

REVIEWING THE NEWS

Gigolos and Kings

The falling off in the custom of American and British dowagers hit the French gigolos hard. One of the best at the trade whose service fee had been \$32.50 per hour was driven to suicide. Competition from royalty and other titled gentry was too much for him. Let no one think, however, that the slump in the gigolo business means the end of this trade. Quite the contrary. The success of the season's first court reception held by King George in Buckingham Palace shows that the drop in the Paris gigolo market was a shifting of the consumer demand to the higher priced lines. This reception, according to press reports, was a scene of unequalled splendor. Diamond diadems, banks of flowers, concealed orchestra music, glittering uniforms, trailing gowns with 12-foot trains, were some of the features. Bejeweled American daughters of "rugged individualism" were ready to exchange some of papa's millions for titled gigolos. And the titles were on display like bananas in the First Avenue market.

In some resorts in Paris gigolos are given as prizes in lotteries. The wealthy harlots, usually English and American dowagers whose husbands are too busy skinning the workers, buy as many as fifty to one hundred tickets. Once won as a prize, the gigolo must spend the next twenty-four hours with the pillar of society who won him. In court receptions, not raffish, but auctions, are held, bidding being carried on secretly. Once bought the titled male remains with the purchaser until divorced. He is then again in the market just like a used car. In King George's market, which is somewhat exclusive, such "second hand models" are not allowed on display.

The New York Times reports that, following the King's reception, His Royal Highness the Prince of Wales left to visit the unemployed. How long will the British workers put up with such insults?

May 1st and May 17th

The Daily Worker report of May 1st told of anything from 150,000 to Mike Gold's 400,000 as taking part in a "united front against fascism under the leadership of the C. P." The Daily Worker report of the anti-Nazi demonstration against the Hitlerite rally in Madison Square Garden, May 17th, stated that a demonstration of 1,000 Y.C.L.'ers and Y.P.S.L.'ers took place. A few questions are in order. 1. Where were the paper 400,000-150,000, or even the actual 25,000 who took part in the May 1st Stalinist parade? 2. If the C. P. decided to do nothing on May 17th, then how come the reported Y.C.L. participation? 3. As the actual fact is that the Anti-Nazi demonstration was organized by the Communist League (counter-revolutionary Trotskyites) and the Y.P.S.L. (Social-Fascists) how come that the Daily Worker, instead of denouncing this "Unholy Alliance" gave credit to the Y.C.L. for it? And last, why those who so effectively broke up the Anti-Fascist Madison Square Garden meeting of the S. P. and the trade unions didn't do a damn thing against the Nazi rally? Or do they consider a miserable meeting in Cooper Union to listen to Rabbi Goldstein the way to defeat Fascism in America?

The Crisis and the Socialist Party Speaking on votes lost to the Communist Party in Germany in 1931, Tarnau, a leader of the German Social Democrats said at the Leipzig Congress, "If the spectre of unemployment had not hovered over the ballot box, this day would have been written differently in the pages of German history."

The Socialist New Leader of May 12, 1934, writes: "Since the Danish Socialist Labor Party took over the government in 1929 and since the five past years were years of depression and unemployment, one had the right to expect that the Socialist Party would lose some support among the workers."

What manner of "revolutionary" party is there that expects to lose support as capitalism breaks down. "If the atrophy of capitalism produces the atrophy of the Social Democracy, then the approaching death of capitalism cannot but denote the early death of social democracy. The party that leans upon the workers but serves the bourgeoisie, in the period of the greatest sharpening of the class struggle, cannot but sense the smells wafted from the waiting grave."—(Leon Trotsky—"What Next?")

Olgin on Browder's Masterly Report "There was a spell over the audience as one chapter of the report after another was unfolded by Comrade Browder"—writes Olgin, Daily Worker, May 21st.

Does Olgin mean that the audience had gone to sleep? Or is it a typographical error and "spell" should read "smell"? —BILL.

The Foreign Policy of Japan

Probably the most interesting statement of foreign policy was issued by the representative of Japanese imperialism, Yosuke Matsuo. Abandoning the customary calligraphic language of diplomacy he stated categorically that Japan "regards with disfavor any activities of Western nations in China."

