the one-at-a-time strategy which Reuther initiated and insisted upon in that situation. On the contrary, the victory of the auto workers was assured when electrical, packinghouse and steel workers walked out in January 1946, after the GM workers had already been on strike for two months. At the peak of the 1946 strike wave almost 2 million workers were out. This is what brought the victory.

In the 1967 auto negotiations Reuther lacked those very qualities that distinguished him in 1946. The twenty-one-year interval has converted him from a labor leader into a labor statesman. To be sure, the conversion occurred very early in his career as UAW president, but that only means he has had twenty years to practice the art of statesmanship, the way of the misleaders of labor. If Reuther had had the will and the courage to challenge the deceitful, self-seeking, corrupting, socially-poisonous, war-making practices of the auto barons, he could have exposed the plans of the auto corporations to a giant Labor Day rally in Detroit, and he would have been heard by millions of deprived, underpaid workers throughout the nation. Instead, with only two days remaining before expiration of the UAW contracts, the motor city was ominously quiet on Labor Day, 1967.

Officials of the Wayne County AFL-CIO had called off the Detroit Labor Day parade in order, as they said, to "start planning '68 Labor Day holiday." This inability to do anything out of the ordinary is an acquired characteristic, born of habit.

Since 1948 these labor leaders have converted the traditional Labor Day protest demonstrations into servile rallies for labor's enemies in the Democratic Party. They now plan to continue this ignoble practice and unthinkingly chose the eve of the 1967 Ford strike to announce that "come 1968 with the Democratic National Convention and more importantly the National elections, we will indeed be very busy and need the cooperation of every affiliate and every delegate to make Labor Day of 1968 the most spectacular and eventful holiday of the year."

Russell Leach, president of the Wayne County AFL-CIO, past officer of the UAW, and always staunch supporter of Reuther, managed

to piece together a "Labor Day message" without mentioning the impending strike struggle of the auto workers against the united might of the corporations reinforced by the anti-labor policies of the Johnson administration. Reuther showed no disapproval, and there was no sign that he would have wanted it otherwise.

Reuther's course was based on the limited use of union power and the careful exclusion of rank and file participation in the affairs of their union. Workers in each of the giant corporations were kept apart. War production, which was exempted from strike action, provided convenient and profitable sanctuaries for the bosses in important segments of the industry. All this was done to keep the arena of struggle limited and to avoid any clash with the capitalist government that would be embarrassing to Johnson.

This strategy of limited action served to keep Reuther in the best position to run things bureaucratically, without serious interference from unruly strikers demanding action, and it shaped the situation which made it possible for him to dictate settlement terms to the ranks.

Cave In on the Escalator Clause

The final lap of negotiations with each of the auto corporations becomes highly dramatic, for then Reuther personally enters the talks and invites the head of the corporation to join him. In the Ford strike Reuther was closeted with Henry Ford II for a series of marathon sessions. Both sides pledged themselves not to make public statements so as not to upset the delicately balanced relationship. The news blackout is maintained as each side sweats out the onrushing deadline previously agreed upon. During this period the boss-controlled daily press indulges in speculation about the outcome while the giants negotiate "in the dark." The idea begins to circulate, passed along on the picket lines and around the auto shops, that this is the time when Reuther picks the big boys' pockets. In 1967, it turned out to be a rather cruel joke when the Ford settlement was announced October 22.

Reuther had caved in on the key bread-and-butter issue—the cost-of-living protection. No longer would auto workers' wages be geared to the rapidly rising cost of living. A ceiling on wages had been agreed upon. This was neatly drafted to fit the shell of the old "escalator clause" but the kernel was gone.

Under the emasculated form of the cost-of-living "escalator" clause Ford workers will get in addition to their base pay at least 3 cents an hour in the second and third years of the contract, or a total of 6 cents. They *may* get as much as 8 cents additional in the second and third years, or a total of 16 cents. But no more. That is the ceiling. This cost-of-living allowance is now to be paid quarterly in a lump sum and no longer added in the weekly check to the hourly base pay rate.

Reuther accurately reported the new wage scales as follows:

"The average production worker will receive a 20-cents-an-hour wage increase upon his return to work plus a three per cent annual wage increase in the second and third years of the contract. These wage increases, together with the impact of the 'roll up' factor, will amount to an average of 58 cents an hour over the three-year period of the contract.

