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A Theoretical and Political Magazine of Scientific Socialism

Editor: V. J. Jerome

Speech on Appointment as Premier*

By N. A. Bulganin

YOU HAVE ACCORDED ME great honor and trust by appointing me Chairman of the Council of Ministers of the U.S.S.R. I thank you, comrades, for the honor shown me and I assure you that I will exert all my efforts to justify your confidence.

Allow me to dwell on the main question relating to the forthcoming activities of the Council of Ministers.

First of all I must assure the Supreme Soviet that in all its activities the Council of Ministers will continue to pursue undeviatingly the policy worked out by the Communist Party and ardently approved by our people—the policy of building Communist society, of further reinforcing the might of the Soviet state, strengthening the alliance of the working class and the collective-farm peasantry, the policy of consolidating peace and security.

The implementing of such a policy will ensure the further prosperity of our socialist state and the raising of the level of well-being of the people. And it is to the noble task of improving the life of the working people in every way that all the activities of the Communist Party and the Soviet Government are subordinated.

Heavy industry has always been and remains the basis of the further advance of our national economy. Today, the output of heavy industry is almost three and a half times greater than in the prewar year 1940.

Our highly developed heavy industry represents a great historic victory of the Communist Party and the Soviet people. As is well known, heavy industry has rendered splendid service in building Socialism and consolidating the independence of our homeland. Heavy industry is the foundation of the indestructible defense capacity of our country and the might of our valiant Armed Forces. Recall, comrades, the grim years of the Great Patriotic War. If at that time our country had not possessed that powerful economic base—our heavy industry—we could not have achieved victory over an enemy armed to the teeth. Heavy industry has ensured the freedom and independence of our homeland.

Heavy industry ensures the development of all branches of our national economy: agriculture, light industry and the food industry, and thereby con-

* Speech at Joint Session of Supreme Soviet, Feb. 9, 1955, condensed text; reprinted from *For a Lasting Peace, for a Peoples Democracy*, Feb. 11, 1955.

stitutes the source of the continued rise in the well-being of the Soviet people.

In order that agriculture should advance and thus provide raw materials for light industry, it must be supplied in sufficient quantities with tractors, combines and other agricultural machinery. Only heavy industry is able to give us all this.

In the development of heavy industry we always followed and will continue to follow the directives of the great Lenin and the faithful continuer of his cause, J. V. Stalin. The policy of preferential development of heavy industry, which our Party upheld in fierce struggle against the class enemies and their agents, has been justified by the entire course of socialist construction in our country. It conforms to the vital interests of the Soviet state and of our people.

Therefore in the economic sphere the Government will continue firmly to carry out the general line of the Communist Party, which provides for the all-round development of heavy industry.

A highly important task of the Government is to carry out the measures which the Communist Party has worked out for the development of socialist agriculture and which are designed to ensure the satisfaction of the constantly rising requirements of the population in foodstuffs and of industry in raw materials.

Of great importance in this connection is the decision of the recent meeting of the Central Committee of the Communist Party of the Soviet Union, which set the task of raising in the next 5-6 years the annual grain yield to not less than ten thousand million poods, and of increasing the output of major livestock products two or even more. . . .

On the basis of the further development of heavy industry and the upsurge of agriculture, the production of consumer goods—clothing, footwear, foodstuffs, household goods and articles serving the cultural needs of the population—will be expanded.

We must devote special attention to the further development of Soviet science, bring it still closer to solving the urgent problems of Communist construction and enhance still further its part in promoting technical progress and the advance of socialist culture.

All the aforesaid tasks in the sphere of the national economy as well as such important tasks as the further development of rail, water and other modes of transport, expansion of housing, all-round development of trade, improvement of public health services and the development of public education will find their concrete expression in the sixth Five-Year Plan which must be drawn up this year.

Our immediate task in guiding the national economy is to fulfil the state plan for the current year, the last year of the fifth Five-Year Plan.

The State Plan for the development of the national economy for 1955 envisages an increase of more than 9% in the volume of gross industry output compared with last year. The output of industry this year will be 80% higher than in 1950. This means that the Five Year Plan in industry will be completed ahead of time.

The output of heavy industry will increase to a still greater extent. It will

rise by 84% during the five-year period. Freight turnover of the railways, motor transport, river-borne transport and the merchant marine will increase compared with last year.

In agriculture important work must be carried out this year for fulfilment of the decision of the January meeting of the Central Committee of the Party. The plan envisages a substantial increase in the production of grain, industrial crops, potatoes and other vegetables, meat, milk, eggs and wool.

The increase in agricultural raw material resources envisaged by the 1955 plan will ensure further expansion of the production of articles of mass consumption, which will be up 71% compared with 1950.

1955 will be a year of further advancement of the material well-being and cultural standard of the people. The national income will increase by 10% compared with last year. The wage fund of industrial and office workers will go up, as will peasants' incomes in cash and kind and housing construction will be expanded. . . .

Of very great importance for the fulfilment of the tasks set by the plan is the continued increase in labor productivity. Higher labor productivity is a major factor for increased output by the national economy, lower production costs and greater accumulation. However it must be admitted forthrightly that we have serious short-comings in this important field. The increase in labor productivity is lagging behind the Five-Year Plan targets. . . .

Fulfilment of the economic tasks confronting us depends to a great extent on the introduction of advanced technique on a wide scale in all branches of the national economy. Our achievement in the sphere of technique are incontrovertible. With the commissioning of the first industrial electric power station operating on atomic energy, designed and built by the efforts of Soviet scientists and engineers, our country has made a real step forward in the utilization of atomic energy for peaceful purposes. As has been reported, work is being carried on in our country for setting up considerably more powerful electric stations operating on atomic energy.

But however great our achievements in the sphere of technical progress, there are still grave shortcomings in this respect in a number of branches of the national economy. Many scientific research and designing organizations are behind in working out highly productive machines and methods of production that would correspond to the level of the latest world technique, and plants are behind in mastering and extensively introducing them into the national economy. This situation must be remedied. . . .

We must achieve a further improvement and reduction in running costs of the state apparatus, to improve its work, rooting out armchair-bureaucratic methods of leadership, raise the level of organizational work and responsibility for the task assigned at all levels of administration. A decisive prerequisite for further improvement in the work of the apparatus is the extensive utilization of the initiative of the working masses, and utmost development of criticism and self-criticism. . . .

* * *

Yesterday Comrade Molotov, Minister of Foreign Affairs of the U.S.S.R.,

reported to you. His report contains a correct analysis of the present international situation and an exhaustive exposition of the foreign policy of the Soviet Government.

The unanimous approval of the foreign policy of the Soviet Government by the deputies of the Supreme Soviet of the U.S.S.R. once again confirms the fact that it expresses the fundamental interests of our people. At the same time this policy corresponds to the desires and aspirations not only of our people but of the peoples of other countries too.

The peoples have no more powerful longing than the longing for peace.

By all its activities the Soviet Government has proved, and is proving, that it stands for peace and upholds the cause of peace, that it makes one contribution after another to the cause of easing international tension and of consolidating normal relations with all peoples.

In developing our relations with other states we are guided by the desire to strengthen peace, while observing the principle of non-interference in the internal affairs of other states. We stand for such negotiations and strive for such agreements with other countries as would ease international tension. It goes without saying that any negotiations can be successful provided the other side participating in them will likewise strive for success. We hold that this is the only real path that in present-day conditions can yield positive results.

The Soviet Government will continue to pursue consistently the policy—which has justified itself and been tested in practice—of strengthening peace and general security, the policy of friendly relations with all peoples.

Normalization of the international situation and an improvement in relations among countries would be promoted by the establishment of equal and mutually advantageous trade relations between the states concerned. Each country should be able freely to sell what it can and buy what it needs from other countries without any discrimination whatsoever.

As for our country, we stand for extensive trade with all countries, irrespective of their state and social system. It is clear to everyone that without trade which takes mutual interests into account there can be no normal relations between countries. The expansion of international trade ties and the elimination of barriers to businesslike economic co-operation could greatly facilitate an improvement in relations between states.

We believe that healthy elements are to be found in the capitalist countries, who will find the means of improving relations between countries in the interests of upholding peace and the security of the peoples.

The Soviet Union is a peaceable country. It does not threaten anyone and does not intend to attack anyone. We are striving to develop political, economic and cultural relations with all countries that want to have similar relations with the Soviet Union.

During the war against fascist Germany close co-operation existed between the U.S.S.R., the United States and Britain, in which France later joined. This co-operation, as is well known, yielded positive results. It could be continued now too, in peace time. It is not our fault that the situation has changed. At the present time the Government of the United States is trying to develop its

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relations with us not on the basis of mutual understanding but on the basis of the "positions of strength" policy. Such a policy is a dangerous one. It leads not to co-operation but to the aggravation of relations, not to a reduction of armaments but to the arms drive; it is fraught with the danger of unleashing another war.

We cannot underestimate the aggressive policy of the United States and their preparations for unleashing another war. Reactionary circles in the United States and the countries dependent upon them are seeking to revive German militarism and to integrate a remilitarized Western Germany in the aggressive military groupings of the Western powers. In Asia too, they are knocking together military blocs, and are organizing military provocations against the People's Republic of China and interfering in her internal affairs.

The American Government has embarked on the dangerous course of aggravating the situation in the Taiwan area. It has been reinforcing its military, naval and air forces there, and continues to pursue a policy of provoking war. Disregarding the legitimate rights of the People's Republic of China and trampling international agreements underfoot, the United States has seized the Island of Taiwan—Chinese territory from time immemorial—and has made it a hotbed of war provocation in the Far East.

The stand taken by the United Nations Organization in this matter is astonishing. To this day it has not condemned the aggressive actions of the United States against China, has not demanded of the United States the immediate withdrawal of its armed forces from Taiwan, and the restoration of the lawful rights of the People's Republic of China.

The policy of the Chinese Government in this matter has our full approval and support. The People's Republic of China enjoys the sympathy of the Soviet peoples and of all progressive mankind, because it is waging a struggle for a just cause, for the honor and independence of its country. In this noble cause the Chinese people can count on the help of their true friend—the great Soviet people.

The United States of America continues to extend its network of military bases around the peace-loving countries and to intensify its armaments drive with special emphasis on the development of its air forces and atomic weapons.

For a long time now an atmosphere of war hysteria has reigned in the United States. Political and military leaders are repeatedly coming out with bellicose statements and threats; and some of them have gone so far as to openly call for the use of atomic weapons in war against the states that are striving for peace.

It is necessary to call to order the madmen who are brandishing atomic bombs. That is the demand of the peoples and no government of any country can afford to ignore it.

The policy of the aggressive forces of the capitalist camp will not catch our peoples unawares. Evidently the aggressors seriously believe that the more they threaten, the more they scare us. We have had occasion to hear plenty of threats of all sorts, but the Soviet people are not the kind that can be scared and no one will succeed in intimidating them.

In the situation which has developed the Soviet Union will continue to stand guard over peace and increase its defense capacity. The Government of the Soviet Union will strengthen its co-operation and fraternal friendship with the People's Republic of China and all the People's Democracies; it will endeavor to bring about the re-establishment of the unity of Germany on a peaceful and democratic basis; and it will expand and consolidate business relations and cultural exchange with the countries maintaining normal relations with the Soviet Union.

What is to be said of those short-sighted political leaders who regard the peaceableness of the Soviet state as little else than a demonstration of our weakness? They should first of all be reminded of the recent lessons of history, of the fate of the Hitlerite invaders. As is well known there were also other adventurers who encroached on the soil of our homeland. All of them came to a shameful end. Our people have always been able to stand up for themselves and have delivered a crushing rebuff to whoever encroached on their freedom and independence.

As in the past, our task must be firmly and undeviatingly to carry out the behest of Vladimir Ilyich Lenin—always to be vigilant, and to guard the armed forces of our country and its defense capacity like the apple of our eye.

In the Great Patriotic War, the Soviet Army demonstrated its superiority over the army of our enemy; and our armament was better than that of the German army, which at that time was regarded as the best armed of all the armies of the capitalist states.

In order to maintain in the future the superiority achieved by Soviet arms over those of the capitalist armies, the Central Committee of the Party and the Government have done tremendous work in the postwar period, and have registered great success in equipping our Armed Forces with new and completely up-to-date weapons and fighting technique.

We now have a first-class well-equipped Army, Air Force and Navy, in fighting trim and ready to carry out any assignment set by the Communist Party and the Soviet Government for ensuring the firm security of our country.

The strengthening of the defensive power of the state, and the maintenance of the fighting capacity of our valiant Armed Forces on a level dictated by the interests of our homeland, the international situation and the present development of military technique will, in the future likewise, be one of the main concerns of our Party and Government.

A mighty source of the strength of the Soviet state has always been the inviolable unity of the people, the Government and the Communist Party, the moral and political unity of Soviet society, the friendship of our peoples and the readiness of the Soviet people to work heroically for the good of the socialist homeland.

There can be no doubt that in the future, too, the working class, the collective farm peasantry, and the people's intelligentsia of our country will spare no effort to enhance still further the might of the Union of Soviet Socialist Republics, and achieve new success in the building of Communism!

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For a Mass Policy in Negro Freedom's Cause

By Frederick C. Hastings and Charles P. Mann

IN THE PAST TWO years the Party leadership has conducted a determined struggle for a mass policy in every field of work. Such a policy is particularly important in helping to forge the broadest and most effective unity of the Negro people in their struggle for complete freedom. This is so for the following reasons:

1) The special national oppression of the Negro people necessitates and at the same time makes possible the broadest movement of the *whole* Negro people for their rights.

2) The growing Negro people's movement for equality has great significance for the struggle against McCarthyism and war. It is an integral and indispensable part of the general struggle of the American people for peace and democracy.

3) In the ranks of the Negro people our Party has considerable influence and good-will. This is based upon more than thirty years of valiant struggle for Negro rights. Our Party has made lasting contributions to the cause of Negro freedom and to Negro-white progressive unity.

4) At the same time it must be noted that the influence of our Party in the ranks of the Negro people

has not kept pace with the rapid growth and development of the Negro people's freedom movement itself. It can even be said that a dangerous gap exists between these two, which, if not narrowed, can have the most harmful consequences for the cause of Negro freedom, for democracy and progress.

5) One of the main reasons for this growing gap lies in the continued persistence of strong sectarian tendencies which tend to isolate our Party from many of the movements, organizations and struggles engaged in by the majority of the Negro people.

The need for a mass policy is obvious to all. What is not so obvious, however, is what constitutes such a mass policy. A number of different concepts exist as to the main reasons for our present relative isolation and what has to be done to overcome it. It is with some of these questions that this article will deal.

* * *

Some comrades who profess agreement with the general line of our Party, and more specifically with the need for strengthening the broadest unity of the Negro people's freedom movement are mistaken about

how such a strengthening is to take place. They have an exceedingly simple explanation for the main cause of our relative isolation. This exists, they say, not because we have permitted ourselves to become separated from the present level and stage of development of the Negro people's movement, but, on the contrary, because we have pursued a "liquidationist" line of policy. By this they mean that there has been a failure to throw the full weight of the Party into the building of "Left centers" and "anti-imperialist centers" among the Negro people. This main failure, argue these comrades, has by default permitted the Negro masses to be taken over by the bourgeois reformist leaders. And this in turn, according to these comrades, is due to a wrong theoretical estimate of the class character of the Negro bourgeoisie. If, they argue, our Party saw clearly the need for "working-class hegemony" of the Negro people's movement and the grave dangers involved in the continued bourgeois-reformist leadership of it, then we would by that very fact find the means by which to build a great movement which is not under reformist ideology and leadership but under working-class ideology and leadership.

The proof for this "simple" solution to our problems exists—according to these comrades—in what happened in the '30s. For is it not true that in the '30s our Party, often single-handed, with much fewer and far less developed cadres than today,

was able to build a mass movement of the unemployed and to lead great struggles for Negro rights?

Thus, these comrades have their eyes glued on the past for the solution of the problems of the present and the future. But the question is by no means that simple. The past has great lessons for us, but any mechanical application of them can bring only harm. For the periods are different, the conditions different, the tasks greatly different. If so-called "Left organizations" and "Left-centers" have not flourished in the recent past the answer is not to be found solely and exclusively in what our Party did or did not do. So-called "Left-centers" cannot be sucked out of one's thumb or nourished by the Party alone. They must answer a need, a *real* need, or the masses will not support them. No Party edict can change this. And without the support of masses nothing, absolutely nothing, can be built!

SOME LESSONS FROM THE PAST

Since the past does have considerable bearing on the present and future let us briefly go into some questions of Party history. In the first place let us give our own evaluation of the great contributions of our Party to the struggle for Negro freedom.