He cynically portrays the role white imperialism has played in the exploitation of backward China, and makes a strong plea for the right of yellow imperialism to a "legitimate" share of the loot. In this connection, he raises the race question and attempts to conjure up a white peril with which to frighten both the Chinese and the Japanese.

He would have us believe that the white capitalist robbers have been unfair in the distribution of the surplus value sweated from the backs of the Chinese workers and peasants, not because of the greater strength of white imperialism itself, but solely because the Japanese are of the yellow race. This deception is at the bottom of his cry for a united front from below of the Chinese and Japanese peoples under the leadership of the capitalist class of Japan against "a return of the white peril to the East."

Japan's Claim to Hegemony

Matuoka invokes the Lansing-Ishii Agreement as an example of the diplomatic means Japanese imperialism would prefer to use in "obtaining the recognition of our pre-eminence rights and interests" in China. But under no conditions, he continues, not even short of war, would Japan abandon her imperialist hegemony over prostrate China.

He goes on to explain that China needs help to save it from chaos and Bolshevism. But this help, he explains, cannot be supplied by the imperialist powers through the League of Nations, because the League utilizes methods inapplicable to a weakly capitalist nation.

"The attempt at making China a republic has been disastrous. Corrupt and incompetent as the old Manchu dynasty was, it was understood by the Chinese; the republic is not."

This protest against the attempt to create a republican—a bourgeois-democratic—political form expresses the aim of Japanese imperialism to thwart the formation of a united capitalist China. For it sees in a bourgeois-democratic China a rival for the internal market of China itself and a military menace to her imperialist ambitions in the East in general.

From this angle the protest of the Japanese Foreign Office to the white imperialist powers against political loans, that is, loans for military purposes, will not fall on deaf ears. For the white imperialists themselves stand to lose nearly as much as Japan from a strong bourgeois-democratic China. As long as the Open Door is respected Japan need fear little opposition to her imperialism in the East. England already is insisting that her economic difficulties with Japan can and will be amicably settled. Also her tacit agreement to Japan's seizure of Manchuria shows which way the wind is blowing. It is inconceivable that England would so restrain herself regarding Japan, who has made such drastic inroads on her foreign trade, if some more important need of British imperialism was not involved in the matter at issue.

British Policy

British imperialism recognizes Bolshevism as to the central danger to its colonial rule. The menace to its far-flung empire looms so large that compromise with Japanese imperialism proves absolutely essential. On no other basis could Japanese capitalism venture to herd American capitalism and the Soviet Union. For the natural resources of Japan are completely inadequate for the prosecution of a large-scale war. Her recent activities indicate a secret agreement with England for a struggle against the Soviet Union as a way out of the crisis in which Japanese capitalism finds itself. In the meantime, Japan takes advantage of her strategic political position by asserting her rights in China to the disadvantage of capitalist America.

The manoeuvring of the imperialist powers in China cannot be understood if taken as a separate problem. It cannot be abstracted from the world situation as a whole. It must be viewed in connection with the Drang nach Osten policy of Hitler. (This policy was first enunciated by Bismarck, and later was presented by Eugenberg as a solution of the chief contradictions of European capitalism.)

Anti-Soviet Policy

That there is such an anti-Soviet policy is proved by the recent refusal of Hitler to sign a treaty guaranteeing the sovereignty of the Baltic States. Recalling that at the same time Hitler has assured England that he seeks neither colonies nor naval power, it would seem that the Drang nach Osten policy is real enough. The destruction of all po-

litical opposition within Germany, and the "co-ordination" of the trade-unions on a Nazi basis, signifies preparation within for warfare without.

England's friendship for Japan and Germany spells defeat for any attempt at reconciling the differences between Japan and Soviet Russia and Germany and Soviet Russia. It can safely be predicted that secret agreements exist between England, Germany and Japan, for the solution of their imperialist contradictions at the expense of the U.S.S.R. This view is reinforced by the fact that the defeat of the Soviet Power would restore one-sixth of the world to the capitalist market and at the same time solve world-contradictions in a comparatively inexpensive form.

Strike of Los Angeles Longshoremen

Los Angeles—After being held back over a period of several months longshoremen over the entire Pacific coast and gulf states finally walked out under the leadership of the International Longshoremen's Association.

