

Profits of Large Corporations Rise; Greed Unsatiated

The reports of industrial corporation profits for the first six months of this year reveal an enormous increase over the returns for the same period of 1933. These increases, in some cases of gigantic importance, have taken place despite the fact that the accompanying figures of unemployment in the manufacturing industries have shown only slight improvement.

Corporation profits for the first six months of this year show a total increase of 230 percent over the same six month period of 1933. This brought the annual rate of return (on the basis of all stock issued—water, hide, and hair) up from 1.7 percent profit for 1933 to 5.7 percent for 1934. These figures are derived from a study of the report of 250 leading industrial corporations representing a capital worth of almost 10 billion dollars.

Low Textile Wages Make Enormous Profits This enormous profit was aided considerably by the results of the "nine dollar and eleven dollar a week" textile industry that showed a 370 percent increase in profit over that made during the first six months last year. A direct link can be drawn between this enormous increase in profit, the speed-up and stretch-out systems, and the present talk of a general strike in the industry.

The General Motors Company, another company which was threatened with a strike and with which the NRA board was so liberal, shows an increase of 44.8 percent in profits. General Motors, although not showing so large an increase in profit, continued to head the list in annual rate of return. This, close to a billion dollar combine, showed a return on its stock of 16 percent as compared to only a paltry 11.2 percent profit last year. To celebrate this in the good old-fashioned way, the company recently declared an extra dividend of 50 cents a share for common stock.

Interesting too, in view of the recent militant strike at the Toledo plant of the Electric-Auto-Lite Company, are the reported returns for the automobile accessory industries. As compared to a deficit of 7.4 percent in 1933, they now show a profit of 15.2 percent. This profit would have been much higher, but the companies were required to contribute more to the tax fund—for the purchase of tear and vomit gas.

Gunpowder Turns to Profits The E. I. du Pont de Nemours Company, makers of gunpowder, tear gas, and dynamite, profited by the war scare and strike wave to the tune of 12 million dollars in the second quarter of 1934 as compared to 9 million for the second quarter of 1933, showing earnings even surpassing those of the U. S. Steel Corporation, which makes the steel jackets surrounding the du Pont gunpowder in the cartridge shells used against the workers. The profit shown is one that has been sustained ever since the introduction of the "new deal" and certainly indicates a new deal for the bosses, although one could hardly say the same for the workers. Separate reports by quarter years are available for 201 of the companies in the tabulation and show combined net profits of 98 million dollars in the first quarter of this year and 144 million dollars in the second quarter. Last year, the same companies had a net deficit of 19 million dollars in the first quarter, and a net profit of 85 million dollars in the second.

Despite this sharp upturn, and despite the return of 5.7 percent on the watered stock, and in the face of the continued unemployment, mass misery and starvation, the National City Bank complains: "that the rate of return on invested capital is still relatively low" (as compared to the 18 percent profit for the 1919-1929 period) and calls for increased wage cuts to "take industry out of the red".

OPEN FORUM

"How Should Communists Work In A. F. of L. Unions?" Speaker: SYLVIA BLECKER Friday, Aug. 31, 8 P.M. at 144 Second Avenue, N.Y.C. Sponsors: Downtown Branch Communist League of America

CELEBRATE 19th ANNIVERSARY INTERNATIONAL YOUTH DAY

Spartacus Youth League. Come to the SOCIAL AND DANCE Saturday, Sept. 1, at 8 P.M. 144 Second Ave., N.Y.C. ADMISSION 15c

And to the MASS MEETING

Speakers: JOSEPH CARTER SAM GORDON and Comrades from Newark, New Haven and Philadelphia Chairman: M. Garrett Sunday, Sept. 2, at 8 P.M. 144 Second Ave., N.Y.C. ADMISSION FREE.

20 Million Live on Crumbs On Government Relief

Approximately five million families, or some 20,000,000 people, are receiving relief through the Federal government's various relief agencies, according to official figures, quoted in a recent editorial in the Nation.

This does not include, the Nation points out, the millions receiving local relief, the fophouse refugees, the poorhouse inmates, the recipients of chicory, cornmeal and rotten potatoes, distributed by the county and community guardians of the poor. It does not include the thousands upon thousands dependent upon private charity, or the wearied pity of friends and relatives.