The Party during the past three decades has played a pioneering and leading role in the struggle for Negro rights. The slogan "Full eco-

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conomic, political and social equality," which it alone first boldly and bravely advanced and fought for, is now becoming the basis of action of many millions. That is why our Party's influence is considerable among the Negro people. That is also why the drive of reaction, supported by Negro reformist and Social-Democratic leaders, is aimed at trying to destroy this influence, at trying to isolate our Party from the Negro people.

The Party was able to play its pioneering role, was able to help arouse the fighting spirit of the Negro people and to influence the thinking of many progressive white masses on this question, because it based its actions on a scientific estimate of the Negro question as essentially one of an oppressed nation. It challenged all bourgeois and Social-Democratic concepts which regarded the Negro question as solely that of a "race" or "class question." By showing the national character of the oppression of the Negro people, by showing the source of this oppression as arising out of the subjugation of an oppressed nation in those areas of the southeastern states where Negroes are the majority people, the so-called "Black Belt" of the South, our Party made a lasting contribution to the working class and the Negro people.

The valiant uncompromising stand of our Party for Negro rights is especially evident in the history of a whole series of major struggles in which our Party played a leading

part. The struggles against lynchings and police frame-ups, as exemplified in the Scottsboro, Hurdon, McGee, Trenton Six and Ingram cases, helped to mobilize millions of organized and unorganized masses against these barbaric crimes. In the course of these struggles the Party clearly exposed the shameful conditions under which Negroes lived and showed that these heinous crimes were aimed at perpetuating their national oppression. Thus, the existence of peonage, the denial of the right to vote, the lily-white jury system, child labor, inadequate schools, illiteracy, inhuman poverty, —in short, the fact that a whole people were being treated as social pariahs became a cause around which the Party helped rally millions nationally and internationally.

The struggles during the great economic crisis for unemployment relief and for the organization of the sharecroppers have also left an indelible impression. The successful fight against craft unionism and for the organization of the mass production industries was made possible by the unwavering fight for the unity of Negro and white workers conducted by our Party. This was one of our greatest contributions. This victory was won not only in struggle against every form of monopoly oppression, but also against the combined opposition of the official lily-white leadership of the craft unions. It was likewise won against the opposition of the Negro reformist leaders (Urban League and NAACP), who in

the beginning were opposed to trade unionism.

In addition, the Party ceaselessly fought to make its own inner life a model and example of the true brotherly relations which ought to obtain between Negro and white masses generally. The role Negroes played in the leadership of our Party as top policy makers, public spokesmen and candidates for public office, has been an inspiration for the Negro people. It has had an important influence in compelling other organizations and political parties to accord more prominent status to their Negro members.

These are only a few of the major contributions made by our Party in the glorious struggle for the rights of the Negro people. Thus, it is not accidental that millions of Negroes have a warm spot in their hearts for our Party and that many of them regard the attack upon our Party with grave misgiving, fearful that it is also meant against them.

In outlining the great positive contributions our Party has made to the struggle for Negro freedom, we do not wish to imply that no errors were made. They were, often serious ones. But never did our Party waver from its basic approach that the Negro people must have their complete freedom, both North and South.

THE PRESENT SITUATION

The pioneering slogans and movements initiated by our Party left

their imprint on the consciousness of large Negro and white masses. This has made the situation of today considerably different from that of the earlier period of this struggle. In the ranks of the Negro people the movement for change, for the winning of complete freedom is today the movement of the majority. Not only is this true in the North, but also in the South, despite brutal oppression and repression. The Negro people are on the march, millions strong. They are conscious of their new-found political and organizational strength. They are aware of their importance as an ally of organized labor and white progressives generally in the struggle for democracy and progress. They are also conscious of their new weight and importance within the working class in the ranks of organized labor and that the labor movement constitutes the Negro people's most powerful and valuable mass ally.

The sweep of the Negro people's movement, its growing maturity, its great inner confidence, are all reflected in the slogan "Free by '63!" This slogan undoubtedly expresses considerable illusions as to what it will take to win complete freedom. But it is also a rejection of the old "gradualist" approach which says that the Negro people must be patient, must wait endlessly, generation after generation, until slowly step by step their rights are gradually won. This slogan reflects the present-day mood of the Negro people which refuses to brook long delays and

which demands freedom not only for future generations but for the present one as well!

The growth of the Negro people's movement for freedom has left its imprint upon all the organizations of the Negro people. It has transformed the N.A.A.C.P. from a passive, indifferent, "take-what-you-can-get" type of organization of the '30s, into a powerful mass organization of the Negro people engaged in hundreds of struggles for Negro rights throughout the length and breadth of the land. The N.A.A.C.P. is viewed by the Negro people as their own organized mass weapon which has won important battles for them in recent years. If the Negro people have transformed the N.A.A.C.P. into a mass organization of struggle very much different from what it was in the '30s, how can we reconcile this fact with the character of the N.A.A.C.P. leadership? For the majority of these leaders remain what they always have been, reformist supporters of the white ruling class. But there has also been one change. In order to remain leaders of the Negro people these leaders have been compelled to take a more militant stand. Had they not done so the initiative and leadership exercised by the Communists and the Left would have resulted in the whole Negro liberation movement being organized and led by the working-class ideology and leadership of our Party.

This course of development was not restricted to the Negro people.

In the ranks of organized labor the same process took place. The new mood for union organization and struggle which began to sweep the ranks of the unorganized workers in the '30s, and which at first was only correctly appraised, supported and led by our Party, soon found its reflection in a number of the old craft unions. It began to alter their character. Thus, in the labor movement, too, we witnessed a change in policy on the part of many trade-union leaders which enabled them to hold on to their leadership, in fact, to project their leadership over many additional millions of workers.

From all this it can be seen why new organizations, even when narrowly conceived and constructed, rallied considerable support and led important mass struggles in the '30s. The masses, although not won for working-class ideology, were nonetheless looking for leadership in their practical struggles. Their old line organizations were holding them back. The new organizations created by the Left filled a real need and got real support. But the same situation does not prevail today.

* * *

Today there is a powerful trade-union movement and it would be sectarian nonsense to think of building special "Left-unions" as a means of winning the trade-union masses for Left policy. Likewise in respect to the Negro people. The mass organizations of the Negro people do exist. The central task is to influence

these in a correct direction and not that of building new ones which further separate the Left-minded workers from the mass.

Of course, there is a problem of how to organize the Left-progressive forces, how to give them guidance, how to guarantee that our Party plays a role of leadership and not one of tailing behind the reformist leaders. Nor can we mechanically decide that the organizational forms of today are those that must remain throughout all stages of the struggle. No! New organizational forms must and will arise. But these must arise *out of the struggle itself*, must represent a real need in the struggle and not mere desire on the part of the vanguard, must therefore have a degree of non-Party support, and must help increase and cement mass ties and not reduce or break them. Also it must be borne in mind that in the present period of hysterical anti-Communism many progressive-minded workers who would under normal circumstances join up and be active in Left-led organizations, shy away from these for fear of loss of job and other forms of persecution. This existing fact can neither be denied nor ignored. It must be reckoned with.

This, therefore, must also enter into the determination of what kind of more advanced body is possible. Where such a more advanced, more militant ideological and organizational spur in the struggle is required, it need not always be conceived of as a "mass organization."

Often a more limited "committee" can play a *mass role* through the way in which it helps initiate struggles to be picked up by the broader mass movement.

In speaking of our initiative in the struggle and our vanguard role, the comrades who shout the most against the danger of "liquidationism," surprisingly enough say little or nothing about our own Party itself. They are concerned only with so-called "Left centers" around our Party. For them, it is only through these that the Party plays its leading role. The fact is that where the Party narrowly builds replicas of itself in the name of "Left Centers," it only undermines and destroys its own leading role. What is needed is not multiple "vanguards," but a strengthening of the one and only vanguard organization, our Party. Liquidationism viewed scientifically has no meaning whatsoever except in so far as it is a tendency or current which aims to undermine, minimize or destroy the Marxist-Leninist character of our Party as the only vanguard of the working class and the people. Thus, the comrades who see liquidationism as lurking behind every bush are guilty of equating the Party itself and the role it must play with so-called "Left Centers."

* * *

It is possible to ask: Was it inevitable that the bourgeois reformists and labor reformists should take the leadership over the great mass movements of the people? In the

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'30s, before the great mass became organized, the possibility did exist that in the United States, unlike Europe, the masses would not to the same extent have to go through the reformist, Social-Democratic stage of the organization of the mass movement. Why this possibility was not transformed into actuality is a subject by itself which we cannot go into in this article. In addition to historical reasons we shall however mention two pertinent factors: 1) The continued ability of the American ruling class to make concessions to the masses as bribes for their loyalty, a factor without which the reformists would not have been able to maintain their influence and hold on to the masses; and 2) the immaturity and Right opportunist and "Left" sectarian errors of our Party which made it easier for the bourgeoisie and its reformist leaders to broaden their base of influence while narrowing our own.

However one may disagree in estimating the various causes for the present reformist domination of the mass movement and our relative isolation from it, no one can deny the main point we are making—that the present situation is quite different from that of the past and requires a quite different approach.

The comrades who stress the need for "Left Centers" as the miraculous cure-all for our problem of isolation, make the correct point that discrimination and Jim-Crowism is rife and that all-too little is being done about it. They are also correct when they

specifically make the point that job discrimination is still widespread and that the fight for F.E.P.C. lags. But they are totally incorrect when they see the so-called failure to build "Left Centers" as being, in the words of one comrade, "one of the basic reasons for our failure to launch an effective nation-wide fight for F.E.P.C. and against discriminatory practices in the railroads." Or when the comrade also sees this as the cause for "our failure to tackle seriously the problem of organizing the Negro agrarian masses in the South."

Significantly, this comrade speaks as if nothing exists in the fight for F.E.P.C. and that all we need to do through one or another "Left Center" is "to launch" it. But where is this comrade living and in what decade? The fact is that there is a very widespread movement for F.E.P.C. One of the most significant development in the labor movement is precisely the fact that the whole of the C.I.O. and large sections of the A.F.L. are on record for Federal and State F.E.P.C.s and together with N.A.A.C.P. and other mass organizations have organized a number of powerful actions around this issue. Some unions have been successful in their efforts to have anti-discrimination clauses written into their union contracts. The task, therefore, in the ranks of labor, for example, is not to build some "Left Center," but to spread this movement to every trade union and to help deepen and intensify the organized mass struggle of labor, the Ne-

gro people, the Jewish masses and all progressive forces for the realization of F.E.P.C. nationally, and in every state, locality and industry. But this requires concreteness. It requires taking as the starting point the existence of a movement and not the ostrich-like sectarian refusal to recognize it.

The same holds for the fight against Jim Crow in the railroads. The comrade highhandedly disregards the fact that Negro forces in Jim-Crow Railroad Unions have been waging a fight around this issue for the past thirty years. The task is therefore not that of "discovering" railroad discrimination or "creating" a movement for the first time. It is one of modestly joining the effort being made, of trying to work out the ways and means by which this fight can be made the common effort of all major Negro organizations and the major trade unions.

This comrade is not concerned with such "common" tasks. To him all that is needed is "to launch" an "effective nation-wide fight" by some "Left Center." But to launch nice-sounding phrases is much easier than to launch nation-wide fights. And phrase-mongering is the very opposite of mass policy. It can only retard the real struggle against discrimination.

TODAY'S BASIC NEEDS

What are the decisive links necessary to advance the struggle for eco-

nomic equality? These are three: 1) To broaden and deepen *the already existing* mass movement for compulsory F.E.P.C.—Federal and State; 2) To win important sections of the labor movement for the great task of organizing the unorganized workers in the South; 3) With the help of existing labor and farm organizations, to begin the important task of organizing the agrarian masses in the South, particularly the farm laborers, the tenant farmers and sharecroppers.

The trade-union movement has taken some steps forward in the fight for job equality. The special character of Negro discrimination is being increasingly understood by larger sections of white workers. This explains the growth in unions of committees charged with the special responsibility of spark-plugging the fight for equality. Some of these are: anti-discrimination committees, human rights committees, minority rights committees, F.E.P.C. committees, etc. They differ in name, but the content of the work is much the same.

As a part of this development, broad conferences have been organized to map the fight against company discrimination. Leading in this fight are the U.A.W.-C.I.O. and the U.P.W.A.-C.I.O. A number of A.F.L. and C.I.O. unions have conducted joint actions in several states for F.E.P.C. legislation. They support the fight for a federal F.E.P.C. The fact is that the main trend, at present, is toward the en-

tire labor movement embracing this fight.

In the auto industry the U.A.W. has adopted a most important resolution entitled "The U.A.W.-C.I.O. Model Anti-Discrimination Clause." This reads:

We denounce the practices of quota employment for Negroes. We believe that every American should be given an opportunity to work limited only by his or her individual ability, without regard to race, creed, color or National origin. Neither do we accept as valid the out-moded alibi of management that workers of different races, nationalities or beliefs cannot work harmoniously together.

And it resolves:

That this convention of the UAW-CIO re-affirm the determination of the UAW-CIO to include in every collective bargaining agreement the following model anti-discrimination clause: The Company agrees that it will not discriminate against any applicant for employment, or any of the employees in the wages, training, up-grading, promotion, transfer, lay-off, discipline, discharge or otherwise, because of race, creed, color, national origin, political affiliation, sex or marital status.

Of course we well know that this resolution is all-too frequently honored in the breach more than in the observance, and this sometimes even by progressive white trade unionists. But the way to make it a living reality is by the struggle for it within the ranks of the U.A.W. and not through some non-existent "Left Center."

The Packing Union-C.I.O. is another union which has adopted essentially the same position and has gone farthest in the fight for upgrading, and the promotion of Negroes into the policy-making bodies of the union. The Hotel and Restaurant Workers, A.F.L., in their last convention gave power to their International President to lift charters from locals discriminating against Negroes. The steel union has also made some progress. The same is true of other unions. The practices of the independent progressive-led unions and the activity of the Negro Labor Council undoubtedly assisted these developments, but the main factor was the struggle within these first-named organizations directly.

Thus, we are witnessing a trend which has not yet fully developed. But this is the direction of the movement. It follows that the task of the Party in the fight for F.E.P.C. is to strengthen its connection with these masses, to expose from within those top trade-union leaders who only pay lip-service to this fight, to make the white workers more aware of what this fight means for them, to help generate prompt and effective mass reaction to every example of job discrimination, and in this way to help forge the unbreakable unity of the white and Negro workers.

* * *

The organization of the unorganized workers in the South is also an imperative task for organized labor. In his report to the Party's Na-

tional Conference more than a year ago, Comrade Stevens stated:*

It is at this point [the South] that the intertwining of the mutual interest of labor and the Negro people's movement is expressed in most dramatic form. It is on this question that labor's alliance with the Negro people must meet the supreme test. So far, organized labor has failed that test. There has been no serious thought of organizing the South since the fiasco of Operation Dixie.

It is on this basic question that opportunism in the trade-union movement reveals itself in the crassest form. Of course, we do not wish to deny the exceptional difficulties in organizing the South which have become further aggravated by the Taft-Hartley Law and the various state anti-labor laws. But these difficulties can be overcome and cannot be compared with those which confronted the labor movement when it first started the job of organizing the unorganized in the middle thirties. Typical of the present day opportunism is the declaration by Dave Beck that the Teamsters' Union "Will not throw money down the drain," and that a drive to organize the South will only be undertaken "when the North, East and West are organized." David Dubinsky even made an offer to Southern employers not to organize their shops for a period of three years if they granted an increase in wages of 15c above the federal minimum. The

* Andrew Stevens, *New Opportunities in the Fight for Peace and Democracy* (New Century, 1953), pp. 47-48.

silence and do-nothing policy of other major unions speaks of the same opportunist approach. Only a vigorous struggle against these policies can change them.

The concrete task here is to make larger masses of white trade unionists understand that so long as the South remains unorganized they are only pouring wine into a leaky cask. More and more big industrialists are building plants in the South in order to take advantage of cheap Southern labor and in order to prepare for the day when Southern non-union labor can be used to scab on and break the backbone of organized labor in the North.

A successful drive to organize the South would begin to put an end to Wall Street's annual pillage of over four billion dollars from Jim-Crow oppression. It would begin to bring about equality in wages and to raise the living standards of the entire people. It would make of organized labor a powerful and indestructible fortress.

* * *

Organizing the unorganized workers of the South, Negro and white, would provide the base from which to begin the task of organizing the agrarian masses of the South, particularly the farm laborers, tenants, sharecroppers and small farm owners. This would raise to a new level the alliance of the workers and farmers with the Negro people. It would undermine continuing semi-feudal relations in the countryside,

and prepare the way for their gradual break-up. Such a development, if coupled with victory in the fight for the franchise, would greatly help to dislodge the Dixiecrats from Congress and bring a fresh breeze of democracy to the South and from it to the whole country.