"The average skilled trades worker will receive a 50-cent-an-hour wage increase upon his return to work plus a three per cent annual wage increase in the second and third years of the contract. These wage increases, together with the impact of the 'roll up' factor, will amount to an average of \$1.02 an hour over the three-year period of the contract." ("Roll up" consists of increases in wage-related fringe benefits such as holiday pay, vacation pay, shift premiums, etc.)

The average wage scale in the auto industry today, after signing the national contracts with the Big Three, is \$3.50 an hour for production workers, and \$4.90 for skilled tradesmen. The new rates for the life of the three-year contracts, which expire September 14, 1970, represent an increase of about 5.5 per cent. This is the *average* increase of union wages in the year 1967.

So what Reuther sells to the auto workers as "the greatest gains in the history of UAW bargaining" turns out to be just average. The 5.5 per cent increase is easily within the guidelines of the Johnson administration, although more than Johnson now says can be allowed in the future. Some unions got more than the UAW, some less. And that's about the way Reuther figures it. He is strictly a percentage man when it comes to wage rates.

The cost-of-living protection is another matter. It was a *new concept* in union bargaining back in 1946. The UAW "escalator" clause was the first included in a union contract, and it was the best. It remained so much better than most others patterned after it that even on this issue Reuther can still explain his "sacrifice" by comparing what the UAW has with other unions.

The Ford Motor Company, in its third quarter report to stockholders, appraised the UAW settlement as follows: "We are gratified that significant changes were accomplished in the provisions governing the cost-of-living allowance. For the first time changes in the allowance will be confined within specific limits. Contrary to what seems to be the prevailing public impression, it entails labor cost increases in line with those negotiated recently in other industries . . ."

In the end this is what "Equity" turned out to mean.

Parity for Canadian Workers

There was another issue of great concern to the UAW leadership when the 1967 negotiations got started: "Parity." This means equal pay for U.S. and Canadian auto workers, and it opens very far-reaching questions having to do with national differences imposed

and maintained by the auto monopoly. Involved are tariff regulations between the two countries, currency exchange and inflationary pressures within the Canadian economy. Most of all, the parity demand threatens the present cozy arrangement, resulting from the 1965 U.S.-Canadian tariff agreement, which allows the auto monopoly to manufacture in a common market, and gives it the advantage of selling on both sides of a tariff wall. Canadian auto workers earned an average of 43 cents an hour less than their UAW brothers here, while cars in Canada sell for much higher prices. This is an injustice to Canadian workers and a threat to UAW members here because the auto monopoly can exchange assembled units as well as parts freely across the border, while taking advantage of lower wages and higher prices on the Canadian side.

This question became a big issue in the Chrysler stage of the auto negotiations, having been bypassed at Ford because the UAW contract with Ford in Canada expired at a later date than in the U.S. But of course, like all other questions, parity was not simply a matter to be settled with Chrysler. Ford and General Motors also have extensive operations in Canada. The "pattern" for dealing with this question had to be established for the industry. In this case Chrysler simply served as the "target" company. And just because the issue of wage parity is in fact so far reaching, extending to the vast holdings of Ford in England, Chrysler in France, and General Motors in West Germany, discussion of it during the 1967 auto negotiations was limited to Canada.

The advantage the UAW has in bargaining for Canadian wages is the support it receives from the New Democratic Party of Canada, the political voice of labor there and the equivalent of a labor party in this country. Unlike the Democratic and Republican parties here the NDP of Canada is not directly controlled by the employing class. It was formed by the unions of Canada and is responsible to them. NDP representatives in the Canadian parliament declared their full support of equal pay for equal work and opposition to monopoly control of prices. That is very different from anything heard in the U.S. Congress.

Reuther, the practical bargainer, was content simply to raise the complex parity demand, hoping in this way to wheedle a small concession in this and other areas. He stated categorically at the outset, "We will not make a settlement with Chrysler in the United States in 1967 without having the Canadian wage-parity matter nailed down firmly and clearly and completely." But in the very next breath he explained that full parity could be achieved over three years at Chrysler at an annual wage increase of only three-fourths of a cent an hour for the 115,500 Chrysler workers in the U.S. and Canada.