In San Pedro, the walkout was nearly 100%, and succeeded in almost paralyzing shipping in the area. In all there are about 2,500 involved in the local strike; but the Merchants' and Manufacturers' Association of Los Angeles is determined that the strike shall be broken. All machinery of the city and county have been drafted for that end. Workers who are receiving county aid are being sent down to sea. The Universities of Southern California and of California are supplying scabs. Football men of U. S. C. amongst them the "great" Homer Griffith and Clifford Probst, who have hitherto only learned how to play football are receiving another lesson, and that is how to break a strike.

To combat this use of students as scabs, the N.S.L.'s of the Los Angeles Junior College, U.S.C. and the University of California at L. A. sent a delegation to the strikers to aid on the picket lines; and has also promised its support in attempting to arouse campus opinion against the scabbing students through the distribution of handbills.

Militant Builders

SECOND CLUB PLAN DRIVE ENDS AUGUST 1st

Not One Club Will Be Sold After That Date. Get Your Cards Now

The Club Plan sub drive for 1,000 new subs met with success, bringing a total of 1014 new readers for The Militant. Upon the request of several branches and individuals participating in that drive, a second drive was started. To date we have received 175 new subs.

The Club Plan idea was originated in order to enable workers who cannot afford the full rates to get The Militant at the low price of 25c for six months. Four sub cards for \$1 paid in advance, constitute a Club. This plan cannot be continued indefinitely as the cost of production does not permit of such a low rate.

The Second Club Plan drive will terminate August 1st.

NO CARDS WILL BE SOLD AFTER THAT DATE.

GET YOUR CLUBS NOW!

NEW SUBS

New York City Committee 4; Cleveland Branch 14; Newark Br. 4; Los Angeles Br. 4; Philadelphia Br. 8. Total 34.

COMPLETE RECORD

Table with 2 columns: Location, Number of Subs. Includes Boston Branch (8), Chicago Br. (18), Minneapolis Br. (20), New Castle Br. (4), San Francisco Br. (4), St. Louis Br. (4), Toronto Youth Club (4), Toronto Br. (4), Local New York (12), City Office (8), Harlem Br. (4), Newark Br. (4), Los Angeles Br. (12), Los Angeles (Doughty) (8), Philadelphia Br. (8), Davenport Br. (4), Oakland Br. (4), Berkeley (Kogan) (4), I. Borsook (4), P. Leeser (4), J. Osborn (5). Total to Date 175.

JOIN THE COMMUNIST LEAGUE.

An "Underground Union"

One of the innovations of the Stalinists is the creation of the only underground trade union organization in the country, the Education Workers League. It was designed early in 1931 by the architects of the third-period trade union strategy to organize the workers in the field of education—principally the public school teachers—into revolutionary unions. It goes without saying that it drew organizational and ideological inspiration from the T.U.U.L. to which it is affiliated. And not alone the T.U.U.L. The E.W.L. is the American section of the Education Workers International, which is affiliated to the Red International of Labor Unions.

In the three years of its existence, the conditions of the teachers in the U. S. have been worsened. Pay cuts have been universal. Every one is familiar with the plight of the Chicago teachers who at one time were not paid for nearly a year and whose pay is still many months in arrears. Curricula have been cut. School terms and the school day have been shortened. In many states hundreds of schools have been closed. It is estimated that 2,000,000 children have been thrown out of school in this way; and that this economy cost 200,000 teachers their jobs. This entire economy program is going forward under the whip of the U. S. Chamber of Commerce.

No Influence on Teachers' Movement The teachers have offered very little resistance. There have been scattered protests, small and ineffective strikes, and other spontaneous manifestations of discontent. Most significant of all these struggles were the Chicago demonstrations which won a small measure of temporary relief. But the E. W. L. has not played any role in these isolated struggles. In so far as a national trade union center is concerned it is as non-existent as the other paper organizations created by the Stalinists.

Only in one place has the E.W.L. any existence. It made its debut in New York City where the conditions were guaranteed to demonstrate the utter absurdity of the attempt to build a "revolutionary" trade union of teachers. The 36,000 New York City teachers in 1931 were secure in their positions and were as yet unaffected by wage cuts and the other means by which capitalist economy was lowering the

standard of living of the teachers throughout the nation. On the contrary, the teachers' wages, fixed by law, were appreciating with the fall of the price level.