Once again, however, this task of organizing the agrarian masses cannot be accomplished by isolated "Left Centers." The comrade who blames the Party for the failure to organize the Southern agrarian masses apparently has no conception whatever of the magnitude of the task and what is required to fulfill it. To expect that our Party at this time through the formation of some "Left Center" is going to be able to accomplish this task single-handed is fantastic.

THE SCHOOL SEGREGATION FIGHT

There are other great movements and struggles taking place for Negro rights which require active participation. The historic and heroic fight to implement the Supreme Court decision on outlawing school segregation and the fight to extend the right to vote and equal representation, are such movements and struggles already involving millions and not requiring "Left Centers" for their initiation.

The significance of the Supreme Court decision on the issue of school segregation was adequately dealt with by Comrade Doxey Wilkerson in the July, 1954 issue of *Political*

Affairs. The recent Eisenhower-Brownell pronouncements and the *rapprochement* between the Stevenson-Humphrey forces and the Southern Dixiecrats are ominous developments emphasizing new dangers in the struggle to win complete desegregation.

Indeed, the developments have emboldened every enemy of equality in education. There has arisen in the South a whole series of Fascist organizations. Some of these are: "The National Association for the Advancement of White People," "National Association to Defend the Majority of White People," "Defenders of State Sovereignty and Liberty," "American States Rights Association," and "White Citizens Councils." These forces have organized a reign of terror against the Negro people.

Illustrative are the following developments in Mississippi as reported by the *N. Y. Times*:

Citizens' councils have been organized in twenty-two of Mississippi's eighty-two counties and are spreading. Their purpose is to apply economic pressures to "trouble-makers" as anyone who advocates compliance with the Supreme Court decision.

Further:

The ire of the council is directed against "outside agitators" in general and the N.A.A.C.P. in particular. The only organized opposition to the movement, and hence its chief target, is the handful of N.A.A.C.P. members inside Mississippi.

Quoting the State President of the N.A.A.C.P. in Mississippi, Dr. Emmett J. Springer, the *Times* continues:

"We had a branch president, a merchant, who had to give up", he said. "A group of white men drove up to his store and told him to get in the car. He did, and they took him to his bank and there were the banker, his wholesaler, and other people who give him credit. They told him they would give him no more. He had to give up, go bankrupt, or get out."

Dr. Springer is a dentist: "As for me," he said, "I can't get credit anywhere in Mississippi, and I'm just getting started."

The main form of this terror is, at present, foreclosure on mortgages, denial of credit, refusal to employ persons who challenge the status quo in race relations. It affects Negro businessmen, Negro farmers, and homeowners.

Channing Tobias, in a telegram to the president stated:

Negro leadership in Mississippi is being subjected to undisguised economic intimidation admittedly designed to curb civil rights and particularly to discourage registration and voting and to force abandonment of efforts to secure peaceful compliance with the May 17th ruling of the United States Supreme Court outlawing racial segregation in public schools.

Roy Wilkins, in a letter to Dr. T. R. M. Howard of Mound Bayou, President of the Regional Council of Negro leadership, said that the

N.A.A.C.P. is exploring the possibility of joining with "other agencies and individuals in devising a financial formula through regular banking channels which would provide relief for those small businessmen, farmers, homeowners, and others who have legitimate claims and are sound risks, but who have been refused credit by Mississippi financial institutions," because of their stand against segregation.

This is a commendable step. But much more is required. There is need to rally every democratic force in the country in order to compel federal intervention to guarantee the implementation of the Supreme Court decision and protect the life and property of a heroic people fighting against powerful odds to achieve equality.

The unity displayed in Mississippi by all classes in Negro life cannot but inspire the entire democratic camp. In a conference with the Governor, one hundred Negro leaders unanimously rejected his segregationist plan. They, likewise, are developing a new form of struggle, "the economic boycott" as their answer to the economic terror of the white bankers, merchants, and plantation owners. This movement is being led by the Negro bourgeoisie and petty bourgeoisie, as the Negro and white workers and sharecroppers are unorganized. Horace Cayton, the *Pittsburgh Courier* columnist, was right when he noted that "The Negroes in the South are on the front lines."

It is an illusion to suppose that the implementation of the Supreme Court decision can come about without the most intense struggles. The enactment of laws to abolish the public school system in Louisiana, Mississippi, and South Carolina indicates what lies ahead. Thus, the time has arrived to overcome and end our isolation and weaknesses which flow from the past underestimation of this question.

SUFFRAGE AND REPRESENTATION

Obviously, these developments are a threat to the extension of the right-to-vote movement in the South. And they are made even more menacing by the "love feast" between the Northern Democrats and Dixiecrats, which threatens, not only the movement to extend the franchise, but also to undermine the recent advances made toward equal Negro representation.

This right-to-vote movement, in which the N.A.A.C.P. is the leading influence, is one of the most vital fronts of democratic struggle in the country. A characteristic of this movement is that it is an all-class movement with its sharpest edge directed against Dixiecratism. It is, at present, anti-Republican and pro-liberal Democratic in outlook. In this sense the Negro people, like labor, at the present stage seeks to solve its problems through the Democratic Party.

The fight to increase the Negro

vote in the South by five million is a basic question for labor if it is to exert the full democratic strength of the masses in the struggle against reactionary State anti-labor laws and against fascism.

The struggle for the right to vote in the South is primarily a movement of the cities and towns. Recent decision by the N.A.A.C.P. and the Elks indicates greater activities aimed at extending this movement to the rural areas.

The full strength of the N.A.A.C.P., Elks, churches, Greek letter organizations, businesses, and social agencies among Negroes are being mobilized. They are creating a variety of committees within their respective organizations, and among them to coordinate their efforts. Some of these forms are: Voters Leagues, Independent Leagues, Political Action Committees, Defense Leagues, Registration Clubs, etc. They are building Democratic Clubs and Democratic Voters Leagues which have a relation with the Democratic Party but are autonomous bodies.

This movement is also stimulating similar developments among white masses. The result is limited increases in the voting rights of Negro and white. The organized labor movement in the South is beginning to display greater activity. The election of Negroes to public offices in Georgia, Arkansas and North Carolina, which, in each case, was supported by white masses, would have been impossible without this strug-

gle for the right to vote. The fight for the ballot in the South is the essence of the struggle for equal Negro representation.

The labor movement must fully enter this fight and energetically combat all obstacles to the enfranchisement of the Negro people.

The extension of suffrage to the Negro and white masses in the South would enlarge the electorate by more than 14 million. The winning of this right would be a powerful democratic victory over Wall Street's Dixiecrat agents and would release the energies of this powerful force in a way that would dislodge from power the Dixiecrats, make possible the election of democratic-minded citizens, Negro and white, to all levels of government, City, County, State and Federal, and reinforce nationally the fight of the whole people against McCarthyism and war. Such is the meaning of the special fight to win complete voting rights for the Negro people.

Comrade Pettis Perry has written quite extensively on the question of Negro representation in the North. Recent advances made in a number of States in the election of Negroes to State assemblies, city councils and to judgeships, indicate what can be done if the labor movement is won for an aggressive policy supporting the fight for Negro representation. The election of Charles Diggs as a Congressman from Michigan was a significant achievement, thanks to a growing unity between Negro and white workers. But the question

arises: If Michigan can do it, why not Pennsylvania, Ohio, California, New Jersey? The labor movement can bring about big changes in 1956 if it supports and fights for Negro candidates for public office.

Alarmed at developments in the Democratic Party, Walter White, in a New Year message wrote in part:

We call upon the National Democratic Party to cease its present attempt to woo reactionary elements in the South by soft-pedaling the civil rights issue. The Party cannot be rebuilt on the shifting sands of sacrifice of basic moral principles. In the crucial election year of 1956, we may be sure that Negro voters in the pivotal States will be swayed by the record of the two parties on such vital issues as civil rights and job security.

Communists must make clear that appeals will have little effect if not backed up by the independent and militant activities of the labor and Negro people's movements.

From all this we can see that important great battles for Negro rights are being fought today in many fields involving the great mass organizations of the Negro people. It is the task of the Communists to enter into these movements even more fully, and to remember that the Negro people will judge them not alone on their past pioneering role but especially upon what role they play in the present momentous battles.

THE NEGRO BOURGEOISIE

Let us now turn to another aspect of the question under discussion.

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The comrades who emphasize the importance of creating "Left Centers" as opposed to that of working with the Negro people in their present-day mass organizations, argue that the failure to follow their advice "presumes that the united front can be built under reformist leadership. It actually ascribes a unifying role to the bourgeois reformists." The particular comrade we are quoting asks: Is it not a fact that "it is the bourgeois reformists who are the main opponents of the united front?" Thus, "in practice," says he, the Party policy "means tailism or more specifically, to confine the Negro Freedom Movement at that level and within those boundaries that are acceptable to the Right Negro bourgeois reformists."

We shall analyze these charges and ascertain who it is that is guilty "in practice" of confining the Negro liberation movement to the political horizons "acceptable to the Right Negro bourgeois reformists."

First of all, we should like to state plainly and unequivocally, so that no one can possibly mistake our views, that the main danger to the cause of the Negro people's freedom *within their ranks* is the role played by the Right-wing Negro reformists. Why is this so? Because these Right-wing leaders are in substance the supporters and collaborators of the reactionary imperialist ruling class and go along with its objectives for world domination and anti-Soviet war. They are the sworn enemies of our Party and of the united front.

(Of course, the reactionary bourgeois nationalists also play a destructive role in respect to the Negro people's movement.)

But does this characterization end the matter? Not at all. If it did, the problem would be simple and so would the answer. We would merely condemn them as rascals and be done with it.

What unfortunately complicates matters is that these Right-wing Negro reformist leaders are still the accepted leaders of the Negro people's movement and have been given credit by the Negro people for a number of victories in the struggle for Negro rights. This too is a fact and therefore must also be taken into account.

The comrade previously quoted does not wish to take this second fact into account. He thinks that it is possible to counter the growing influence of the Negro reformist leaders, and Negro reformism as an ideology, by a policy of head-on collision with the existing Negro people's movement. He does not believe it is possible to counter Right-wing reformist ideology and policies *within the mass movement itself*. He therefore sees the answer in "Left Centers" which organizationally and politically challenge the main centers of the Negro people. He mechanically shouts "working-class hegemony" and politically places his main emphasis not on the struggle to unite the Negro people as a people but on sharpening up the differences within its ranks. Ideolo-

gically he sees only one way to counter the illusions of Negro reformism and that is by bringing to the fore the issue of Socialism as the immediate issue of the day.

To counter this basically "Left"-sectarian line of thinking requires care against a one-sided opposite treatment. If some comrades in their treatment of the role of the Negro bourgeoisie see only the fact that it is a wavering, vacillating and inconsistent class, and that some of its numbers have sold out to imperialism, it would be equally wrong to see only the other side—namely, that the Negro bourgeois reformists are the recognized leaders of the Negro people's movement and that in the struggle for Negro rights we must work in one movement with them or become completely isolated from it. The Party's position bases itself on the recognition of both these facts.

We must see the two-fold character of the problem of the Negro bourgeoisie. This arises from the two-fold nature of its being—its class being and its national being. Its class position dictates that it vacillate. It constantly gravitates toward the white ruling class hoping to get a few additional crumbs for itself, as it is incapable of sustained and successful independent struggle against monopoly capital. When economic conditions are good and more crumbs are available to bribe it, it goes more all out in support of the white ruling class. When economic conditions are bad and the crumbs

are withdrawn, it tends to come more in conflict with the ruling class, particularly big capital. Thus it has the characteristics of the small capitalists generally, for Negro capital is at best small capital compared with monopoly capital.

Its national position, however, that is, its position as part of an unequal and humiliated people, makes it constantly dissatisfied, makes it gravitate toward the building of a stronger Negro people's movement *so long as this movement is under its leadership*. It needs such a movement in order to exert a greater pressure upon the white ruling class and to obtain more concessions and rights for itself. For this limited objective important sections of it are ready to enter into an alliance with the labor movement.

It is this dual class and national position of the Tobiases and Whites which explains their dual role as agents of the white bourgeoisie and at the same time as accepted spokesmen of the Negro people's movement for equality.

Both of these roles must be seen simultaneously for correct Party policy. To see only their role as imperialist agents, to draw our main tactical conclusions only from this fact is to veer to the "Left" and to isolate ourselves completely from the Negro people's movement. Some comrades make this error. To see these Negro reformist leaders only in their capacity as spokesmen of the Negro people's movement, to have our tactical line base itself only

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on this fact, is to make Right-opportunist errors. It would mean to forget the class position of these leaders and that we must consciously work to win the masses from their ideological influence and leadership. Some comrades make this error.

It must not be forgotten that the two sides of the Negro bourgeoisie (and petty-bourgeoisie) while contradictory and opposite, nonetheless form a unity. This unity expresses itself not only in their support of the arms race, the reactionary foreign policy and the anti-Communist hysteria. It also expresses itself in pulling their punches on the issue of Negro rights itself. Thus, while getting concessions these leaders never get for the Negro people *all that could be won with a policy of militant struggle*. Also, what they do get is often limited to a small top strata, and is used by them to bolster illusions in the "generosity" of American capitalism instead of bolstering the determination of the masses to *force* more concessions and total victory. And the other side of this unity is the fact that these leaders, if they remain leaders, must respond to the pressure of the Negro masses for more militant struggle.

In seeing this two-sided and often contradictory position of the Negro reformist leaders it must be recognized that this is essentially no different from that of the labor leadership. The main labor leaders are also reformists. They too find themselves in a dual position. On the one hand, they are leaders of a class movement

which by its very nature is antagonistic to capital and to the bourgeois order of things. On the other hand they are agents of the imperialist bourgeoisie within this movement, attempts to deny the class struggle and preach class collaboration. The labor reformists also lead important struggles, often exceedingly sharp ones. They too can be pressured into more militant struggles. At the same time they never forget their role of supporters of the bourgeoisie and try to interpret every economic concession torn from the tentacles of capital as an example of the "superiority" of the "American way," and the special "generosity" of American capitalism.

Thus, there is much in common between our tactic of approach to the labor movement and its leaders and to that of the Negro people's movement. We favor labor unity and want the trade-union movement to head a people's coalition for peace and democracy. Does this exclude the possibility that the workers will have to cast aside certain present-day labor leaders? It does not. In fact, it includes the need for *changing the policy* of the official labor movement as a pre-requisite for any new forward movement and for pushing aside those who stand in the way of this. Thus the policy of unity is also a policy of struggle against the policies and actions of those who stand in the way of class and democratic unity.

The same is true of the Negro people's movement. We must speak of

and fight for Negro people's unity—an all-class unity, for the Negro people as a people are oppressed. To refuse to fight for the rights of the Negro people as a whole is to deny the national character of the Negro question, just as the failure to fight for labor unity would be to deny the working-class character of the trade-union movement. Does this struggle for unity of the Negro people exclude the need for struggle against the policies of the Right-wing Negro reformist leaders? It does not. It includes the need for changing the policies of this movement toward no dependence on the white ruling class, toward a firmer alliance with labor, toward more militant struggle for Negro rights, and toward a general course of peace and progress.

Some comrades also fail to see the two sides of the question of Negro reformism. Negro reformism, like labor reformism, has an essentially reactionary character. This arises from its belief that it is possible to win full freedom for the Negro people under U.S. capitalism and in alliance with it. This is its reactionary side. Its progressive side is exemplified by the fact that it sees the struggle for Negro rights as a united Negro-white struggle and recognizes organized labor as an ally in this struggle. It is our task to build on the latter, to strengthen the latter, while weakening and undermining the former. This is a contradiction in the reformist position which, if grabbed hold of and deepened, will

in time help break the Negro people's movement from its ideological ties to the bourgeoisie and bring it into firm alliance with the working class for an anti-monopoly and then later anti-capitalist course of struggle.

* * *

The whole line of development in this country as analyzed in our Party Program is toward a crisis in foreign and domestic policy in which the ruling class itself is split, and in which the minor reforms and concessions of today no longer suffice to answer the burning economic and political needs of the Negro people. Under such conditions the Negro people will be impelled, for both class and national reasons, to move into a more determined struggle against the main forces of monopoly capital. This will also create new rifts and divisions in the ranks of the Negro reformist bourgeoisie. While one section will betray the struggle, an important section can be won over for an alliance with the working class against monopoly capital, while a third section can be neutralized. This is the perspective.

This basic approach of our Party does not view the Negro reformist leaders and the Negro bourgeoisie as an undifferentiated mass. On the contrary, it bases itself on a concrete approach which aims at winning as many as can be won for a progressive program and for a policy of unity.

The comrade quoted previously

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correctly points out that the Right-wing Negro reformist leaders are the enemies of the united front (that is, when it is inclusive of Left forces). He says that the united front cannot be built under reformist leadership. If by this he means that the reformists are opposed to the united front which would include Left forces and will not build it of their own accord he is correct. If, however, he means that the united front—that is, the unity of the Negro Freedom Movement—can only be built by first excluding the reformists from it he is wrong and dangerously so. He is actually denying the need for or the possibility of achieving a united front movement in the period ahead.