On November 8, 1967, the UAW and Chrysler Corporation reached tentative agreement on a new contract which included a wage parity formula covering U.S. and Canadian auto workers. Agreement came

at the end of 34 hours of continuous negotiations in time to beat a strike deadline set by the union. As expected, Reuther emerged jubilant, hailed the Chrysler pact as the best in UAW history, and predicted "there will be a Chrysler in both Ford and GM's future in Canada." Parity was won.

UAW spokesmen estimated that it would cost Chrysler about 13.5 cents per man hour over a three-year period to provide wage parity for the firm's 12,000 Canadian auto workers. So it appeared that Reuther had won 12.75 cents more than his originally estimated three-fourths of a cent.

On closer examination this "parity" turned out to be somewhat illusory and only to be realized in the future. The UAW Chrysler bargaining bulletin subsequently explained the specific terms reached. "In both countries, all but 5 cents of the present cost-of-living allowance (which is now 23 cents in the U.S. and 31 cents in Canada) will be transferred into the base rates. After that, the U.S. and Canadian base rates will be compared, classification by classification, and the difference will be eliminated step by step over a two year period, beginning next June, as follows: June 1, 1968, 10 per cent of original difference to be eliminated; December 1, 1968, an additional 15 per cent; June 1, 1969, an additional 20 per cent; December 1, 1969, an additional 25 per cent; June 1, 1970, an additional 30 per cent." Finally, 100 per cent parity.

It was further reported that "provision is made for negotiating a single international agreement covering UAW Chrysler workers in both countries." That is *not* in the current contract, but next time.

It subsequently came to light that a firm understanding had been reached that the company in its Canadian operations would be allowed to introduce "methods," that is, speedup, to enable it to raise productivity on the Canadian side to the higher U.S. levels. In this way, Reuther characteristically sought to win agreement "in principle", but devoid of material gain. This is how to win worker demands without cutting into boss profits.

Settlement at General Motors

Having settled the "Equity" pattern in the Ford strike and the "Parity" issue in negotiations with Chrysler, Reuther moved on to the third and final stage, the negotiations with General Motors. The fact was that he had been negotiating with GM all along because no settlement at any stage of the negotiations was ratified without unanimous agreement in the councils of the Big Three.

On December 14, Reuther and GM's chief negotiator, Louis Seaton, jointly announced that, "after 30 hours of round-the-clock negotiations," agreement had been reached on a three year contract covering 375,000 GM workers represented by the union. It was essentially the same as the one signed with Ford.

At each stage of the negotiations Reuther had emerged from these

round-the-clock "dead-line" negotiations conducted under cover of a news black out to announce "the largest economic pact . . . in the history of collective bargaining."

After GM workers ratified the contract on December 28, Reuther made the following announcement: "This agreement, as was true with the contracts negotiated by the UAW with Ford and Chrysler, is non-inflationary in character since it represents the equity of GM workers as measured against the profitability and rapidly rising productivity of the General Motors Corporation. As such, it will necessitate no increase in the prices of GM products." Still another gain for the workers.

Gains for the bosses were announced last October 25, the same day the UAW announced that Ford strikers had voted to accept the new auto contract. On this day General Motors Corporation reported record sales and profits for the third quarter of 1967. Sales rose to \$3.8 billion for the three-month period ending September 30, yielding \$149 millions profits. Stockholders collected 51 cents a share as against 34 cents in the same period of the previous year, 1966. The same day the U. S. Bureau of Labor Statistics announced its estimate that it takes an income of at least \$9,191 a year for an average family of four to maintain a modest standard of living. Half the families in the United States get less than \$7,000 a year, many thousands of them members of the UAW.

The '\$1-an-hour' Movement

The giant trade union movement, in all its parts—including the very central and vital UAW—has, over the past quarter of a century, become institutionalized. It is recognized and regulated by government, is grudgingly accepted by employers, and operates on a day-to-day basis in the persons of its present leaders in partnership with big business and many of its government agencies. This explains why the 1967 Ford strike, which closed down one of the traditional and hallowed industrial empires of U. S. capitalism for 48 days, was looked down upon by the high and mighty in their seats of power as one of the more or less routine demonstrations that can be expected about every three years in the auto industry, and that result from the rifts and differences of opinion periodically developing there. The kept press carried daily reports of the struggle as reflected at "top table" negotiations. There was no hint of alarm or consternation, only confidence that the whole thing would work out satisfactorily in the end.