Moreover the teachers were subjected to the notoriously reactionary regime of the Board of Education. Activity in the revolutionary or Left wing labor movement constituted grounds for dismissal from the school system. Teachers are persecuted for protesting against unsanitary conditions in the schools or for criticizing their superiors or the administration of the system.

"Union" Goes Underground Even the Stalinists realized that to call upon the teachers openly to join a "revolutionary union" would cost some of those who responded their jobs, persecution for others and a general reign of terror and re-baiting against all progressive elements. The Stalinists boldly seized both horns of the dilemma and solved the problem by going underground.

From the depths of its underground the E.W.L. built legal cover for its "revolutionary" activity. It has not built a union—although it still entertains fond visions of doing so—but succeeded in adding several organizations to the more than seventy that cluttered up the local movement.

Fights Teachers' Union

In all of these organizations its central aim has been to discredit the Teachers Union and develop the others as bases for its new union. In a word the E.W.L. aped the policy of the T.U.U.L. If it has not built a union it can point with pride to a great achievement: its policy has been instrumental in diverting hundreds of employed and unemployed teachers awakening to the necessity of resistance into organizational channels separate from the union and hostile to it. It can inscribe on its banner at least half the responsibility for the perpetuation of the division between the organized employed and unemployed, and also for the division among the advanced teachers in the organized employment movement.

The experience of three years demonstrates that there is neither a need nor a basis for this caricature of a union. On the contrary, it is an obstacle to the growth and unity of the teachers movement. It is a reactionary influence.

—T. STAMM.

MARCH OF EVENTS

British Imperialism in Retreat

The great inroads into the export trade of Great Britain incurred in the Japanese drive for world markets are a source of profound disquiet to English diplomats. The fierce impact of Japanese competition exposes to full view the weakness of British capitalism in decay while revealing simultaneously the intensity of exploitation of Japanese labor. England's efforts at retaliation are thus far puny and impotent. The establishing of quotas in the Crown colonies can affect at best some five percent of Japan's textile exports. This economic weakness in meeting the present situation makes it all the easier for Japanese imperialism to wring political concessions from the English government.

In the game of imperialist politics it is Japan's aim either to woo America away from an alliance with the Soviet Union, or failing this—and simultaneously—to checkmate America by balancing the U.S. with England. Given a fair price the English statesmen will not be averse to a trade. The first concession made to Japan is contained in Simon's statement that Great Britain is not pledged to preserve the integrity of China. This establishes the first open serious rift between America and England. For America for its own good purposes views the Nine Power Treaty as precisely such a pledge. British diplomacy tells Japan that it may safely proceed to seize and subdue by force of arms more of the Chinese mainland without English opposition.

Threat of Japanese Bonapartism

Capitalism is everywhere a system held together by a mortar of fraud and corruption. Japanese capitalism is if anything more permeated with thievery than its Western models. The scandal just uncovered in the Treasury Ministry in connection with the Bank of Taiwan and the Imperial Rayon Co. is but one of a long series. Coming however at a time of great internal stress, when the interrelationships of classes are shifting perceptibly, due to the swifter flow of the undercurrents of social upheaval, the Japanese bank scandal is having an effect similar to that of the Stavisky affair in France.

The reactionary militarists in control of the army are setting their forces in motion to stifle the rebellion of the oppressed masses of workers and peasants.

The Soviet Union Slowly Encircled

Since the last war and its outcome in the creation of the Soviet Union,—the greatest step forward in the history of humanity and the greatest menace to world capitalism—the capitalist governments are somewhat fearful of precipitating a new war. Their fear is not so much of defeat by the enemy abroad as it is of the revolutionary working class at home. Thus to prepare for the inevitable next war the ruling class is impelled to safeguard its rear, to protect the base at home.

Capitalism in decay thus resorts, for this as for other reasons, to fascist, a system of governing by armed force and brutal suppression directed openly against the working class, a system of terrorizing the masses and destroying their independent organizations, a system designed to assure "civil peace" in the rear.

The process of fascization of one country after the other is slowly bringing about the encirclement of the Soviet Union by fascist states. With the help of Germany Latvia has established its form of violent anti-working class dictatorship. Now Bulgaria, probably with the encouragement of France, has experienced a palace revolution, a Bonapartist coup d'etat by the Junker class, the aim here too being to rid the capitalist state of all revolutionary opposition. Despite the fact that the fascist states assume their own inner alignments in imperialist rivalry, on all sides events sweep steadily, irrevocably, to the outbreak of the next terrible imperialist war with its central aim the destruction of the Soviet Union.