Why is this so? Because there is no *practical* way of achieving our objective of unity if it presupposes the exclusion of the reformist current. In fact, we are the protagonists of the position that ideological differences must not prevent the broadest and most all-inclusive unity around an immediate program for economic, political and social equality for the Negro people.

Even in respect to the labor movement, which is a working-class and not a mixed-class movement, we fight for a unity which cuts across ideological differences. That is why we are the adherents of labor unity now! Yes, now, even while the reformist leaders and reformist trend represents the main current. It is the reactionary labor leaders and not we, who use the pretext of ideological

differences in order to keep the labor movement split and in order to continue their war against Communist and all progressive militants.

* * *

Apparently the comrades who champion "Left Centers" above all else have not thought through the question of peoples' unity under the *actual* conditions of struggle of this period.

There is a reason for this. They have not thought through the stage of the struggle we are in, the character of the period in which we live. They say that they agree with the line of our Party, with the line of our Party Program, but in substance they neither understand nor agree with these. Why do we think so? Because otherwise they would realize that in the present stage of the struggle in this country we are not fighting for the immediate transition to Socialism. We are fighting to prevent the victory of war and fascism. We are fighting to preserve democracy and to extend it—yes, bourgeois democracy. We are working toward the building of a broad all-inclusive peoples' coalition for peace, jobs, equality and democracy. The main enemy of this period is monopoly capital and more specifically the most avaricious and most war-like circles of monopoly capital. The peoples' front of struggle against the danger of war, fascism and economic disaster includes *all* non-monopoly forces—all those who have something to gain in the preservation

of peace and democracy. *Certainly the whole Negro people are part of this peoples' camp.*

We must therefore think of unity with many forces who for years have been our ideological and even political foes. We must work for that day when it will be possible to achieve unity between Marxists and all other anti-war and anti-fascist forces in one common movement of struggle. The debate and struggle over ideological and political differences can take place within the framework of common unity. This is what we must fight for. True enough the reformist leaders do not wish this. They are opposed to and frightened by such a prospect. But that is all the more reason why we must help the masses to achieve such all-inclusive unity *despite* the objections of the reformists.

CAN UNITY BE ACHIEVED?

The only remaining question is: Is this possible? Is it possible to influence the Negro people's movement in a correct direction, or, is the only answer that of standing on the side-lines and working in so-called "Left Centers"?

In discussing this aspect of the question we want to once again make something perfectly clear. The course of development of the Negro people's movement will not be influenced in a correct direction and our own influence will not grow and become ever stronger by our mere whole-hearted entrance into this movement. Once having entered it

with both feet, so to speak, a new danger confronts us: the danger of losing our identity and more advanced ideological and political position. In other words, our influence will just as surely decline by a policy which leads to our becoming swallowed up and submerged in the mass movement as the contrary policy of staying away from it. That is why it is just as necessary to be vigilant in the struggle against Right opportunism as it is against "Left"-sectarianism. That is why the questions of how our Party functions, what leadership it gets and gives, how it strengthens itself ideologically and organizationally, how the Communist press and literature is brought to increasing numbers, are all questions of decisive importance and part of the real and not fictitious struggle against liquidationism.

It must be recognized that there are also tendencies in our ranks to underestimate the need for consciously and determinedly combatting the influences of those Right-wing leaders who preach the terrible illusion that the Negro people can win greater freedom for themselves by either remaining silent in the face of the danger of McCarthyite fascism and war, or by even joining the anti-Communist lynch pack. It is this treacherous concept which endangers all the gains of the Negro people. The victory of fascism through the continued destruction of the Bill of Rights would spell death for the cause of Negro freedom as it would for all freedom.

This is the emphasis placed in the Party Program which says:

The growing menace of McCarthyism confronts the Negro people with a new and grave danger. The drive toward fascism and war threatens to block further progress toward economic, political, and social equality and imperils the very existence of the limited rights thus far attained. [And further]: The present assault upon constitutional and popular liberties would also destroy the democratic organizations of the Negro people and take away the right to organize, to assemble, to petition and struggle for redress of grievances.

Hence there can be no compromise with the position of those who in the name of Negro equality mislead the Negro people toward the slavery of fascism and the horror of atomic war. But if this dangerous viewpoint is to be defeated it can only be done inside the Negro people's movement itself. And any close study of what is happening inside this movement will show that a process of differentiation is already at work among various reformist forces on the issues of peace and McCarthyism.

As the issue of peace is the cardinal one of our day it is obvious that we must do all in our power to bring it before the Negro people and to win them as an organized and active force in the struggle for peace. We must state quite frankly that the struggle for peace is still one of the weakest aspects of our work among the Negro people.

Hugh Bradley, in his excellent re-

port* to the last national conference of our Party correctly observed that the fight for peace and democracy "is of particular concern to the Negro people, for whom the achievement of freedom is impossible under conditions of pro-war and pro-fascist development."

Some comrades are content with advancing a program for peace which only the most conscious forces will support. They incorrectly view the Negro movement as being consciously "anti-imperialist" instead of bourgeois-democratic in character and therefore make the issue of peace synonymous with the struggle against American capitalism. But the issue of peace is far broader than that. It is broad enough to include many reformist elements who believe that American capitalism is the "best system yet devised by man," but who fear war and desire peace. We must remember what Stalin said of the present-day peace movement. He wrote:

The object of the present day peace movement is to rouse the masses of the people to fight for the preservation of peace and for the prevention of another world war. Consequently, the aim of this movement is not to overthrow capitalism . . . it confines itself to the democratic aim of preserving peace.

In pursuance of this "democratic aim" the Party takes into account at least three currents in the Negro liberation movement:

* *Next Steps in the Struggle for Negro Freedom* (New Century, 1953).

1. Important spokesmen of Negro reformism: White, Tobias, Granger, *et al*, supported by the Randolphs, Townsends, and the Cross-waithes, are articulate proponents of or apologists for the bi-partisan war policies and are active exponents of the Big Lie in the Negro liberation movement.

2. There are growing differences in the ranks of the Negro reformists on this issue with an important section beginning to challenge the bi-partisan war policy, speaking out on one or more vital questions pertaining to the struggle for peace. Some of the issues coming to the fore are: peaceful coexistence, H-Bomb, Africa and anti-colonialism, opposition to UMT, world trade, etc. There exists different levels of understanding within this group. Some of those in this category are Mordecai Johnson, Roscoe Dunjee, Horace Cayton, J. A. Rogers, J. Pius Barbour. The recent article by William Worthy in the *Crisis* exposing U.S. imperialist policies under the title "On Global Bondage," is not without its significance. A number of Negro publications are *beginning* to question U.S. imperialist policies. Among these are the *Black Dispatch*, the *Afro-American*, the *National Baptist Voice*, and the *AME Zion Star*.

3. Playing a vital part in helping to extend the fight for peace in the Negro liberation movement and linking it with the general peace movement are the Left and progressive forces. The clearest and most

beloved and respected spokesmen of this advanced group are the courageous fighters, Paul Robeson and W. E. B. Du Bois.

It is the task of the Party to help speed up the process of differentiation on the peace issue, to react to every concrete aspect of this struggle, and to bring knowledge and clarity in exposing the Big Lie about the Soviet Union and the Chinese Peoples Republic.

As we have already had occasion to point out, the corollary of the fight for peace is the struggle to defend and extend democratic liberties. The Party has a tremendous responsibility in showing the Negro people the inseparable connection between the fight for full equality and the defense of the Bill of Rights. In carrying out this important task we must recognize that there is already taking place a growing awareness of this connection within the Negro people's movement itself. Thus, for example, the N.A.A.C.P. at its 14th National Convention in St. Louis declared:

In this atmosphere of intimidation which is whirling unchecked in our nation's capital until it now borders on the proportions and destructiveness of a tornado, it is conceivable that any organization working for inter-racial democracy may be challenged for its campaign against race prejudices, discrimination, and inequality. . . . In this day of pillorying, of browbeating, branding, and cunning indictment, we call upon the people to stand firm upon the platform of Americanism, of the founding fathers as set forth in the Declaration of Independence, the Bill of

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Rights, and the Constitution of the United States of America and stoutly to defend and protect it. These are precious charters of liberty for Americans. Under them we have life.

The cause of Negro freedom can be immeasurably advanced if this resolution is given life in the form of crusading actions in every community throughout the country.

CONCLUSION

From all of the foregoing a number of things are clear:

1. A great Negro Liberation movement exists which is battling on a dozen different fronts for economic, political and social equality.

2. This movement is in the main led by Negro bourgeois reformists.

3. The task of the Communists and Left-minded workers is not one of standing aside from this movement, is not one of isolating themselves in "Left Centers" or "anti-imperialism centers." It is their task to throw themselves completely into the present-day struggle of this movement and to fight against all attempts of the reactionaries to separate them from it.

4. In the course of the daily struggle around the immediate issues of Negro rights, it is the task of the Communists and advanced progressives to constantly show the oneness of the struggle for Negro rights with the struggle of all the American people for the preservation of peace and democracy.

5. The possibility exists for the

winning of the Negro people's movement for a firm alliance with labor for peace, economic security, equality and democracy. This is so because, among other reasons, a differentiation is already taking place within its ranks, one which must be developed further.

6. It is the task of our Party to mobilize its full forces in support of the Negro Liberation movement and to militantly champion every right of the Negro people. This means to intensify the struggle against white chauvinism and the work among the white masses for Negro-white unity.

7. Ideologically our Party must firmly counter the propaganda and lies of the bourgeoisie and its reformist agents, teach the masses the meaning of Socialism, the truth about the lands of Socialism, and the relation of Socialism to the complete freedom of the Negro people.

These are a few of the general conclusions to be drawn. To sum up: If our Party enters with both feet into the mass movement of the Negro people without losing its own identity and more advanced ideological and political program, then it can begin to regain rapidly its lost influence and leave its decisive mark on the future of this movement. If it does not enter this movement more fully, or if it enters it and just becomes swallowed up in it, then its influence will not grow and it will not play the role it can and must, and without which the victory of the Negro liberation movement cannot be realized.

The AFL-CIO Merger

By George Morris

THE ANNOUNCEMENT on February 9 that the leaders of the American Federation of Labor and Congress of Industrial Organizations agreed on terms for a merger and that the two organizations may be unified by the end of 1955, was a development of extraordinary importance for the labor movement. The consolidation of unions into a powerful force of 15,000,000 is in itself important, but even more significant is the possibility this move opens for a major advance by the labor movement and a much needed fresh perspective.

For some years now the labor movement has been in a stagnant state and without anything like a perspective. The labor movement has not had the initiative since the late thirties that marked the rise of the CIO and the sweeping organized drives under its leadership. It was in that period that labor showed a high political consciousness and influenced the enactment of the basic New Deal reforms affecting unions and working conditions. Through the war and since, however, the labor movement has been on the defensive, held down by "stabilization" or has been continually in a losing race with the rising cost of living. For most of the period since

the war ended, the labor movement has been facing steadily mounting attacks, with the Taft-Hartley Law now on the books for eight years, "right-to-work" union-busting laws in effect at this writing in 17 states.

Until the Eisenhower Administration took power, most of the leaders of labor were complacent or felt "safe" because of an Administration in Washington that called itself "friendly" to labor. There was confidence that the Democratic government would use anti-labor laws "sparingly." But little remained of that illusion when Eisenhower took over. Labor's defensive position became even more pronounced as the government inaugurated a naked Big-Business policy. The green light was given a revamped National Labor Relations Board to reinterpret the Taft-Hartley Law's provisions so as to sharpen them as anti-labor weapons. The employers were encouraged to make greater use of the law and some unused sections were brought into play. New vigor was put behind the Big Business drive for "right to work" laws in each of the states. The run-away shop evil, once mainly in textile, spread to many industries. For the first time since pre-war days wage cuts ap-

peared on the scene. Wage increases in 1954 dropped to the lowest level since the thirties.

Organization of the unorganized was practically halted. Strikes often stretched out for months and for the first time since the upsurge of the thirties we have had strike-breaking on a major scale.

These attacks coincided with the economic decline and mass unemployment that began in 1953. This brought into play some of the "time-bombs" in the Taft-Hartley law that were designed to play havoc with labor in periods of high unemployment.

Another important element in the picture is the phenomenon of chronic mass unemployment, with joblessness increasing, despite statistics showing the "best" economic level in history. The automation trend, spurred by military orders, undoubtedly accounts for a great deal of this unemployment in the midst of "prosperity" and there is no sign of a decline of this automation trend as competition between the big corporations grows keener than ever.

A further reflection of labor's defensive position is the low state of the political influence of the unions. Labor is most often reduced to a position of tailing the machines of the Democratic Party both on candidates and issues. Even many of the candidates elected with labor's endorsement are today only pale imitations of earlier, more responsive labor-backed New Deal legislators and officials.

The menace of McCarthyism and the government's application of witchhunt laws and loyalty screening to sections of the population far beyond the Left, has also developed more openly as a threat to all labor. The entire fabric of unionism became infected with the fear McCarthyism inspires. Many labor-endorsed Democrats were forced to defend themselves against red-baiters and the charge of "treason."

The accumulative effect of the above developments was to arouse widespread dissatisfaction among the members of the unions. Much of this dissatisfaction was over the lack of effective leadership and program to combat the anti-labor attacks. Labor's feebleness has also reduced the prestige of labor's leaders.

The oldest unionists cannot recall a period when the percentage of participants in union life was so small. True, the membership is several-fold the dues-paying number of a generation ago. And there are many thousands of full-time paid functionaries. But attendance at membership meetings or voluntary participation in committees is frightfully low. Union leaders complain that it takes an extraordinary effort these days to mobilize members for even urgent union duties and campaigns.

It need hardly be said that the influence of unions and their leaders was not heightened by the warfare between the organizations that has been very costly in money and energy. This expenditure of energy

and funds for a cut-throat warfare that should have been used against labor's real enemies, ran into millions of dollars annually with hardly a member gained by either the A. F. of L. or the C.I.O.

THE CIO CONVENTION

The recent CIO convention in Los Angeles gave vivid evidence of the pressures at work in the labor movement today. They are most pronounced in the CIO because it is the younger organization, mainly in the basic and mass production industries, still influenced by the militancy of its formative period. The stagnation in the labor movement is felt most keenly in CIO ranks. The CIO's heads came into the convention prepared to put through the usual routine, with basically the same set of resolutions—the same policies and answers—despite the pressure for a new look at problems and new answers. But the convention was a departure from the past because for the first time delegates spoke frankly of the sad state of affairs in the CIO, and some even called for new policies and a return to its earlier militancy.

The resolution on organizing the unorganized usually gets the routine treatment—a formal approval. But this time a considerable discussion developed upon it. William Pollack, vice-president of the Textile Workers Union, said:

There has been little or no growth of the unions in the past eight years.

. . . Take the textile industry. In spite of 15 years of vigorous activity it is still two-thirds unorganized. . . . We in textiles are fighting and struggling to renew contracts as they are and trying to fight off wage cuts on the part of the employers. In spite of the fact that manpower productivity has increased five percent a year for the past six years, the workers in the textile industry have not enjoyed a general wage increase since 1950.

Pollack saw the urgency of organizing the South as the key problem before labor, noting: "This is no longer just a textile problem. Every branch of American industry is moving into that part of the country."

Speaker after speaker of unions in industries still mostly unorganized—paper, lumber, furniture, shoe and others—rose to express the same theme: the CIO has stopped doing what it was organized to do. All recalled nostalgically the CIO's late thirties and called for the revival of the "spirit of '36."

"In recent years," said Morris Pizer, president of the furniture union, "we should admit that we have overlooked the early tradition of the CIO that organizing the unorganized was No. 1, and it has become No. 6, 7 or 10."

Such frank admission of weakness and stagnation, never before heard at a CIO convention, ran through all the discussion. The resolution on political action, merely a formal reaffirmation of past policy, was for the first time challenged on the floor and by no less a person than a CIO

vice-president, Michael Quill of the Transport Workers.

Quill said:

I have some doubts now, after watching P.A.C. for many years in its present blueprint. I am afraid as we roll along year after year that we are tying ourselves tighter and tighter to the Democratic Party.

As a matter of fact, if we keep going this way we will find ourselves in a very few years as the most live and active wing of the Democratic Party and I think it is a danger.

Quill pictured the increasing tendency by labor to become a tail to the kites of Democratic Party machines in many states, the disregard by the politicians of labor's strength, the strained relations between the Democratic Party's leaders in New York and the CIO, and the increasing burden on labor of apologizing for the unpopular policies of the Democrats. He demanded a more independent policy by labor on the political front and went so far as to suggest that it is time to think of the formation of a labor party, if not nationally at least in some of the states.