But social institutions are in a constant process of change and the union movement is no exception. The change proceeds slowly up to the moment when it erupts into open struggle. The fight between Reuther and Meany is an instance of this in the top circles of the

AFL-CIO. But this is only symptomatic of much more profound changes occurring within the unions.

Very important changes within the UAW became manifest during the 1967 auto negotiations. Only a few years ago local UAW presidents were cast in the image of Reuther, and his methods of operation, which follow from the concept of company-union partnership, had seeped down to the shop committee level. Many shop committeemen had the idea that they, in collaboration with the local plant personnel manager, were supposed to sit as "impartial" arbiters to adjudicate the disputes that inevitably arise between foremen and workers. When a question came up about how to interpret the UAW contract the committeeman usually turned to the all-knowing personnel director for the answer. Of course, such committeemen were regularly voted out of office and very often graduated to the status of foreman, but they were succeeded by others of the same type. This regular succession of company stooges to fill the job of union committeeman was encouraged by the UAW regional director in charge who intervened in local union elections to defend militant candidates for office.

Much of this is changing now. A new breed of union committeeman is beginning to appear in the auto shops. Some of these even have the very radical idea that "the union" is not something separate and apart from the membership, but that the members are the union. Many of them even think that their job as union committeemen is to defend their fellow workers against the boss. They know how to read and they no longer have to ask the personnel manager what the union contract says. And they have discovered that "personnel manager interpretations" are not reliable, are in fact crooked.

This appearance of new local leaders coincides with the growing restiveness of auto workers, especially the skilled tradesmen. In the face of the steep rise in prices and cutbacks in overtime work, they want more money and less speedup. They have become interested in economics.

An example is the \$1-an-hour movement. Some skilled tradesmen took Reuther's demand for "equity" and figured out that it must mean at least \$1-an-hour increase in their wages right away.

That is how the \$1-an-hour movement in the UAW got started. The United Skilled Trades Committee, organized to advance this demand, called big demonstrations in support of it. The idea caught on all across the country.

As the \$1-an-hour movement developed, it happened that one of its chief spokesmen was Joe Malotke of UAW local 160. Malotke was not only serving as a member of the UAW National Negotiating Committee, GM division, but had been elected *chairman* of that committee.

Reuther is one of those who believes that actions sometimes speak louder than words, and he wanted to make sure that General Motors did not get the mistaken notion that he was asking or encouraging others to ask for a \$1-an-hour raise in wages. So Malotke was

promptly removed as chairman of the UAW negotiating committee.

Fisher Central Engineering, the UAW unit from which Malotke was originally elected, wired Reuther protesting Malotke's "undemocratic removal" as chairman of the negotiating committee and warning that this "has only served to antagonize all skilled tradesmen in the UAW." The interesting part about this episode is that Malotke continued to serve as a member of the negotiating committee, though no longer its chairman, and remained a leading spokesman for the \$1-an-hour movement. He declared his support of demonstrations for this demand, which is just what the Reuther leadership sought to head off.

When the Ford wage settlement was announced this group voiced opposition. Immediately following a noon-time hour long television appearance by Reuther on October 24, in which he explained the good points of the new contract to the Ford strikers, these \$1-an-hour-now spokesmen exposed the shortcomings of the contract for 30 minutes. They were skilled workers from Ford, GM, Chrysler, and Borroughs Corporation.

Chris Manning, president of UAW local 160 and chairman of the United Skilled Trades Committee, explained that Ford workers were being asked to ratify a new contract without ever having an opportunity to know what was in it and what they were giving up.

Don Johnson, from Ford UAW local 600, said that under the cost-of-living provision of the old contract UAW workers would be better off. He compared the new UAW wages with those in the building trades. UAW electricians would get \$4.50 when they went back to work, while the building trades were paying \$5.20. Pipefitters and millwrights each would get \$4.47 under the new UAW contract, compared with \$6.85 and \$5.25 respectively on outside construction work.

Art Fox, also of local 600, explained why Ford (and the auto industry) held out on the "escalator" clause. He said that in 1968 the consumer price index was expected to rise 3.5 points, the equivalent of 30 cents an hour. "Our cost-of-living protection," he said, "has been given away at a time when we need it most."

Reuther later was quoted as saying that the cost-of-living issue was "the most difficult fight we had." He threatened the Ford strikers that if they "are so foolish as to reject the proposed contract, I think they will be walking the bricks for a long time."