Litvinov and the League of Nations

It is this desperate plight of the Soviet Union, no longer able through the Comintern and mass Communist Parties in the capitalist countries to mobilize the working class of Europe in defense of the Soviet Union, that Litvinov attempts to substitute for such a mass movement by playing off one imperialist group against another. The less Litvinov can rely on the international revolutionary forces of the workers, the more closely he feels bound to the League of Nations under French domination. We cannot wait for events to prove the emptiness of this defense, we must build the Fourth International to defend the workers' fatherland.

—JACK WEBER.

The Railroad Wage Settlement

The recent compromise wage-cut settlement between the railroads and the leadership of the 21 unions, which include all the organized railroad workers offers the latter a new opportunity to see the stuff of which their leaders are made. A review of the role which this treacherous bureaucracy played in the 1932 negotiations, when the 10 percent wage-cut was first proposed, will help round out the picture.

In the opinion of the union officials at that time (N. Y. Times, Feb. 1, 1932): The 10 percent wage-cut proposed by the railroads was not a "matter of pure right and justice", "nor are wage reductions to be regarded ordinarily as the appropriate means to promote prosperity", nor could they "believe that the public welfare is advanced by reducing the purchasing power of labor".

Was the pay-cut therefore refused? No! It was accepted "in the hope that our action may improve the health of our industry . . . may stimulate a revival of business, and may advance the general welfare".

Labor Leaders and Capitalists in Mutual Appreciation

This sounds almost like a burlesque. However, it was left to Daniel Willard, president of the Baltimore and Ohio Railroad, speaking on behalf of the railroad managements, to add the grand finale to the negotiations comedy. In his speech Willard reminded the union officialdom of one of the methods they might have used to look after the interests of the men they represented: "You might have delayed this agreement for months (during which time, of course, no pay-cut—W.) and forced us to take a long and tedious course which would have left bitterness where now (ahem) there is friendship and harmony. Even so you would have been following the law set down by Congress . . ." At the conclusion of this speech during which he praised the labor skates for their "cooperation, patience, tactfulness, and patriotism", he added, "I am going to ask them (his colleagues) to rise in token of their esteem for you, and together we say to you we thank you". Whereupon, according to the N. Y. Times correspondent, "The other presidents arose and bowed as the audience of union executives and the union chiefs broke into applause".

Wages are cut and union leaders applaud. One must need search far to find a more brazen betrayal by workers' representatives.

On March 17 of this year, the same union heads, after having permitted the wage-cut agreement, to stretch into its third, suddenly demanded that it be ended.

Workers' Pressure Forces a Change

Why the sudden change in heart on the part of these gentlemen? The answer lies in the pressure which the workers are beginning to exert, either through wholesale desertion from the unions or through the formation of opposition groupings; expressions of dissatisfaction which begin to endanger the large salaries of the union bureaucracy and their privilege of sitting down at the same dinner table with the railroad presidents. The smoldering fires of discontent are fanned by the fact that the roads are beginning to earn more money. (Carloadings for this year are about 20 percent higher than for corresponding periods of last year and the net earnings of 64 class I roads for February of this year is \$28,700,000 compared to \$9,854,000 for February of last year.)

There can hardly be any wonder as to the reasons for the discontent on the part of the railroad workers. A. F. Whitney, president of the Brotherhood of Railway Trainmen, gives us an inkling as to how the "general welfare" of the workers was advanced by the pay-cut: (N. Y. Times, March 18, 1934): ". . . railway employees of long service have been turned out to accept charity or starve; hundreds of thousands have gone on part time . . . track and roadway section men received as little as 25c an hour and worked only three days a week in February. From this weekly wage of six dollars the management deducted 60c under the 10% arrangement. . . On the Atlantic coastline men are paid \$1.70 a day. On the New York Central, section men receive a basic wage of 43c an hour and are working as little as ten days a month. This gives them \$8.60 a week, from which 10% is deducted leaving \$7.74 a week in a territory where the P.W.A. minimum is \$15. . . The Florida East Coast pays a basic wage of 20c an hour to section men . . . The Illinois Central pays section men as little as 25c an hour, works them as little as 2 days a week enabling them to make \$4 a week. . . For the year 1932 there were 140,000 railway employees whose earnings were approximately \$50 a month or less. This number embraces about 13% of all railway employees. Approximately 296,000 railway employees, over 25%

of the total, earned \$75 a month or less".