Quill drew considerable applause because many delegates, even if not ready for a labor party, apparently felt it is time for labor to stiffen up and be a more independent force in politics. Also of interest was the difference between the two speakers who followed Quill. Emil Mazey, secretary-treasurer of the UAW, restated his past position for a labor party, but he didn't think the time

is ripe for it. Walter Reuther, the president of the same union, rejected the idea of a labor party as even a perspective for labor. In the past Reuther held a position similar to Mazey's. He now sees America as the land of no "rigid" class lines, and the maintenance of the "state of flux" in class relations as the "great hope in America." Labor's political objectives, therefore, should be only a "realignment" of forces within the old parties, Reuther concluded.

Quill's convention speech has evoked considerable interest beyond convention hall limits. He has been pressing his views vigorously in follow-up articles in the *TWU Express*, his union's official organ, and in his own TWU convention. The discussion is significant because for the first time the CIO leadership's political action policy is challenged by one in their midst and the challenge is over the important issue of independence by labor.

The discussion on the CIO's civil rights resolution, too, was off the "routine," to some extent. Instead of the usual admonitions for support of civil rights in general the discussion was this time opened by Ralph Helstein, president of the United Packinghouse Workers, the union that unquestionably has the best record in the CIO on civil rights and came to the convention with three Negro officers in its delegation. Helstein lauded the CIO's historic role in the organizing drives that opened the gates to hundreds of thousands of Negro workers.

But it seems to me, [he continued] that as history moved on, we must re-examine and re-evaluate our activities in this field and recognize that today the problems of discrimination are reflected in the specific things of life particularly in the practices of segregation which make our Negro brothers and sisters second-class citizens.

Even more significant was the speech that came later from the southern regional director of the steel union, the late William Crawford, who, in what seemed like an angry tone, said "there is no one union who should be hogging the credit" for fighting jimcrow in the south. He said:

I know that in the city of Chattanooga we organized. . . . And following one of our enthusiastic meetings the members of the local union went down to the plant . . . and the workers themselves tore these signs down and threw them away.

In the past the problem of jimcrow practices in the South was considered too "delicate" for discussion on an open convention floor.

The convention spotlight was on the labor unity resolution. The discussion upon it reflected the widespread feeling in union ranks that a CIO-AFL merger can signal an up-trend for the labor movement and, as some expressed it, a revival of the "spirit of '36." At the same time almost every speaker expressed fears that the unification of labor may be achieved at the price of some "CIO principles." All warned against return to the conditions the

CIO left behind it in the old AFL.

Sol Stein, a vice-president of the textile union, said he faced the issue with "mixed emotion" because he saw a sharp contrast between the CIO's "new spirit" and the AFL's leadership. He, too, noted that neither the CIO nor the AFL were doing much organizing and stressed that organizing of the unorganized is "one of the things we must insist upon when we get into a united labor movement." He also expressed the hope that a united labor movement would be a force against McCarthyism. The textile union, he said, "is for this move, but we have got to understand that somehow we must rekindle, and maybe we can, that spirit that brought into being the CIO, and if we are all honest with each other, we have to admit that there is not that spirit today."

Reuther himself, apparently to meet much of the fear and questioning in the CIO on unity, said in his report to the convention:

We in the CIO are looking toward the establishment of a type of unity that will stimulate growth, not result in stagnation. We seek to advance—not to abandon—principles upon which the CIO was created and grew. We seek through unity more success and more efficiency in organizing the unorganized, in our legislative and public relations activities, in our political action work, and indeed in every phase of trade union activity.

It should be further borne in mind that the views we heard at the CIO convention came from top leaders

of unions. As is well known, rank-and-file opinion or pressure filters through them only in part.

* * *

AFL conventions and councils are less reflective of the thinking in the lower ranks. The aged old-guardists who dominate the AFL are less concerned with the sentiments of their members. But the tough sledging labor is having of late is forcing even the AFL's leaders to show concern. And it should not be overlooked that while the bureaucracy on top at times takes the most extreme reactionary position, especially on foreign policy, there is today in the AFL a vast army of lower line, middle and even top leadership of younger people who have come up during the past ten or fifteen years. This leadership, like the CIO's, grew up under conditions of comparatively little adversity for labor and steadily rising (nominal) wages. They never faced an all-out open shop drive and a serious challenge to unionism. They have not yet known a policy of retreats on the economic front. These younger leaders, closer to the membership, constitute a strong pressure group against the AFL's old-guard policy.

The "right-to-work" menace is even more of a concern in the AFL than in the CIO. AFL unions have considerable membership in the 17 "right-to-work" states and the AFL's building trades, transportation and consumer-industry based unions are even more endangered by outlawing

of the union shop than the unions of the CIO.

* * *

From the foregoing we are led to a number of conclusions:

First, the underlying pressure that led to a new and more serious approach for unity negotiations, was the growing threat to labor both on the economic and political front. It is wrong to see the unity agreement as purely a top operation arranged only for the convenience of the top leaders of the CIO and AFL. They have not agreed in several earlier attempts for unity. True, the bureaucracies of both groups are mainly interested in problems affecting the division of power, top posts, and the like. But they have been forced by conditions to fit those problems into the framework of unity.

Second, within the CIO there is a strong current of fear and skepticism over the likely influence the old guard in the AFL may have over a unity-perspective for labor. The people in this current, including many leaders, see in labor unity the means to a new upsurge of labor such as marked the rise of the CIO. But they insist on a guarantee that the dead hand of the AFL leaders as they knew it, would not stifle such a possibility.

The most notable example of the above is the demand of Quill and his union's convention, for definite assurances, before the union approved the merger, that unification will be followed by a "rip-roaring"

organizing drive, especially in the South; wiping out of discrimination; union democracy and a "renewal of the old spirit of CIO."

There are similar strong forward-looking forces in the AFL, too. The Amalgamated Meat Cutters and Butcher Workmen, setting its sights on a union of a half million by next year, sees that goal through a merger with the International Fur and Leather Workers and the CIO's Packinghouse Workers. The Hotel and Restaurant Union is similarly driving to reach a half million membership by 1957 through fresh organizing drives. The Teamsters, while under a leadership of a very conservative type, are also aggressively organizing the unorganized.

Third, notwithstanding the plans of the top leaders on unity, to union members in general a merger is taken to be a commitment for drives to organize the unorganized; more effective political action and a fight on anti-labor laws; more vigorous struggle against McCarthyism; a higher level of struggle on the civil rights front and more substantial wage and hour demands.

Fourth, with labor unity largely spurred by the need for stronger political action by labor, especially for the important 1956 campaign, the merger agreement can lead to a higher level of political action by labor—not yet an independent party of labor and its allies, but at least more labor independence and influence within the framework of labor's present political action policy.

PROVISIONS OF THE MERGER AGREEMENT

The merger agreement signed in Miami Beach, on the whole, provides the mechanism through which a united labor movement can be attained without much delay and in which the unaffiliated unions can be easily included. In contrast to the past approach of first seeking a basis for amalgamating unions in the same field and a settlement of jurisdictional issues, the agreement provides for the entry of *all* present affiliates of the CIO and AFL into a new labor federation with their "integrity" preserved. Disputes arising from jurisdiction would be settled through the machinery set up under the voluntary no-raiding agreement now in effect, or a similar setup. There are to be no forced amalgamations. Mergers are to be voluntary.

Not only are the CIO affiliates to be kept intact within the united body, but the CIO as a whole, and any of the AFL's industrial unions that may choose to enter, will constitute a Council of Industrial Unions (CIO) with the status of a department, with authority to even collect a higher per capita for organizing work. While the two top officers are to be named from the ranks of the AFL's unions, an organizational director is to be named from the ranks of the CIO. The state, city and county councils of the CIO are also to remain intact. Of the top executive council of 27 vice-presidents, the president and secre-

tary-treasurer, the CIO unions are to get ten vice-presidents.

The AFL leaders have also retreated from their position of a generation ago on some principles. It is now recognized that "both craft and industrial unions are appropriate, equal and necessary as methods of trade union organization." In the past the AFL top leaders held to the primacy of and dominance by the craft unions.

It also appears for the moment at least that the AFL's long standing "come-back-to-the-house-of-labor" line—which meant absorption and conquest as the way towards unity—has been shelved.

A provision to be included in the new constitution to be drawn up recognizes the "right of all workers, without regard to race, creed, color or national origin to share in the full benefits of trade-union organization" and for the establishing of "an appropriate internal machinery to bring about at the earliest possible date, the effective implementation of this principle of non-discrimination."

* * *

The terms of the merger should make it evident that the leaders of the AFL, while retreating some from the position they held a generation ago, are by no means abandoning entirely their reactionary outlook. The terms of the agreement are clear notice to the CIO, especially to those in its ranks who take seriously its traditions and program, that they will have to fight every step of the way in the united organi-

zation against the old guard.

Michael J. Quill, vice president of the CIO, and the convention of his Transport Workers Union, the first to meet after the signing of the merger, dramatically called national attention to some of the weaknesses in the agreement.

Quill and the TWU's convention resolution pointed out that as against the CIO's demand for a guarantee of "full membership" to workers without regard for race, creed or color, the negotiators finally agreed that the constitution should only assure the right to "share in the full benefits of trade union organization." This can be interpreted to mean permission for jimcrow locals under the "separate but equal" doctrine that even the U.S. Supreme Court has rejected. The TWU further points out that as against the demand of the CIO for an iron-clad ban on raiding with penalties, up to and including expulsion for violators, the agreement calls for only a constitutional "declaration" against raiding with no penalties for violators.

The union in a resolution adopted by a near-unanimous vote of its 500 convention delegates, demanded an air-tight ban on racketeering in the labor movement and implementation of a program for the united labor movement that would include an all-out organizing drive and utilization of the "full political power" of labor.

The Transport Workers Union rendered a great service to the entire labor movement by its dramatic

and well-timed initiation of a discussion of the very issues that so vitally affect the meaning and content of the merger. The effect of the action was to arouse an interest of the members in the ranks and leaders of unions, in the decisive next stage of the process of unification, and to see to it that this was not left to a handful of top negotiators. It is this next stage that will really spell out the terms of the merger.

As might have been anticipated, the top AFL and CIO leaders also merged their anti-Communism and included a provision in their agreement committing the united organizations to a policy of what they call anti-Communism. In their minds it is meant to be a policy against all progressive militancy. In the field of foreign policy it is meant to be a continuance of full support of the Dulles-Eisenhower war-provoking line.

It should also be understood that certain of the leaders of labor, as indicated in the Reuther-Meany joint statement on the merger, and surely the State Department, conceive of a united labor movement as a convenient united labor front for the war-provoking policy of Wall Street. It need hardly be doubted that Meany expects his extremely reactionary position to prevail in the united organization, and that his group places that objective well ahead of any other of the stated objectives of united labor. If those forces are successful the united labor movement will be doomed as an effective

force. There can be no serious talk of developing the positive program of labor on organization, anti-depression legislation, anti-McCarthyism, civil rights and for a victory in 1956, if the orientation is to become a labor front for a policy that calls for more armaments, a militarized government, staffing of hundreds of bases throughout the world and keeping the cold war going by periodic war provocations.

It is quite evident that pressure for labor unity is felt mainly on the domestic issues and the top leaders, especially those of the AFL, are not yet inclined to give way to the rising peace sentiments of their members. But they have another reason for singling out anti-Communism as an objective of their unity: they are especially fearful of Left-progressive influence in the midst of labor unity and the anticipated uptrend of labor activity in economic and political struggles. They are most fearful of the Left when the workers are in motion. They therefore expect to use more than ever the reactionary weapon of "anti-Communism" to both keep out Left influence and combat those who will insist on making the most of labor unity for the true objectives of the workers.

What significance does the possibility of labor unity by the end of this year have for the progressive forces of labor? The significance is unquestionably tremendous. Labor unity has long been an objective of the progressives. The progressive voice for unity was often a cry in

the jungle of inter-union warfare waged by the very leaders who now signed a merger pact.

Nevertheless, cognizance should be taken of some tendencies that can retard the influence of the progressives at this very important turn in labor history. We still meet the view that the merger is purely a top operation and will only make the Right-wing leaders stronger. We still meet people in the independent progressive-led unions who view the merger coldly because they fear it will bring a united raid upon their unions. Others see in the merger merely a unification of two reactionary-led groups.

Those views, fortunately of a small minority, stem from a failure to see and fully appreciate, the objective developments of the recent period that have led to the merger agreement.

They stem from a narrow approach—the false view that the general interest of the workers may in some way “contradict” the interest of a union under progressive leadership—an unwillingness or inability to grapple with the problem of fusing the struggle of the progressive-led unions with the movement for unity.

The most common source of negative attitude toward an AFL-CIO merger is a failure to distinguish between the top and the bottom of the labor movement—between the plans of the Meanys and Reuthers and what the 15,000,000 workers in the shops and locals expect from unity. It comes from a failure to appreciate the dynamic force of a

people in motion; to see that during an upswing the people often carry a movement far beyond the limits set for it by the men at the control towers. The classical example of this was the course of the CIO's history in its first decade. The initiators of the CIO certainly did not anticipate much of the progressive quality that developed out of the movement. Some of them, like David Dubinsky, regretted at an early stage their part in launching the CIO.

Also common among those who underestimate the significance of a CIO-AFL merger, is the view that the AFL and CIO are alike in outlook and leadership. This is not true, notwithstanding the sharp shift to the Right that has taken place in the CIO's leadership in recent years. On most issues the CIO has a better position than the AFL. And if for no other reason but the fact that the CIO is the younger organization, still bearing some of the earmarks of its earlier militant days, there is a difference. As we noted in the discussions at the CIO's convention—with all participants anti-Communists, Right wingers—the CIO's leadership distinguishes itself in many ways from the AFL's. Even the Reuthers find it necessary to play on the CIO's traditions. The discussion certainly showed that the Left-progressives are not alone in their opposition to the AFL's old guard and in the desire to make labor unity the starting point for another big advance by labor.

Nor should it be overlooked—

and the organizational form provided for the merger confirms it—that the merger won't wipe out the differences, fears, and doubts expressed by many in the CIO. It may seem paradoxical, but it is quite likely, that the very contact between many in the CIO with the AFL's old guard, can lead to a sharpening of differences. It is one thing for a CIO member to hear of some very reactionary views from a Meany or a Matthew Woll when he isn't under such leadership. But it is quite another if those reactionary views are voiced in the name of all united labor. The CIO forces will be forced to oppose the Old Guard.

The course of developments can lead to a rapid growth of a progressive trend in the united labor movement on a much higher level than it has been and for a more advanced program. It can, provided those on the Left recognize the tremendous opportunities that can flow from labor unity and throw all their energy into making labor unity mean just what the workers expect it to. The fact that both Reuther and Meany attacked the progressive-led independent unions and are seeking to keep them out of the new federation should make those unions all the more determined to find their way back to the mainstream of labor. The issue is not Communism, as Reuther and Meany would have it, but the right of unionists to differ with the leadership in control. If the door is to be shut to the progressive-led unions and to others like the

United Mine Workers and the East Coast longshoremen for one or another reason, what guarantee of freedom will some of the unions of the CIO minority have in the united federation?

Above everything is the possibility for a fresh perspective for labor's Left. The key is a working class conscious of its new-found strength. The mouthpieces of Big Business are fully aware of this. Despite their hosannahs to Meany and Reuther as the "responsible" leaders, they released a chorus after the merger agreement was announced, on the danger of a labor "monopoly" and labor becoming "too strong." This reaction from labor's enemies should all the more spur the progressives to work tirelessly to make labor unity a reality and to awaken in the workers consciousness of greater strength.

Already there is an element of that consciousness as a result of limited unity of action on issues, in regions and in certain industries. It contributed to the setback for the Republicans in the elections; it made possible some setbacks for McCarthyism. It is arousing greater resistance to the "right-to-work" law menace with united labor bodies in a number of states. The historic announcement of a CIO-AFL merger comes as the beginnings of an uptrend in labor activities are already evident. With the focal point the 1956 election campaign, we should see much progress towards a big labor advance by next New Year.

On the Coming 15th Convention of the United Auto Workers

By Nat Ganley

ON MARCH 27 over 2,600 delegates elected in about a thousand Local Unions and representing approximately 1½ million workers will assemble in Cleveland at the 15th convention of the UAW-CIO.

The convention date coincides with the time for starting collective bargaining on the UAW's 1955 economic and contract demands. The contract anniversary dates are: G.M., May 29; Ford, June 1; Chrysler, August 1, with the right to start bargaining 60 days prior to these dates.

The U.A.W.-C.I.O. stands as a serious obstacle to the auto monopolists and the Big Business-Eisenhower Administration, whose drive for maximum profits attacks the living standards of labor and the people, increases Negro oppression and pushes for profiteering wars and fascism.