When Ford strikers went back to work under the new wage pattern, it didn't mean that the opposition subsided. Protest groups began to appear in locals all over the country, most having no direct contact with the others. All were critical of the cost-of-living give away.

UAW local 160, in its publication of January 31, printed an exchange of letters between Chris Manning and Emil Mazey, UAW secretary-treasurer. Much of the correspondence had to do with financial relations between the local union and the International, but other matters were brought into the exchange. Mazey was indignant about many things. "I consider your numerous press statements . . . harmful and irresponsible; I consider your organized picket

line at the Ford Glass House . . . an act of cowardice; you ought to resign from office . . . "

The answers Mazey received reveal the attitude of a whole layer of new local leaders in the UAW. "You elaborate about your great virtues and the contributions you made in 1939. I compliment you, but the year is 1968 . . . The decision to picket the Ford Glass House was made at a meeting at local 160 . . . comprised of UAW secondary leadership representing 31 local unions . . . 11,000 members from as far away as Cleveland participated (on the picket line), and what do you have to say about this effort Brother Mazey, why that it was an act of cowardice . . . Well, again, I don't happen to agree . . . Brother Malotke and I were both democratically elected by referendum vote . . . I challenge you to run in a primary election."

The challenge to the entrenched leadership of the Reuther bureaucracy will continue in the UAW. Caucus formations are springing up in local unions everywhere. Of course this has been traditional in the UAW in the scramble for local offices. The "ins" always tried to hold a little group of friends together and the "outs" tried to gather a group to help them get elected. But now the caucuses are different, more along the lines of the old formations in the earlier period before World War II. They are again interested in the more far-reaching goals of the union. They talk about independent political action, not about how to support the Democratic Party. Some see the possibility of a labor party. All agree that the union must be run by the rank and file. They are strong supporters of the idea of choosing all officials by referendum vote. They think the union should be entirely independent of the bosses, protected against all types of intervention by the personnel managers. They want to throw off the

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shackles of the "no-strike pledge" that is incorporated in every union contract today, this odious clause that gives the bosses the right to discipline or fire a worker at will while his union brothers are barred from walking off the job in his support. This gives the company the whip hand in every dispute that develops at the shop level.

The supporters of these different caucuses are only beginning to reach out in efforts to form a national caucus. None yet knows the magnitude of the tasks ahead. All proceed mostly by feel, often going in whatever direction they are shoved by the pressure of events, guided mostly by the response they get from the rank and file in their union locals. Since the 1967 contract negotiations the opposition caucuses have scored some resounding victories over Reuther-backed slates.

The skilled workers still appear to be the most vocal and the most articulate in their opposition to the Reuther machine, but the production worker, who represents the overwhelming majority, is beginning to join the opposition chorus. He will soon call the tune because he suffers most and has gained least in the contract settlements and he will be hardest hit by rising prices under the new three-year wage freeze.

Already there is talk of a "black caucus" in the UAW where the misleaders, who have operated within and under cover of the Reuther machine, are badly discredited. A "black caucus," if one is organized, will project the needs and hopes of the black community, and it will be a powerful force capable of eradicating the pernicious influence of Reuther in the civil rights movement and at the same time rendering invaluable service to the opposition movement inside the UAW.

This is a period of gestation for the new forces in the trade unions. These embryonic opposition forces are not by any means confined to the UAW. In some other unions they are already more advanced. But everywhere they are taking shape.

With each passing day the union movement is inexorably drawn more directly into the unfolding social struggle in this country. This fact dictates the course for the union movement, and its response will decide its fate. Either the unions will produce new leaders to champion the cause of the working class, who, completely free of all ties with the employers, are capable of rising above the petty intrigues of union politics, and are determined to fight for the needs of the working class regardless of consequences and without fear of where the fight may lead—either such leaders will develop in the course of the struggle, or the union movement will be strangled by the Reuthers and the Meanys in that straitjacket of capital-labor partnership which in the end must destroy the unions.

review article

Robert Langston

MARX'S THEORY OF WAGES

Ernest Mandel's new book, *La Formation de la pensee economique de Karl Marx (The Formation of Karl Marx's Economic Thought)* is an important contribution to Marxist literature.* Most of the book is concerned with the period between 1844, when Marx began his systematic economic studies and drafted the *Economic-Philosophical Manuscripts*, and 1859. In 1858 and 1859, Marx completed the massive *Outlines of the Critique of Political Economy*—a work unpublished until 1939—and the more compact *Contribution to the Critique of Political Economy*. During these 15 years Marx made most of his fundamental discoveries in the field of political economy.