At the Bottom of the Heap Nor does it include, one might add, the thousands upon thousands who need aid, but get none, the Philadelphia "squatters" braving police guns and flames to get to a blazing pyre of tainted prunes; the suicides that mount daily, the "malnutrition" cases, the thousands who are permitted to die literally of starvation.

Moreover, the Nation points out, the number on relief increases daily, and the number needing relief increases still more. In New York City, there were 77,000 more families on relief in June, 1934, than in June of the previous year. At the same time, the sums available for relief are dwindling. These sums were at all times pitifully inadequate. About \$60,000,000 is spent each month by the combined federal, state, and county agencies. Divided among 20,000,000 people, this would make available the average of \$3 a month per person.

But this figure is misleading. Actually the government is not nearly so generous. One must deduct from the \$60,000,000 available the cost of administration, and of dirty graft and politics. One will have to deduct further the needs of the 2,000,000 farm families to be added to relief rolls as the result of the drought. And one must further remember that the 20,000,000 people include only those on federal relief rolls.

The Terms of the Settlement

(Continued from Page 1) appoint two (2) representatives to the Arbitration Board, and these four (4) shall select a fifth member to act as Impartial Chairman. The hours and overtime rates provided by the respective codes shall apply. In figuring overtime, it shall be based on rate of wage covered by this agreement.

If within five (5) days the two parties cannot agree upon a mutually acceptable Impartial Chairman, the Minneapolis-St. Paul Regional Labor Board will appoint a person to serve in this capacity. Arbitration shall commence within two (2) days after the appointment of the Impartial Chairman, when any firm and its employees (as defined in paragraphs four (4) and five (5) hereof), or their duly accredited representatives cannot agree on minimum hourly rates; and in that event, the results of such arbitration shall be retroactive to the date that arbitration is requested.

The award of the Arbitration Board shall be final and binding and shall remain in full force and effect until August 22, 1935.

It is understood that the minimum wages herein specified do not apply to boys temporarily employed on small package delivery trucks, and they shall not be submitted to arbitration.

It is further understood that no wage rates in excess of the minimums above specified, will be reduced.

9. A consent decree covering the foregoing provisions and binding upon employers and their employees (as defined in paragraphs four (4) and five (5) hereof) or their representatives, shall be made and entered by the Minneapolis-St. Paul Regional Labor Board. It shall supersede the order made by said Board on May 31, 1934, and shall have the approval and consent of the National Labor Relations Board and of the United States Department of Labor.

10. Wherever the Minneapolis-St. Paul Regional Labor Board is referred to herein, it is understood and agreed that the terms hereof shall apply with equal force and effect to any board succeeding the said Minneapolis-St. Paul Regional Labor Board.

11. Any dispute arising out of the interpretation of this order shall be referred to the Minneapolis-St. Paul Regional Labor Board for decision. If either party objects to this decision, it shall be referred to the National Labor Board for final decision.

DANCE AND ENTERTAINMENT Three Bands Lots of Fun Given by Spartacus Youth League (Manhattan) at 144 Second Avenue Saturday, August 25, 1934 ADMISSION 10c

On this basis, it is doubtful whether \$1 a month per person, or \$5 a month per family, is available through the combined agencies of the federal, state and local relief. Some on relief get more, of course; others get much less.

These people on relief are of no use to the capitalist rulers of the United States, to the real rulers, the industrial and banking magnates, who pull the strings of the puppets nominally in charge. These people on relief can buy nothing, nor are they needed for profit-making production.

They stand, an unassimilable and ever increasing portion of the population, outside of the social structure as at present constituted. What to do with them is admittedly a problem too great for any capitalist regime to meet. Bourgeois statesmen and economists divide into two classes on the subject—those who would starve them to death slowly, and others, more merciful, who want them to die in a hurry.

The Tories Protest at the Pittance The latter class, the Tory class, is beginning to grumble about the high cost of relief, and the consequent mounting of taxes.

They resent the fact that these millions of useless poor continue to burden the political and economic system, that outcries of the starving continue to intrude upon their profit-making plans.

The Tory chieftain, Attorney General Wickesham, wants to deprive them of their right to vote, lest they make themselves heard at the polls.

All are agreed on shooting them down when they become too vociferous, in public demonstrations, on the picket lines.

For all in the bourgeois camp are joined in one great fear—that the pauperized millions may propose their own solution, that they may refuse to starve at the behest of their rulers, that they may organize to take matters in their own hands—for the operation of industry for the benefit of the people, of all the people.