For the sake of their maximum profits the auto monopolists have tried to soften up the U.A.W. by the following measures: 1) Granting some concessions to the workers such as pensions, escalator and productivity wage schemes in return for increased speedup and company domination; 2) Engaging the union in

some stubborn dragged-out strike struggles. The Kohler strike in Wisconsin started April 5, 1954; it took 112 days of strike to bring Ford of Canada to terms, etc. And, 3) by pushing the company promotion schemes in some of the Locals, the acceptance of wage cuts in a few independent companies, stock-buying by some of the motor products workers, and car selling by a handful of International Representatives and Local officers in Toledo and in Chrysler's. But all this has netted the auto monopolists very meagre returns. The U.A.W.-C.I.O. basically remains a strong, militant, anti-company labor organization. Every once in a while the U.A.W.'s fighting traditions come to the surface in a blaze of glory as in the case of the hard-fought and victorious Square D strike in Detroit last year.

Furthermore, the March 27 U.A.W. convention will take place under the conditions of a heightened fighting spirit of the auto workers. In the first place this is due to the important role played by labor in giving certain setbacks to the reactionary forces in the November national elections, especially in Michi-

gan, the main base of the U.A.W. The auto workers take justifiable pride in having helped elect Charles Diggs, Michigan's first Negro Congressman, Pat McNamara, Michigan's first labor Senator, and in having helped defeat the G.M.-McCarthy stooge, Kit Clardy. It increases the confidence of the auto workers that they can help win an election result which stood for peace, against McCarthyism, for a program of jobs and aid to the unemployed, for the rights of the trade unions, for Negro rights and increased farm incomes.

In the second place, the auto workers' fighting spirit rose when the U.A.W. changed its former 5-year contract policy under membership pressure, and when their struggles netted them a number of strike and strike-threat victories: the defeat of Square D's union-busting with the reinstatement of 25 of the 27 fired strikers with \$20,000 in back pay; the union shop pact won for the Chrysler Body office workers; the defeat of Ford's (in Canada) die-hard stand against corporation-wide collective bargaining; the right of workers to go with their transferred jobs from one city to another with their union conditions remaining intact. Also, strike votes have won settlements on a number of piled-up grievances in some of the Ford, G.M., and Chrysler plants. Under a similar heading it is significant that the Studebaker workers in South Bend cast a 90 percent

strike vote against speedup. Last summer these workers at first voted down and then later were coerced into voting for a wage cut.

These are the favorable factors enabling the Left auto workers, working with non-Left forces, to play an important role in influencing the outcome of the March 27 U.A.W. convention, despite the fact that, in the main, this convention will be solidly controlled by the U.A.W. Administration Caucus, headed by President Walter P. Reuther.

The interests of the auto workers are protected by a convention that becomes a mighty demonstration of militancy and unity against the reactionary drive of the auto monopolists, for the union's economic and contract demands and for its political objectives in the 1956 presidential elections. A wide area of unity can be established at the convention for labor's domestic legislative program in the 84th Congress, for the goal of defeating Eisenhower and electing a New Deal Administration in 1956, against Taft-Hartley and the other McCarthyite laws, for labor unity, for equal rights for Negroes, including the election of Negroes to top UAW office, and against the Knowland-McCarthy preventive-war clique.

Furthermore, many delegations, if given leadership, will support a policy of peaceful co-existence, for a peacetime economy with increased East-West trade, for the union's participation in a "Joe-Must-Go" drive,

for labor unity that includes as a minimum consideration the mine workers and other independent unions and an effective organizing drive, especially in the South, based on Negro-white unity.

Should the UAW, with its key influence in the C.I.O., move in this direction, it will lend a new heightened quality to the movement for labor unity this year and the movement to defeat both the Eisenhower and McCarthy forces in 1956. The 15th U.A.W. convention therefore takes on a significance second to none. Potentially it has the power, if it wields it, to help change the course of the labor movement and the nation towards a new progressive advance.

BACKGROUND OF UAW'S CONTRACT STRUGGLE

The auto industry is highly monopolized. Ward's *Automotive Reports* on car production for the period January through October 1954 shows the Big 3, G.M., Ford and Chrysler, controlling 95.5 percent of the market and the Little 3 with only 4.5 percent. But, as Lenin explained in *Imperialism*, monopoly does not abolish competition "but exists over it and alongside it and thereby gives rise to a number of very acute, intense antagonisms, frictions, and conflicts." A drive for maximum profits by the auto monopolists in a competitive and fundamentally declining car market, is the objective background for the U.A.W.'s economic

and contract struggle this year.

Billions in partial automation, modernization and expansion have been invested by the auto corporations in their race against each other for the control of the vehicle market. In an attempt to save themselves from extinction the six smaller producers, Studebaker, Packard, Hudson, Nash, Kaiser and Willys merged into three companies last year. Car production is now limited to six companies as compared with the 2500 companies that sprang up in this industry during the past 56 years. Marx was correct in describing the tendency towards the concentration and centralization of capital that leads to monopoly.

According to Ward's *Automotive Reports* present plans of the six auto companies are to produce 1,928,500 cars during January, February and March. This is an annual production rate of almost 8 million cars. The actual car production in January, in the Big 3 alone, not counting the independents, was at the annual rate of 7,611,444 cars, an all-time high for this month. Car production in the entire industry for the week ending January 22 was 163,416 cars, representing an annual rate of 8,500,000. But even the most optimistic auto monopolists do not expect customers for more than 5½ million cars a year. Furthermore, about two-thirds of today's customers buy cars on credit and they owe \$10 billion on the cars they drive. Thus the "plans" of each company

to outproduce its competitors lead to anarchy in auto production as a whole.

An additional motive for the production race was indicated by the *Wall Street Journal* (Dec. 12, 1954). Current steel buying by the auto industry, it says, "is induced by car-makers' desires to stock finished cars in anticipation of a spring auto strike."

On this basis the present production race is expected to slow down drastically by the middle of 1955 with short work-weeks and widespread layoffs following in its wake. This will tend to stiffen the auto monopolists' resistance to all union demands that substantially increase labor costs.

Therefore, if the auto workers are to win their most important 1955 economic and contract demands, they must not only be fully mobilized for strike action, if necessary, but they should also choose a strike date most suitable for themselves and least suitable for the corporations. George Morris, in the February 6 *Daily Worker*, correctly indicated that the GM-Ford negotiations may well set the "national pattern" for 1955. A strike in the auto industry would therefore be of deep-going concern to the entire American labor movement.

While auto's Big 3 and Little 3 compete for customers, they all agree to transfer the full burden of this competitive struggle onto the backs

of the auto workers through the following measures:

1) Technological changes and partial automation which, under present capitalist conditions, mean increased speedup and unemployment for the workers.

2) Further reductions in the available number of jobs through the compulsory longer work-week (overtime), through the merged operations in the independent companies, the widespread problem of run-away jobs, shut-down plants (Murray and Hudson), the decline in the exports of U.S. and Canadian-made vehicles, and the rise in the export of auto capital caused by the "cold war." Thus, while auto unemployment has been greatly reduced compared to the September-October 1954 period, it still remains substantial in the midst of the present auto production boom. In January, according to the Michigan Employment Security Commission, there were 88,000 jobless in Detroit and 156,000 in Michigan.

3) Direct and indirect wage cuts accepted by certain local and top UAW officers in violation of the UAW's own principles (in Continental Motors, Reo Motors, as well as in Studebaker and Kaiser-Willys).

4) Strict, inhuman enforcement of arbitrary company rules.

5) Extra heavy blows against the Negro workers relating to discrimination in hiring and job conditions in most plants.

6) Widespread violations of workers' seniority rights in many plants, especially during the recalls to work on '55 production.

It is because of these and similar conditions that the most decisive sections of the auto workers, sparked by Left and progressive forces, have been militantly speaking up in opposition to the 5-year contract deal. This forced the corporations to re-open these contracts in 1953, two years prior to their expiration date, and it led to the unanimous decisions at the November 12-13 National Economic Conference of the U.A.W. that changed the previous 5-year contract policy.

THE UAW'S ECONOMIC AND CONTRACT DEMANDS

The UAW's 1955 economic and contract demands fall into three categories: 1) The over-all demands adopted November 12; 2) Contract changes adopted by the GM and Ford Intra-Corporation Councils of the UAW in January; and 3) Local agreements adopted by the Local Unions.

The over-all demands as implemented in the UAW ranks today may be summarized as follows:

- 1) The "guaranteed employment" plan (annual wage) and the guaranteed weekly wage—an extension of call-in pay from the present 4 hours daily to 40 hours weekly.
- 2) A maximum 2-year contract.
- 3) An across-the-board wage increase ranging from 10.3 cents to

12 cents an hour.

- 4) Increased old age pensions.
- 5) Time and a half for Saturday work as such, double time for Sunday work, triple time for holiday work; improvements in pay for holidays not worked and in vacation pay; increased night shift premiums.

7) Preferential hiring of laid-off UAW members.

8) The UAW model Fair Practice clause banning discrimination in hiring, layoffs, upgrading, etc.

The major contract changes demanded by the UAW Ford and GM Councils may be summarized as follows:

1) *Clauses against speedup*: The Ford Council wants to ban changes in production standards if there is no major engineering change; to increase fatigue time allowances from 24 minutes to 48 minutes daily; at least one relief man for every 14 workers; a 20-minute paid lunch period besides coffee breaks and wash-up time. The GM Council calls for a two-day notice to workers on their failure to make production standards.

2) *Clauses against bottleneck grievance procedures*: The Ford Council wants a 90-day bargaining period when the grievance reaches the third or plant level stage and the right to strike thereafter. This means the use of the so-called impartial umpires would be voluntary rather than compulsory as at present. The GM Council calls for the workers to get time off to consult com-

mitteemen on grievances and for more time off from work for committeemen to handle these grievances.

3) *Against Company Security clauses*: In these clauses the corporations get union backing for their domination in the plants and for penalizing the workers. The Ford Council wants these clauses completely rewritten. The GM Council calls for eliminating infamous clause 154 from their contract in which the UAW waived its bargaining rights during the term of the 5-year contract. Young auto workers have a special interest in the demand of the Ford Council that seniority rights be gotten after a 30-day period, rather than 3 months as at present.

In their Local Agreements, the UAW Local Unions seek contract backing for the elimination of local grievances on speedup, seniority details, wage inequities, gestapo-like shop rules, etc.

The combined UAW-CIO 1955 program of over-all demands, contract changes and improved local agreements marks a progressive advance over the previous 5-year contract policy, so heavily loaded in favor of the companies. This program establishes a wide area of unity in the entire UAW against the auto monopolists. The main question now is to help mobilize the entire union ideologically and organizationally to fight for and win these demands. This approach includes

not only the continuation of constructive discussions on the union's program, and advancing positions not yet covered in this program, but also the organization of actions that unitedly mobilize the Local Unions to win settlements on their piled up grievances before the bank of cars and parts gets too high. It further calls for nation-wide solidarity actions to support the current struggles such as the Kohler strike in Wisconsin and the UAW's legislative drive in the states and 84th Congress. Finally, it calls for an effective public relations campaign by the union in support of its economic and political demands.

The UAW top officers have proposed the annual wage as the main demand. The Left in the UAW has always supported a real guaranteed annual wage.

Prior to the November 12 conference the Left forces in the UAW emphasized they wanted the conference to adopt an "annual wage" plan without "blank spaces." After the conference adopted the plan, spelling out that workers with two or more years seniority should get 52 weeks of payment, the Left in the UAW emphasized its support of the plan as adopted. The Left considers this plan as an immediate demand for the companies to pay their laid-off workers additional unemployment compensation. The Left supports this demand as well as all the others.

The Left also rejects the false

ideological contention of the National Association of Manufacturers that this "annual wage" demand is equal to "Socialism," the illusions created by the Social Democrats in the UAW that this demand "attacks the problem of unemployment at the roots," and the opposite theory of *The American Socialist* magazine, a theory borrowed from the employers, that the "annual wage" tends to "increase the number of permanently unemployed workers."

Paying additional unemployment compensation to the workers at the expense of the employers' profits fundamentally has no greater nor lesser effect on the economy as a whole than paying the workers wage increases at the expense of employers' profits. It neither kills capitalism nor cures it.

Precisely because they are the best champions of UAW unity against the corporations, the Left forces in the UAW stand for all the demands, against any backward-step gesture settlement that bargains off one demand (such as the "annual wage") at the expense of others and at the expense of past gains won by the workers; and for the full mobilization of the union especially at the membership level to win these demands. In this connection the proposal made by Ford Local 600 to the 14th UAW convention deserves increasing support. The Ford Local proposed:

1) Union membership committees combined with stewards, committee-

men and local officers as the heart of the drive to win the '55 demands.

2) Regular reports by the union negotiators to the membership during the bargaining, as well as after settlements are made.

3) Contracts to be signed after and not before membership ratification.

4) For the democratic election, rather than appointment, of the UAW Intra-Corporation Council Directors.

Support for the UAW demands is consistent with support for the November 12 proposal to increase UAW strike funds from \$9 million to \$25 million financed by a \$5 monthly dues increase. The temporary nature of this dues increase is emphasized by Ford Local 600 and the Six GM Locals in Flint. Once the \$25 million is reached, says the Ford Local, the \$5 dues increase shall not continue unless approved by a referendum vote of the entire UAW membership. The March 27 convention will finalize this matter.

The proposal of the November 12 conference to make the demand for shorter hours without wage reductions the next major UAW bargaining goal after '55 has widespread support in the union's ranks. It should be added, however, that the current urgency of shorter hours in face of growing automation and speedup also requires a united drive led by the UAW to win a shorter hours law in the 84th Congress this year.

LEGISLATION AND POLITICAL ACTION

Besides the demand for a shorter hours law, the UAW convention will undoubtedly support the CIO legislative demands for a \$1.25 minimum wage, tax cuts, public works, etc. A CIO-PAC conference called this year could advance this legislative struggle and pave the way for PAC work in 1956. The UAW's anti-depression program, adopted in '53, demands a \$21.3 billion increase in peace-time public projects. With two-thirds of the federal budget going for war these billions can only be secured by transferring them from war appropriations. Will the UAW convention adopt this logical advance of its own position on public works?

In the political action sphere past UAW conventions have stood for a political realignment in the nation, for the long-range goal of establishing a genuine progressive third party, and for a national conference of labor, farm and other liberal forces to be held prior to the major party conventions in presidential election years in order to influence their outcome. This would mean a conference along this line in the spring or summer of 1956. Reaffirming and extending this policy at the 15th UAW convention can place the UAW in the forefront of a people's drive to oust the Big Business-Eisenhower Administration in 1956 and for electing an Administration that

can carry on where the New Deal left off.

A continuation at the 15th UAW convention of the constructive discussion on independent political action initiated by the Transport Workers Union President Mike Quill at the recent CIO convention would benefit the auto workers as well. The policy of refusing to give blank checks to the Big Business politicians and the Tammany Hall type of political machines has many supporters in the UAW, not only in the Left, but in the ranks of the Administration caucus as well.

PEACE POLICY

The UAW convention will undoubtedly support the C.I.O. stand against the "preventive war" position of the Knowland-Radford-McCarthy clique. The 14th UAW convention already sharply condemned Chiang Kai-shek. The 15th convention may also register a unanimous stand against Eisenhower's new U.M.T. plan. However, most U.A.W. top officers remain solidly wedded to the Wall Street "cold war" program. This explains their silence when President Eisenhower and Senator Knowland rammed through the "preventive war" resolution against China in Congress.

Therefore, without membership pressure, there is no guarantee that the coming U.A.W. convention will reaffirm the stand of the 14th U.A.W. convention calling for a

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U.S.-Soviet peace conference. Reaffirming this stand and placing it in the context of the peaceful co-existence of all nations would be consistent with U.A.W. Secretary-Treasurer Emil Mazey's sharp criticism last summer of our present Big Business foreign policy and his call to change this policy.

An anti-Big Business foreign policy also requires opposition to German rearmament, and support to the effort to seat China in the U.N. and to increase the available amount of jobs by changing over to a peacetime economy, by increased East-West trade and by transferring war appropriations to peacetime public projects.

EQUAL RIGHTS FOR NEGROES

All forces in the U.A.W., from the Administration caucus to the Left, have a common interest in fighting for the equal rights demands of the 16 million oppressed Negro people in America. "The Negro people must have their freedom because it is their right. They should have it because all America has a stake in it, stands to gain by it." (*The American Way to Jobs, Peace, Equal Rights and Democracy*, Program of the Communist Party).

The 15th U.A.W. convention will undoubtedly support the immediate execution of the U.S. Supreme Court decision against segregation; for F.E.P.C. and ending the cloture rule in Congress; for anti-lynching, anti-

poll tax laws; for the model U.A.W. Fair Practices clause in all contracts; for the N.A.A.C.P. campaign to win freedom by '63; in support of the movement to end discrimination on the railroads now supported by many organizations including the Elks; and for ending restrictive covenants in housing.