But Mandel also follows Marx's philosophical and political development prior to his conversion to communism in 1844 and the beginning of his study of political economy. Mandel describes Engels' early economic works, especially the *Sketch of a Critique of National Economy* of 1843, a work which antedates Marx's endeavors in the field and which partially stimulated them. He offers a sustained interpretation of Marx's concept of alienation from its inherited metaphysical beginning to its materialist completion. And Mandel develops a theory of alienation and "disalienation" in the transition from capitalism to socialism. Along the way, the author engages in brief but pointed polemics with various contemporary theorists on most of these themes. He does all this in a book of little more than 200 pages.

Such breadth combined with such brevity might suggest superficiality. That suggestion would be wholly unwarranted. The book is enormously concentrated. It could have been longer, for every topic discussed would benefit from expansion. But it is lucid and profound.

Marx began his political life as a philosopher of "young Hegelian" provenance and a radical democrat. He affirmed the rights of man, fought as a journalist against the feudal decay contaminating all German life, and believed following Hegel, that "the State" was the embodiment of freedom and reason. But the confrontation of the real, em-

*La Formation de la pensee economique de Karl Marx: de 1843 jusqu'a la redaction du Capital by Ernest Mandel. Francois Maspero, 1967.

pirical German state with this idea of "the State" led Marx to reject Hegel's idealistic abstraction. In reality, he discovered, the state is an instrument of violence wielded on behalf of the special interests of private property.

Marx found that the alienation from which men suffer, the "mutilation of their human essence," is, in the modern world, a consequence of the real conditions of life under the state.

He was then led to investigate the society in which that state, devoted to the special interests of private property, was rooted. Here he uncovered the secret of alienation. Following some clues of Hegel's—the concepts that labor is the first form of human activity and that the relation between master and servant, in which the servant labors so that the master may enjoy, is the fundamental social relation—Marx discovered the essence of human alienation in alienated labor.

The task then became to study the specific social relations that produce and perpetuate the alienation of labor. Here he found private property, the social division of labor, and commodity production. But these were just the categories that were uncritically presupposed, taken as natural and eternal, by the bourgeois political economy up to Marx's time. The critique of society thus became for Marx the critique of political economy. The evolution of Marx's methods and conclusions can be illustrated by following his treatment of one of the thorniest theoretical problems of classical political economy—the crucial and much misunderstood theory of wages. Marx's point of departure was Ricardo's theory of wages, which had been developed largely under the influence of Malthus.

The crucial element in Ricardo's view was the relation between the supply and demand for labor, as determined by population growth.

In the 1843 *Sketch of a Critique of National Economy*, Engels had violently criticized Malthus' population theory, with its assumption that population inevitably tends to outrun agricultural production. Engels insisted that the application of science to agriculture could lead to such a long-term increase of agricultural productivity that there was no *natural* reason for population to press hard on the means of subsistence. But this criticism also undermined the Ricardian wage theory. For given increasing productivity in agriculture, it is perfectly possible for *money* wages to decline in response to an increase in the supply of labor with no decline in *real* wages.

Nevertheless, at that point Engels accepted what was essentially the Malthus-Ricardo conclusion. "Labor receives only what is strictly necessary, the bare means of subsistence." But he derived this conclusion not from any supposed law of nature pertaining to population growth and agricultural productivity, but from social and economic considerations. In the first place, Engels argued that, in competition with the capitalists, workers are inevitably the weaker party, and capitalists are consequently always in a better position to lower wages than workers are to raise them. Secondly, Engels suggested that workers can be replaced by machines.

This suggestion became the central feature of Marx's early wage theory, and remained an important constituent of the theory's further development. In the *Economic-Philosophical Manuscripts* Marx wrote: "Since man has fallen to the level of a machine, the machine faces him as a competitor." The progressive replacement of living labor by dead labor must inevitably depress real wages to the physiological subsistence level. This conclusion was now derived from the law of capital accumulation, as was the law governing the short-term movement of wages. For in the *Manuscripts* Marx recognized that wage changes are tied to the business cycle. During the boom, the demand for labor increases and wages tend to rise. At the same time though, the centralization and concentration of capital has also quickened with the result that there is an ever larger number of formerly independent producers entering the ranks of the proletariat.