How did the railroad coupon-clippers fare during this period? The pressure upon the union bureaucracy was so great that they were forced to reveal why the capitalists thanked them in 1932 for their "cooperation, patience, tactfulness, and patriotism". According to Whitney the railroad bondholders were paid as follows: 1929, \$511,000,000; 1930, \$500,000,000; 1931, \$518,000,000; 1932, \$525,000,000; and in 1933, \$533,000,000. During 1932 and 1933, however, the roads reported deficits in order to strengthen their arguments for continuing the pay-cut. Whitney explains that this is accomplished by charging interest on bonds to "fixed charges" so that what is actually a profit appears as an expense.

The recent negotiations, during which the above-quoted information leaked out, found the union heads frantically hunting for a formula which would not injure their standing with the capitalists (heaven forbid) and with which they could face their men. To the request for an end to the cut the roads countered with a demand for a further cut. The union chiefs countered with a demand for a ten percent raise above the basic wage from which the original cut was made. President Roosevelt, consistent with his policy to "raise" wages, proposed that the existing cut stay in effect until Jan. 1, 1935; the same proposal as originally advanced by the railroad presidents. This the union heads refused. After much bickering and even talk of a strike ballot, a "compromise" was reached, literally speaking, in whispers. The workers are to get back 2 1/2% on July 1, 1934, 2 1/2% on Jan. 1, 1935 and 5% on April 1, 1935; the roads agreeing not to ask for another change (read cut) until May 1935, that is, one month later. The unorganized workers are of course not benefited in any way.

Another Sell-Out Accomplished

This juggling of percentages gave the union chiefs the needed formula. Actually they accepted Roosevelt's proposal or as stated by the New York Times: "Restoration of the wage reduction in 'three bites' instead of one worked out in dollars and cents exactly as if the employees had agreed to the employers' original proposal". It is obvious that the needs of the railroad workers are not going to be helped much by this sell-out.

These negotiations are merely symptomatic of a new chapter which is being opened in the railway in-

dustry from whose every pore oozes the pus of the decaying capitalist system. The basic capital has been absorbed by the capitalists in profits of some form. The roads are loaded with "fixed charges" in the form of bonded indebtedness or as loans. Their national and rolling stock has deteriorated necessitating large scale capital expenditures. An increase in business sufficient to solve these contradictions is out of the question under present day conditions. The capitalists will certainly not make the much-needed new capital expenditures unless the basis for a profit exists.

One way out, which they will seek before anything else, if circumstances permit, is to climb out of the contradictions on the basis of a further lowering of the wages and living standards of the workers. "If circumstances permit" means if the workers permit. From this it follows that the not distant future will find the railroads the scene of gigantic class battles.

Who Will Lead the Workers?

Can or will the present union leadership lead the workers in such struggles? Obviously not. If no other evidence were available their treacherous conduct in the wage cut question above described reveals that they are too closely tied up with the capitalists and their viewpoint to be concerned with the workers unless the latter endanger their sinecures. The union bureaucracy reeks with corruption. For example, Alanvey Johnston, the Grand Chief Engineer of the Brotherhood of Locomotive Engineers, and one of the signers of the original wage-cut agreement in 1932, was recently sent to jail for fraudulent dealings in a bank, in which he and other union officials had an active interest, and through which many union members had their savings lifted. According to James Steele (New Republic, March 14, 1934) the bank president, a friend of Johnston "had declared in a letter to the Chase National Bank that Johnston was actively working for a reduction in railroad workers' wages before the railroads asked for such a reduction."

Nothing can be expected from such people except corruption. What is required is a strong left wing. The pessimism of the workers and their exodus from the unions must be stopped; they must be given new heart and morale; the corrupt and reactionary leadership must be driven out and all the craft unions consolidated into one industrial union capable of and willing to fight for the workers' interests. Under present day circumstances a struggle on the railroads means a political struggle of very high order. All the more reason for a left wing.

—WEAVER.