Besides the above over-all demands, the question of electing Negroes to top U.A.W. office can be won at this convention if the groundwork has been prepared for it in advance in the Local Unions. All forces in the U.A.W. from the Administration caucus to the Left have a common interest in ending once for all the 19-year old shame of the U.A.W.-C.I.O.—the lily-white composition of its International Executive Board and top officers.

The election of Negroes to top U.A.W. office at the convention would act as a powerful lever pushing forward the union's democratic and progressive advance in the economic and political fields. It would be a powerful blow against McCarthyism and its allies among the Dixiecrats and white supremacists.

Since the U.A.W. top officers are proposing a constitutional amendment to add two new International Vice Presidents, this problem can be forthwith solved by the united stand of all forces at the convention that at least one of the additional Vice Presidents should be a Negro. At the same time Negro candidates can be advanced for the International

Executive Board in the various regional elections at the convention. Historically the Negro candidates for U.A.W. office have been proposed to the various caucuses by Negro caucuses uniting the Negro U.A.W. members of all groups. Since the Administration Caucus will have undisputed convention control any Negro candidate suggested by the Negro workers' caucus and advanced by the administration for top office and the Board will be a winning candidate. Even if the proposal for additional Vice Presidents fails, the Administration Caucus can still advance winning Negro candidates for one or more of the current 23 Board and officer posts now filled solely by whites. They even have a Board post vacancy for consideration due to death on Detroit's East Side. The Left in the U.A.W. will undoubtedly give its support to the winning Negro candidates for these posts chosen by the Negro workers' caucus and backed by the administration.

McCARTHYISM

U.A.W. Pres. Walter Reuther is opposed to McCarthyism. The coming U.A.W. convention can reinforce and extend this stand by supporting an effective "Joe-Must-Go" campaign. It's the logical follow-up to the November elections and the U.S. Senate condemnation of McCarthy.

Under pressures from the A.C.T.U. the union's top officers may try to retreat from their former stand op-

posing the McCarthyite Smith and McCarran laws. This would not be in the interests of the auto workers. The auto workers' interest calls for the outright repeal of all the McCarthyite laws—Taft-Hartley, Smith, McCarran, McCarran-Walter, and the Butler-Brownell union licensing-Communist outlaw act.

A clear stand against McCarthyism is inconsistent with the acceptance of its Big Lie about the "Communist Menace" and therefore with a McCarthy-like amendment to the U.A.W. Constitution barring Communist auto workers from union membership.

This amendment does not represent the will of the auto workers. It represents the will of the A.C.T.U. minority that plays the bosses' and McCarthyite game of red-baiting. Under the pretext of "getting the Communists" they are really out to destroy the liberal and progressive forces in all the groups of the U.A.W., including the Administration Caucus.

LABOR UNITY

The convention will undoubtedly adopt a stand favoring the organic merger of the A.F.L. and C.I.O. that has been adopted for this year. Minimum requirements, if labor unity is to be truly constructive, would be to include the Miners' Union, the R.R. Brotherhoods, the progressive and conservative independent unions in the merger and to launch an all-out union organizing drive, especially in

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the South, based on Negro-white unity. The workers should also make further demands upon their conservative labor leaders to stop tailing the Big Business politicians on foreign policy and political action as important measures for constructive labor unity.

The U.A.W. Administration caucus that will control the 15th U.A.W. convention has a number of different ideological trends in its own ranks, ranging from the A.C.T.U. to Left Social-Democrats. Therefore, even this caucus can be influenced by grass roots pressures stemming from the auto workers. It was such pressures that led to solid U.A.W. support, both top and bottom, for the Left-led Square D strike in Detroit.

From the auto workers, the U.A.W. top officers receive pressures for a more militant struggle in behalf of their economic and political demands. From the employers they receive pressures to "water down" their economic demands (for example, the anti-"annual wage" editorial in the February 1 *Detroit Free Press*), to step up their red-baiting, their support of the "cold war" and their tailing behind the Big Business politicians.

The workers' views get the upper hand in an atmosphere of frank, free, constructive and non-factional discussion and debate. The em-

ployers' views get the upper hand in an atmosphere of sectarian and unprincipled factional struggles or under the conditions of "graveyard unity" with all honest criticism, discussions and debates shut off

The free exchange of ideas between all the U.A.W. groups and trends is needed because the grave problems now facing the auto workers cannot be resolved by any one group alone. On this basis all groups in a teamwork of union leadership and membership can find common grounds for molding the 1½ million strong U.A.W.-C.I.O. into a single principled and fighting front against the auto monopolists and their anti-labor-drive. On this basis the U.A.W.-C.I.O. can set a winning wage and contract pattern for the entire American labor movement.

The Left joins this discussion with the sole objective of helping to influence the 15th U.A.W. convention to be a mighty demonstration of U.A.W. unity and militancy for winning the economic and political demands of the auto workers.

The 15th U.A.W. convention takes on a significance second to no other labor gathering because it has the potential power, if it wields it, to help change the course of the labor movement and the nation towards a new progressive advance.

The Nature of the Present "Recovery"

By Mary Norris

"WHAT LIMITED the 1954 decline?"
"Are we headed for another boom?"
"Will the present recovery last?"
Such questions are probably the most widely discussed economic topics in the United States since the Great Depression.

There are many reasons for this concern: general fear of another crisis; increased understanding of economic problems on the part of the people; government's greatly enhanced role in the economy with all its political implications; and problems inherent in Washington's recent slogan of "competitive" co-existence.

The Administration's version of these matters was contained in President Eisenhower's Annual Economic Report, which adopted a highly optimistic view of both immediate and long term prospects for the economy, and put forward a program supposed to ensure their realization. The general viewpoint expressed by such spokesmen of Big Business as Benjamin Fairless, head of U.S. Steel Corporation, has also been rosy. Professional economists have, on the whole, been more reserved in their estimates, generally

predicting continued recovery in 1955 but no boom; some have even warned that the decline may be resumed this year.

In the labor movement, there is much less optimism, with major concern expressed over the likelihood of increased unemployment side by side with expanded production. At least one liberal organization, the National Planning Association, representing both labor and certain business elements, has warned of the need to greatly expand mass purchasing power as a means of absorbing the enormous increase in productive capacity. The Democratic Party has to some degree reflected these latter currents, so that its leaders have been critical in their appraisal of the outlook, which of course they view as a key issue in the 1956 elections.

Analysis of the current economic outlook has thus become an important aspect of mass work in almost any field, and Communists should be the best prepared to give answers to the most pressing issues now under discussion. Some of these questions will be discussed in the present article.

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THE 1954 DECLINE

The 1953-54 downturn was marked especially by a decline in industrial production and by growth of unemployment. Production fell 9% from the peak of 137 in July, 1953 to a low of 123 in March, 1954, at which point it hovered through August. Steel production was off 21% in 1954 as compared to 1953. Unemployment, even by grossly understated government figures, grew alarmingly, rising from 1,240,000 in August, 1953 to a high of 3,725,000 in March, 1954. For 1954 as a whole, government sources admit to average unemployment of 3,200,000, double the figure for 1953. Labor and certain liberal economists estimate that the real figure was at least 5,000,000 and that as many as nine million individuals experienced periods of unemployment during the year.*

The downturn resulted from the deepening of crisis elements to the part of the economy. These included: (1) relative overproduction in a number of consumer goods lines, especially during the latter part of 1953, which contributed to the slashing of inventories and the decline in production; (2) a drop of 6% in private capital investment in plant and equipment for 1954, an important indication of the mounting overcapacity of industry compared to the market; (3) a further cut in farmers' net income amounting to

5% in 1954, continuing the decline which began in 1952 and reflecting the continued agrarian crisis. Cuts in total government expenditures for 1953 and 1954, centered in a drop in military spending, also contributed to the slump.

A year ago, we characterized this downturn, (*Political Affairs*, Feb. 1954) then in its sixth month, as "the approach of economic crisis, inevitable under capitalism, but . . . not yet . . . the outbreak of the acute crisis phase of the cycle." It is clear that the acute crisis phase did not develop in the ensuing months. Why?

Certain specific factors tended to place a floor under the decline and to counter the forces leading to more acute crisis.

(1) *The construction boom.* New construction for 1954 totalled \$37,170,000,000 compared to \$35,256,000,000 in 1953, an increase of almost two billion dollars. The most important increases were in residential housing, sparked by liberalization of F.H.A. and V.A. loan terms (these two agencies underwrite about half of all current mortgages), and by public construction undertaken by state and local governments, especially roads and schools. Almost all other construction declined.

(2) *The continued high level of government spending.* Although the reduction in federal expenditures contributed to the decline, the fact that total government spending remained high tended to curtail the depth of the downturn. Expenditures

* See article by Leon Keyserling on "Full Employment" in the A.D.A. *Guide to Politics*, 1954, and one by Bert Seidman in the *American Federationist*, December, 1954.

authorized by the federal budget for the fiscal years of 1953-54 and 1954-55 were \$67.7 billion and \$63.5 billion respectively. This is a considerable reduction from the peak of \$74.2 billion spent during the last year of the Korean War, but it is substantially higher than the federal budget just prior to the Korean War, when expenditures ran about \$40 billion annually. Furthermore, expenditures by state and local government have risen during recent years and help to offset federal cuts.

(3) *Stabilization of consumer income and spending.* Disposable personal income (income after taxes) rose from \$250.1 billion in 1953 to \$253.6 billion in 1954, while the rate of personal consumption expenditures rose from \$229.7 billion in the last quarter of 1953 to \$234.0 billion in the 3rd quarter of 1954.

These figures, however, conceal more than they reveal, since they hide the movement of class incomes.

During this same period, total wages and salaries declined by \$2.5 billion, dropping from \$198.1 in 1953 to \$195.7 in 1954. Wages in "commodity producing industries" fell even more, declining roughly \$4 billion from 1953 to 1954. This was due, of course, to the growth in unemployment and the reduced work week. (The smaller drop in total wages and salaries is due to slight rises in total wages for other categories of workers including those in distributive industries, in service trades, and in the government.)

Net cash income of farmers fell about \$700 million from 1953 to 1954, or 5%. Many proprietors of small businesses were also adversely affected.

On the other hand, dividends, interest and rent paid to individuals were all higher in 1954 than in 1953 (*N. Y. Times*, Feb. 4, 1955). Total reported dividends rose 8% or almost \$700 million, while dividend payments to individuals were up \$500 million, to a total of \$9.9 billion for 1954. Moreover, the recipients of these categories of income were the beneficiaries of the \$3 billion cut in personal income taxes.

Thus, the increase in personal income was confined to certain middle class groupings and large capitalists, while the working class and working farmers found themselves in a worse position. The only compensating element for the mass of the people was an increase of about \$2 billion in unemployment and social security payments. The other factor permitting an increase in consumer spending by workers was a fresh rise in consumer credit. This totalled about \$29 billion at the end of 1954, after a reduction to around \$27 billion by March, 1954.

(4) *An increase in non-military exports.* These were up 4% in 1954, after a two year decline. Total non-military exports for the year were \$12.7 billion, \$450 million higher than in 1953. Military exports declined by \$1.2 billion, from \$3.5 billion in 1953 to \$2.3 billion.

UNDERLYING CAUSES

Two basic developments account for these limiting elements:

First is the intervention of the government in the economy, motivated by major economic and political considerations of both a domestic and international nature.

In pursuance of this approach, the government took the actions noted above, with its main emphasis on expansion of credit, a high level of military spending, and various other bonanzas to Big Business, including abolition of the excess profits tax—all in the name of "stimulating private enterprise to do the job." These measures did slow up and limit the decline—for the present—but they were part of a general policy which simultaneously contributed to undermining the basic economic position of the masses of our people, particularly labor and the working farmers.

Meanwhile the Administration's program enhanced the profits and power of monopoly capital. Although profits for all corporations will apparently fall slightly below the 1953 figures (\$17.8 billion in 1954; \$18.3 billion in 1953), the profits of the largest corporations rose sharply, while those of smaller companies declined. For example, one study covering the first three quarters of 1954 showed a 29% increase in General Motors profits, while Chrysler showed a steep decline, and the independents all had losses. (Ford does not report profits). General Electric

and Westinghouse, up 21 and 20% respectively, accounted for virtually the whole increase in electrical supplies and equipment. This is the general pattern in most industries. It is due to the relatively greater benefits large corporations received from repeal of the excess profits tax, as well as their favored position in securing rapid tax writeoffs and government contracts. Repeal of the excess profits tax also permitted many large concerns to increase their profits despite smaller sales. The blatant Big Business policies of the Administration have also given further encouragement to the merger movement which is tightening monopoly's stranglehold on the economy. Simultaneously the rate of business failures rose 35% in 1954, the chief fatalities, of course, being the smaller concerns, some 12,000 of which closed down.

It was this probable course of events to which we referred a year ago in the already cited article, when we indicated that, despite the decline:

It would be incorrect . . . to conclude that Big Business and its government have no reserves with which to maneuver short of a shooting war. . . [They may undertake] alternative economic measures . . . directed toward limiting the downturn to a "controlled recession" which would benefit the monopolies at the expense of the people. . . . These reserves may influence the tempo of approach to the crisis, may result in temporary pauses in the downward trend, may affect specific features of the crisis, but they cannot

ultimately prevent the onset of the crisis. Moreover, they will also result in placing the full burdens of the crisis on the shoulders of the people.

While the general estimate of the Administration's policy, here quoted, has been substantiated, it did not take into account all of the specific factors which might serve to limit the downturn. In particular it omitted mention of the construction boom and possible measures the government could take to keep it underway. We may also have tended to gloss over those measures which, at the moment, have helped to maintain consumer purchasing power.

The second important development mitigating the decline was the fact that Great Britain and the other countries of western Europe experienced an upturn in production of about 10% in 1953 and 1954 during the period of a 9% decline in the United States. Western Germany had the sharpest upturn, with an 18% increase, while Britain and France each had an 8% rise. West European exports also increased during this period. Consequently these countries were able to maintain a high level of imports from the United States, which contributed to curtailing the decline here.

We did not anticipate this situation which is in sharp contrast to 1949, when the downturn in this country brought sharp repercussions in the remainder of the capitalist world. Production and exports of Britain and western Europe were hard hit, and this kicked back at the

United States in the shape of reduced purchases of American commodities.

What accounts for the difference in these two cases? For one thing, in 1949 the economies of Britain and the western European countries had not yet recovered from war devastation and were also heavily dominated by the United States, as a result of the U.S.-British loan and the Marshall Plan. One of the functions of U.S. economic controls was to "export depression" by forcing acceptance of surplus commodities, and limiting European production of many products competitive to those of this country.

Since then, Britain and the western European nations have taken a number of steps to loosen the bonds of U.S. economic domination, both because of mass pressure for an independent policy, and also because their capitalists are themselves seeking maximum profits. In other words, we are here dealing with one of the results of the uneven development of capitalism.

Another element enters the picture, namely the growth of west European trade with eastern Europe. The most recent United Nations figures available show a 43% increase in western European exports to the Soviet Union and People's Democracies of eastern Europe during the first six months of 1954, with sales for that period totalling \$478 million. (Most of the same countries, however, showed a decline in shipments to China, due to intense U.S. pressure). The total volume of ex-

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ports is not yet large enough to provide that important element of market stability which is potentially offered; but it has already had positive effects on certain specific industries, such as shipbuilding, dairy products, textiles, and some types of machinery. Moreover, it contrasts sharply with U.S. exports to Eastern Europe during the same period; these totalled only \$882,000, a decline of over 30% from 1953.

As matters now stand, it would be wrong to conclude that Britain and western Europe could remain unaffected by a sharp or protracted crisis in the United States. The only effective counter to this (other than basic domestic changes) has not yet been sufficiently developed, that is, east-west trade. Should this become a much more fundamental feature of western Europe's economy, it would to that extent help to protect these nations from the impact of any U.S. centered depression. It should be added that this also indicates a key way in which the United States could secure stable markets.

"RECOVERY" OF A SPECIAL KIND

The features of the 1954 economic scene described above, while limiting the decline, did not by themselves prove sufficient to bring about an upturn, as is indicated by the index of industrial production, which remained at roughly the same level from March through August. Gross national product (total purchases of

goods and services) also declined from the second quarter of 1953 through the third quarter of 1954.

What is officially described as "recovery" got underway in the late fall. The index of industrial production rose by one point in September to 124, went to 126 in October, 129 in November and 130 in December. The rate of growth of gross national product also began to rise during this period after declining from the second quarter of 1953 through the third quarter of 1954.

On examination, this proves to be a special kind of recovery, having certain features which set it off from normal cyclical upturns.