Furthermore, the capitalists are busily replacing men by machines. These contradictory tendencies, the one favorable to the workers, the other unfavorable, momentarily balance at the outer limit of the expansion and wages are briefly stationary. Then, with the inevitable collapse, accumulation slows down or ceases altogether, the demand for labor drastically declines, and wages fall.

In his 1847 notebook on *Wages*, which reflects his thinking at the time of *Wage-Labor and Capital*, the *Poverty of Philosophy*, and the *Communist Manifesto*, Marx indicated his agreement with the bourgeois economists that trade union organization could do nothing to improve the condition of the working class because such class action would only stimulate the further development of the division of labor, the replacement of men by newly invented machines and the shift of capital from one sector of the economy to another. He held trade unions to be vitally important to the working class but saw them solely as organizations within which the class could gain the experience and coherence necessary to overthrow the old society.

Marx believed that the long-run tendency of wages is downward. In the *Poverty of Philosophy*, he stressed the substitution of cheap, inferior goods for better, more expensive ones in the workers' consumption. Bread gives way to potatoes, and linen to cotton. In *Wages* and *Wage-Labor and Capital*, Marx insisted that while the prevailing minimum wage in different countries varies, the tendency is toward equality at the lowest level. When wages fall after having risen somewhat during the boom, they never again recover their old level.

During this period, Marx also recognized a tendency toward relative impoverishment, which became a central tenet of his theory. The first vague formulation is found in the *Economic-Philosophical Manuscripts*. Even during the boom, Marx wrote, "for the capitalist, the rise in wages is more than compensated for by the reduction of the quantity of the time of labor." "Time of labor" in this obscure passage no doubt refers to the time of *necessary* labor, that is, the time required for the worker to produce the value equal to the value

of his consumption goods, which he receives in wages. The worker receives a smaller proportion than formerly of the value he produces.

As Marx will later express it, the relative wage has fallen, or the rate of surplus value has risen. This relative impoverishment results from the productivity increases brought about by the introduction of improved machinery during the boom periods. It thus arises from the very nature of capital accumulation.

In *Wages* Marx summarized the theory as it stood around 1848: "In the course of development, the workers' wage falls in a double sense. First, in a relative sense, in relation to the development of the general wealth. Secondly, in an absolute sense, in the sense that the quantity of commodities which the worker receives in exchange is progressively reduced."

It is difficult to say precisely when and why Marx revised this conception. Mandel suggests that the careful studies Marx made of the business cycle and of British trade union activity during the 1850s were of great importance in this advance.

In any case, the decisive step had been taken by the time Marx drafted the *Outlines of the Critique of Political Economy* of 1857-1858. Here there is the clear recognition that subsistence is not exclusively, or even primarily, a physiological category, but a historical one. Marx had carried a step further the process of liberating the understanding of social phenomena from the illusion that the laws under which society moves are fixed and natural rather than dynamic and historical. In the *Outlines*, Marx devoted much space to the discussion of the expansion of needs which capitalism brings with it. Specifically, he related the expansion of workers' needs, and the possibility of their satisfaction, to the course of the accumulation of capital.

In the midst of a polemic against those bourgeois ideologues who preached to the workers the virtues of saving, Marx wrote that what "distinguishes the wage worker from the slave is economically only possible insofar as he expands the sphere of his satisfactions during periods of prosperity"; insofar as he "participates in the higher, even intellectual enjoyments, takes part in agitation in his own interests, subscribes to newspapers, hears lectures, educates his children, develops his taste, etc."

In another passage, devoted to capitalism's historic function of developing universal needs and possibilities of satisfaction, Marx wrote that "capital drives labor beyond the limits of its natural needs and creates thereby the material elements for the development of the rich individuality, which is many-sided both in production and consumption."

Furthermore, Marx pointed to a contradiction within the capitalist class. Since every worker is also a consumer, every capitalist, in order to realize the value of his commodities, is interested in stimulating the consumption of all workers except his own. The result is a strengthening of the tendency to create new needs.

In the *Outlines*, Marx achieved a more dialectical view of the effects of capital accumulation on wages than he had previously had. Mandel writes: "On the one hand, the accumulation of capital, the replacement of living labor by machines, the increase in the productivity of labor—these tend to decrease the money wage, for the same quantity of means of subsistence or of commodities in general is now produced in a shorter period of time. They may even tend to decrease the real wage, under the pressure of growing unemployment. But on the other hand, the accumulation of capital implies the creation of new branches of industry, and thus the creation of new jobs, and at the same time the *creation of new needs* and the spreading of these needs to ever larger sections of the population. In this way, it tends to raise the price of labor-power, when unemployment is reduced. The real movement of wages is then no longer determined by simple, mechanical laws, but depends on the dialectical interaction of this *double effect* of the accumulation of capital on the value of labor-power."

This dialectical conception of the effect of accumulation on wages and the insight that the needs and hence the subsistence level of workers are social and historical in character, became a foundation of Marx's mature theory of wages. It is first systematically developed in *Value, Price and Profit*, written in 1865. Here Marx explicitly stated:

"The value of labor-power is formed by two elements, the one merely physical, the other historical or social. Its *ultimate limit* is determined by the *physical* element . . . Besides this mere physical element, the value of labor is in every country determined by a *traditional standard of life*. It is not mere physical life, but is the satisfaction of certain wants springing from the social conditions in which people are placed and reared up . . ."

There is a historically determined lower limit on wages. But because it is historically determined, it is not absolutely rigid. Its level can (and evidently has, in the advanced capitalist countries) rise in time. And it can also, as Marx is careful to point out, fall in time. But, at least in the short term, the floor is an area of extreme resistance to further wage reductions.

The upper limit on wages, however, is determined only by the point at which capitalists would stop hiring workers, the point at which the encroachment of wages on profits would become too great to maintain profitable production. Between these two limits, the actual level of wages is determined by the state of the class struggle, the resultant of the relationship of forces existing between the antagonists.

This conception of short-term wage determination was associated with a modification of Marx's view of the function of trade unions. He no longer regarded them solely as organizations preparatory to revolution; rather, he now saw them as possessing a vital role in determining the real wage. More, it is through their struggles that the historically achieved subsistence level is defended. For in their

absence, Marx writes, the working class would be "degraded to nothing but an oppressed and unformed mass of starving beings."

But the relationship of forces of the antagonists does not depend only on the degree of consciousness and organization they possess. Objective economic factors also immediately determine the "respective power of the antagonists." Chief among these is the movement of supply and demand for labor-power, and this in turn depends primarily on the rate and circumstances of accumulation.

Marx wrote in *Theories of Surplus Value*: "The general tendency of capitalist production is not to raise the average wage but to lower it." However, as Mandel argues, this ought to be interpreted in the relative, not absolute, sense. There is a general tendency for the *value* of labor-power to decline, but not necessarily for the *real* wage to fall. For, as Marx points out, under conditions of rising productivity, it is perfectly possible for the value of labor-power to decline, while the buying power of the wage and hence the real wage remains unchanged.

By vigorous class action, the workers can prevent a long-term deterioration of real wages. During extended periods of uninterrupted accumulation, during long booms, when the industrial reserve army is contracting or at least stationary, they can win increases in real wages; they can benefit to some extent from the heightened productivity of their labor. And wage increases so gained may enter the determination of the subsistence level by raising the needs, expectations and habitual standard of life of the working class. These wage increases thus tend to offset the constant devaluation of labor-power that is inherent in rising productivity.

What the organized working class cannot do in the long term is raise *relative* wages. The social condition of the working class constantly deteriorates. A process of *relative* impoverishment is inherent in long-term capitalist development. In *Capital* Marx wrote: "The situation of the worker becomes worse, whatever his wage may be, be it high or low." And Mandel writes: "Marx never expounded in the works of his maturity any kind of 'law' of the *absolute* impoverishment of the workers, although he regarded their *relative* impoverishment as inevitable."

Mandel's book is devoted to the clarification of theoretical issues by tracing the development of a powerful method of elucidating them. There is nothing academic about this work; the textual interpretations invariably serve to deepen our insight into the predicament of the contemporary world. Everywhere Ernest Mandel's theoretical analysis terminates in the consideration of questions of immediate practical importance to the labor and socialist movements: the revolutionary potential of the workers in the advanced capitalist countries; the struggle against bureaucratic deformation of workers states; centralized planning versus market determination in the transitional economy. Like the theoretical works of Karl Marx himself, this is a totally political book.

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