First, the initial four months upturn in 1954 were narrowly based, centered primarily in the automobile industry. The auto corporations are planning to complete spring production early this year, a major consideration being preparation for a possible strike when union contracts run out in May. Moreover, the struggle between General Motors, Ford, and the independents is resulting in plans for larger production all round, with each concern fighting to get a bigger chunk of the market. These factors have resulted in a bigger than usual push from auto to industrial production as a whole during the winter months as indicated by the fact that auto production in January was up 35% over January 1954. Thus in the key industry, steel, much of recent rise stems from auto orders. Growing orders have also been received from the construction industry, an-

other important steel user. And there is some restocking of steel inventories. However, it is generally admitted that the auto industry is the key element in the upturn, with the construction boom playing an important contributory role.

Second, side by side with the rising trend of industrial production and construction, a continued accentuation of crisis elements is taking place. These include:

A. Substantial unemployment: To date, even government figures show decline in unemployment which is by no means commensurate with the production increase. In November, 1954, when industrial production reached 129, the same figure as for the previous November, unemployment stood at 2,893,000 or more than twice the figure of a year before, when it was 1,428,000. And in December, when production rose four points above December 1953, unemployment remained more than half a million larger than one year earlier. Labor and liberal economists estimate that there may well be a significant increase in unemployment in 1955 alongside the rise in production. The A.F.L. warns that this may reach four million during the first quarter of the year.

This trend is due in a large measure to the modern plant and equipment installed during the recent period of government-financed investment enjoyed by big corporations which is resulting in a new wave of technological unemployment. It is dramatically exhibited in automa-

tion, the most advanced form of mechanization of production. Furthermore, since 700,000 to 900,000 new workers will enter the labor force this year, it is essential that the total number of jobs actually grow if rising unemployment is to be averted.

B. Falling farm income. The 5% fall of 1954 which brought farmers' net income to \$12.5 billion, will undoubtedly be followed by a continued decline. In December, 1954 and January, 1955, the farm parity ratio (the relation between prices farmers receive for the commodities they produce, and the prices they pay for what they buy) fell to 86%, its lowest point since just before World War II. This is a preliminary indication of what can be expected when the full impact of the Eisenhower farm program is felt, as it will be this year. Its worst consequences, of course, fall upon the small and middle farmers, whose unit costs are higher than large capitalist farms in which a substantial investment in machinery and equipment has been made. Thus the Benson plan means driving many working farmers to the wall in line with the N.A.M. proposal to eliminate two million "marginal" farmers.

C. The declining rate of business investment in plant and equipment. This is expected to fall 5% in 1955, on the heels of the 6% decline in 1954. Ordinarily this trend alone would be sufficient to precipitate a crisis; certainly it will represent a

strong downward pressure in the economy.

D. *A Growing Surplus of Capital.* This is evidenced in many ways, two of the most obvious being the intensified drive to increase foreign investment, and (of less basic importance but more dramatic) the stock market boom. Both of these developments point to the accumulation of masses of capital that are unable to find adequate investment opportunities in other sectors of the economy.

Capital surplus is likewise reflected in the growth of excess plant capacity. The most notable case is steel, which produced at about 71% for 1954. Even after four months of recovery, it had only reached about 84% and no one predicts that it will run at full capacity in 1955. The enormous government-underwritten investment in all basic industries duplicates this story many times over.

Third, the upward trends in the domestic economy rest upon shaky ground, primarily upon an unprecedented expansion of both government and private credit. In seeking to overcome the decline, the Administration refused to expand direct government expenditures for welfare, such as public housing, schools, and other large-scale public works. Instead it undertook to "encourage private industry" through a series of measures favorable to the big corporations, including expanding credit, on the heels of an already tremendous post-war expansion of

individual debt.

The main prop of the building boom is an enormous expansion of mortgage debt for home construction. For non-farm homes, it totaled almost \$75 billion at the end of 1954, compared to \$21 billion in 1929, \$16.3 billion in 1939, and \$18.5 billion in 1945. In 1954 alone there was an increase of \$8.5 billion due mainly to government liberalization of F.H.A. and V.A. loans.

Auto sales, chief spur to the rise in industrial production, are largely financed on credit, which totalled \$10.4 billion at the end of 1954. Any increase in sales for 1955 will mean a still larger figure.

A tremendous increase in consumer credit of all kinds has occurred since the end of World War II. Starting at \$5.6 billion under wartime restrictions of 1945, it has grown three to four billion each year since then until, by the end of last year, it totalled about \$29 billion. That this is about its upper limit is indicated by the fact that it reached nearly the same total in 1953, then fell in 1954 (for the first time since the war, despite earlier economic downturns) and only recovered its lost ground by the end of 1954.

Some business circles claim that there is less "danger" in today's credit expansion than that of the twenties, for two reasons: first, while the home mortgage debt is larger, it runs for a much longer period, with lower payments; second, the government underwrites many mortgages, and other obligations, as well as

playing a major role in controlling credit. These features, it is true, enable credit to grow larger and last longer than ever before, but they do not provide a firm foundation for economic expansion. If long-term, low-interest mortgages and installment buying were available under conditions of a substantial increase in the purchasing power of workers and farmers, it would be one thing. But today these arrangements are made as alternatives to such increases, while real income is reduced as a result of high taxes and prices. Moreover, it is not the homeowner who is protected by government guaranteed mortgages, but the mortgage owner! And it should be noted that there are no government guarantees on consumer credit, which represents an important part of individual debt.

Fourth, there are no economic forces presently at work that appear capable of converting the present upturn into a boom. This intensifies the danger of fresh war incitement by American imperialism, as is reflected in the current provocations against the Chinese People's Republic.

The actual state of affairs is thus quite different from the bright official estimates. The present recovery is limited, and rests upon insecure foundations composed essentially of vast credit expansion erected over a permanent arms economy. Crisis elements continue to deepen within the upturn. Moreover, the measures taken to promote recovery tend to intensify the basic contradictions

leading to crisis. Under these circumstances, the present upward movement could readily give way to a renewed decline in the latter part of 1955 or in 1956. The exact sequence of events will be determined, however, by interrelated economic and political forces including, as a most important element, the nature of the struggle conducted by labor and its allies.

EISENHOWER'S ECONOMIC PROGRAM

It is obvious that Eisenhower and the Republican Party are extremely anxious to avert another slump prior to the 1956 elections. They also recognize the adverse consequences it would have on their shaky system of international alliances, already badly strained as a result of U.S. foreign policy.

The Administration's economic proposals, as outlined in Eisenhower's Budget, Economic, and Foreign Trade Messages, represent the continuation of policies followed for the past two years, with some secondary shifts in emphasis and minor alterations. Basically they amount to a present day application of Hoover's "trickle down" program, but on a gigantic scale and veneered with the slogan of "moderate progressivism." They include:

(1) Maintenance of military spending as the main item in the federal budget. For the new fiscal year it will run about the same as for 1954-1955, that is, \$40.5 billion for the armed forces, atomic energy, and

foreign military "aid." This constitutes 65 percent of the entire budget, exclusive of costs of past wars (veterans benefits, interest on past debt, etc.)

(2) The only other large scale federal spending proposed is the program for road building, which is intended to keep the construction boom going. The figure of \$100 billion for highways over a ten-year period has been set. However, the present level of road financing would account for half of this. Of the added \$50 billion, the federal government would put up 50%. This compares to the infinitesimal expenditures for education, public housing, and the like which altogether would total less than road expense. Meanwhile there are outright slashes in funds for T.V.A. and other public power, conservation, and reclamation projects, as well as a projected reduction of \$1 billion in the farm price support program.

(3) A major drive is proposed to expand foreign trade and investment, which the Administration evidently regards as a fundamental means of maintaining the upturn. Since World War II, the rate of private capital investment abroad has been running at around one and a third billion dollars annually. Most of this is in direct investment, *i.e.*, concerns controlled by U.S. corporations. The Administration seeks to increase this rate by measures which will lend further "encouragement" to big business.

These measures include a reduc-

tion in taxes on foreign branches and subsidiaries of U.S. corporations from the present 50% rate to 28% (the tax rate now paid on U.S. investments in Latin America); deferred payment of such taxes until profits are transferred to the United States (this means profits reinvested abroad would not be taxed); and expanded credit facilities of various types to finance sale of capital goods abroad.

Two areas are publicly advertised as being the most important spots for additional U.S. investment. One is Asia, for which a fresh version of the Marshall Plan was reported under consideration. This is turning out to be a considerable exaggeration—first, because there are fewer and fewer countries in Asia willing to receive such "aid"; second, because there is no agreement even within the Administration on a program of this scope. A larger proportion of "foreign aid" funds, now almost wholly military, is being spent in Asia. But the future of U.S. private investment in such countries as India, Burma, Indonesia, etc., is still uncertain, though there are negotiations underway for specific projects in these countries.

The second prospect is capital investment in West German arms production, if the Paris agreements on rearming Bonn are ratified. German capitalists and government officials have made quite clear that they would expect the United States to underwrite the necessary expansion of basic industry. In that event, sub-

stantial increases in U.S. investment would undoubtedly occur, Western Germany being considered far more "reliable" than the Asian countries.

There is also the probability of rising U.S. investment in Latin America, where the bulk of present foreign investment is concentrated, as well as in Africa, which provides a major source of war materials. However, the growth of national resistance to imperialist domination is occurring in these two continents also, and will confront American investors with increasing obstacles to their plans for exploitation.

The Administration proposes additional measures to increase U.S. exports, including renewal of the Reciprocal Trades Agreement Act for three years; additional tariff reductions; and large scale dumping of agricultural surpluses. The most important step, however, would be practical realization of a new policy announced by Secretary of Defense Wilson, permitting sale of U.S. surplus commodities to eastern European countries. Although this was hedged around by many restrictions, it offers an opening wedge for an expansion of U.S. trade with the Soviet Union and the People's Democracies of eastern Europe.

All these measures may bring about an increase in the rate of capital investment abroad, and in the resulting profits. Their outcome in the field of exports is more uncertain. Capital investment brings some direct increase in the export of com-

modities; but not all such investment will be used to guarantee "tie in" sales. Further, in some cases, plants built abroad are intended to replace production in the United States, since costs may be cheaper and the rate of profit higher in the foreign subsidiary. Moreover, other nations have been expanding their exports more rapidly than the United States, and this competition can be expected to increase. Thus Administration proposals will mean far less stimulus to domestic production and employment than to the rate of profit. Under these circumstances, the importance of expanded trade with eastern Europe and of ending the embargo on China is underscored.

(4) The Administration has been compelled by both economic and political pressures to retain certain of the New Deal measures which provided minimum protection to the masses, such as unemployment insurance and social security. And, although farm price supports have been slashed, the Administration has not yet dared to try to scrap the whole farm aid program, which currently has over \$7 billion invested in loans or purchases of surplus commodities.

The Administration's current program includes a few wholly inadequate concessions to the growing mass pressure of labor and its allies. These are: a proposal that states increase the amount of unemployment insurance to one half the worker's earnings and extend coverage to 26 weeks; establishment of a fed-

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eral coordinator of Public Works Planning; a federal minimum wage of ninety cents an hour; an "educational" campaign for observance of the no-discrimination clause in government contracts; and a plan for federal medical reinsurance. So far, there have been no real concessions with respect to the farm program, nor are any tax cuts benefitting the masses in sight.

The Administration's economic policies taken as a whole will undoubtedly guarantee maximum profits for the big corporations at the expense of the people. But they do not add up to a renewed boom. Under present conditions, about the best the Administration can do is to hang on for a period to the present shaky recovery; at worst, this may prove to be only a brief pause in the downward trend which might be renewed in 1955 or 1956. It is of course this latter possibility which the Republicans wish at all costs to avoid. Consequently, while on the one hand this increases the danger of another shooting war, it also makes the Administration more vulnerable to mass pressure for greater concessions in the interest of the people.

ALTERNATIVE ECONOMIC PROGRAMS

The Democratic Party apparently still regards the economic situation as the key issue for 1956, and in 1954 Democratic leaders began to put forward a more specific anti-

depression program. As enunciated by Truman, it continued the "guns and butter" approach, but with major stress on increasing mass purchasing power. He proposed: (1) To increase federal spending by three billion dollars annually, for both military and other purposes; (2) Tax reduction for the lower income groups; (3) Scrapping the Benson plan and an increase in farmer's parity income of one billion dollars a year; (4) Higher wages, including increased minimum wage levels and elimination of repressive labor legislation; (5) Expanded unemployment coverage, benefits, and pay period; (6) A federal program for building two million homes a year.

Some Democratic leaders apparently intended also to push Congressional investigations of pro-monopoly Administration policies such as the Dixon-Yates contract. Notably absent, however, is serious Democratic action for passage and enforcement of fair employment practices as a key measure to raise mass purchasing power, or for expansion of east-west trade. The first reflects the official policy of unity with the Dixiecrats and the latter is a product of continued support for a pro-war foreign policy on the part of most Democratic leaders.

While the extreme Right wing of the Democratic Party does not go along with many of the measures outlined by Truman, liberal and many center elements will support such measures in Congress if sufficient pressure is brought to bear.

Indeed the emergence of more specific Democratic economic proposals reflects the growing demands of labor and its allies.

The 1954 conventions of both the A. F. of L. and C.I.O. heard special reports on the economic outlook, questioning the scope and basis of the present recovery, and subsequently adopted detailed anti-depression programs. These are along the lines of the proposals summarized above, but were more specific in nature. They also include additional measures, such as a reduction in the work week (A. F. of L. convention and many individual unions) and the guaranteed annual wage (C.I.O. convention and the U.A.W. especially).

It is significant that these programs omit any explicit mention of increased military spending as a means to prosperity, and place their emphasis on measures to lift mass purchasing power. This indicates that labor is beginning to recognize the incompatibility between a permanent arms economy and the interests of the masses. However, there was still open support for the general foreign policy of the government, and its correlative large arms expenditures, which of course blocks and undermines the very program labor puts forward.

What is presently needed is real mass mobilization of labor and its allies to demand Congressional and state action on the programs already formulated. Certain more favorable opportunities now exist for

this, both in Washington and in many state capitals. Moreover, this struggle represents a key aspect of preparation for the 1956 elections, as both major political parties realize. It must therefore receive high priority in 1955.

Another very important aspect of labor's fight against depression is the direct economic struggle now shaping up, especially the coming round of wage struggles, starting with auto and followed by others. It is significant that the A. F. of L. Executive Council in its January meeting called for a "sizeable increase" in wages as essential to bolstering mass purchasing power; this indicates the possibilities for real united labor action to compel substantial wage increases during the spring and summer. Support of these struggles by other forces can also be rallied, as is indicated in the position taken by the National Planning Association which called for a rise in wage rates as the most important non-governmental measure to increase consuming power.

* * *

As we help to develop such broad activity on both political and economic fronts, we will also have the task of clarifying many ideological problems which arise in connection with the economic outlook.

For example, many bourgeois economists are now asserting that, as a result of Keynesian economic policies, capitalism has now learned how to eliminate economic crises and depressions. Eisenhower's Economic

Message claimed that the business cycle is now under "reasonable control," pointing to the experiences of the last year's "recovery" as proof. We must reject this interpretation of post-war economic developments, which have in essence simply postponed an acute crisis, and severe depression while aggravating the basic contradictions which lead to crisis. A full examination of this question, however, requires a special article. Here we want to stress only one point, namely, that *there are two alternative ways in which an acute crisis may be delayed*. One is the path taken by the United States government since World War II. This is the avenue of a permanent arms economy, oriented to the interests of Big Business. It postpones acute crisis for a period, but on the basis of swelling monopoly profits at the people's expense, through taxation and inflation. It thus systematically deepens the gulf between expanding production capacity and the mass consumer market, while it prepares to load the full burdens of an eventual crisis on the masses. This path leads ultimately to one or another ex-

pllosion—either acute economic crisis or war. Indeed it has already dragged the United States into one war.*

The other approach lies through enactment of a tremendous program for peacetime construction and people's welfare, greater in scope than anything undertaken even by the New Deal. The measures required are indicated in the *Program* of the Communist Party. Such a policy would also stave off acute economic crisis, but by curtailing the profits and power of Big Business, while simultaneously developing measures to protect the people from the worst effects of economic declines. Realization of this approach would require marked changes in the relationship of political forces in the United States in the direction outlined by the *Program*. Its pursuance would involve deepening collision between a broad democratic coalition and monopoly capital. But the point is that this type of program is a realistic possibility in the United States.

Wider and wider sections of the American people are coming to realize that there must be such an alternative to the dilemma of war or depression. It is our responsibility to help them find and travel this road.

* For a splendid, thorough analysis of this entire question see *War Economy and Crisis* by Hyman Lumer (International Publishers, 1954).

Our next issue will contain another article by Mary Norris analyzing the idea that capitalism has now learned how to eliminate economic crisis.—Ed.

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