Union Acts in Enforcement

(Continued from Page 1) minated. The basic principles of trade unionism have been maintained and vindicated.

"Local 574 has been through a heavy battle. We have made sacrifices and given martyrs to the cause of labor. Great forces were brought to bear against us. We felt throughout the fight that we were carrying the banner of trade unionism and fighting not for ourselves alone but for the whole trade union movement. That other trade unionists felt the same way about it, is evidenced by the generous support they gave us.

"We feel we were true to the cause of labor in everything we did in the strike. We consider the settlement a victory for unionism.

"We are calling a mass meeting of Minneapolis workers at the Parade ground Friday night. There we will celebrate the victory of unionism in this fight and call on all the workers to redouble their efforts to make Minneapolis a union town."

But though it has fought its way through to the granting of the cardinal demands of the strike, 574 is not resting on its laurels.

Eternal vigilance remains the motto of the union in the elections scheduled to take place ten days after the conclusion of the strike. The union is prepared to spike any trick of the bosses and to come out of the elections with the same flying colors as they did from the strike.

A united defense, a true united front, in behalf of all victims of Fascism and capitalist oppression! In the name of Sacco and Vanzetti!

The Organizer is to remain a daily until after the elections. 574 will pursue every detail of the settlement and see to it that they are carried out to the hilt. Any discrimination, in violation of the agreement, will be met with by the same solid resistance that characterized the entire policy of the strike committee.

But if the strikers and all of Minneapolis labor is burning up the town in jubilation, the Citizens Alliance is lurking in its dens like a pack of beaten wolves.

Seeking some manner of revenge they have issued a statement through the mouth of their hireling, Mayor Bainbridge, which indicates that a frame-up is being prepared. All this under the customary talk of driving the Communists out of the city. But let them beware! 574 has not stopped fighting. Says the victory issue of the Organizer: "We warn all enemies of labor: Local 574 is going to take a hand against this kind of frame-up. Those who start this sort of business will be responsible for all the consequences."

In the Next Issue We have on hand a lengthy statement by Herbert Zam in which he resigns from the Lovestone group. Comrade Max Shachtman will write an analysis of this document in the next issue of the Militant.

NEVER FORGET

On August 22, 1927, seven years ago, Sacco and Vanzetti, the shoe worker and the humble fish peddler, were murdered in cold blood by the State of Massachusetts.

Since then the working class of the world has had sad occasion to mourn many, many such victims, perished in fascist internment camps, tortured to death by sadistic executioners. Sacco and Vanzetti, at least died to better purpose.

Their death was an inspiration to the workers all over the world. They died as symbols of the class struggle, with a united working class battling vigorously, if in vain, on their behalf. Their death was the occasion for great rallying demonstrations in every corner of the globe. The great, tearing cry that arose when the news was flashed of their execution, caused the most powerful established rulers to tremble.

An Irresistible Tide For a while it seemed, indeed, as if governments would topple and tyrannies be overthrown forever, through the impetus given by the executioner's electric switch. So aroused was the whole working class, so infuriated by the murder of its best fighters.

Yes, it seemed at the time that their deaths would be dearly purchased. They became the accepted symbols of the class struggle—accepted by both sides. Capitalism, through the State of Massachusetts, and its brutal agents, held firm against the protests of millions in its demand for the blood of the two heroes. A great issue was at stake. The execution was a prelude, a rehearsal of fascist terror.

And to its eternal credit, militant labor, too, refused to allow the issue to be obscured. It presented a united front to the murderers. There were huge demonstrations and riots in every capital of any importance anywhere in the world.

The workers lost their battle. The captors of Sacco and Vanzetti refused to relinquish them in the face of the universal outcry. But for some time after, the forces of reaction were thoughtful. It had not been easy to kill the two simple workmen. Almost they were cheated of their prey. The working class forces had revealed unexpected strength, surprising solidarity.

With much greater ease, the German Nazis, years later, were able to torture to death thousands upon thousands of workers. The working class of Germany, split by Stalinist tactics and Social Democratic treachery, surrendered its victims without a struggle. World protest was confused and weakened by disunity, and the bitterest of internal warfare in working class ranks.

So easily were the German executions accomplished, with so little opposition, that for a while the example of Germany threatened to sweep the capitalist world. The heroic resistance of the Austrian workers gave a second halt to the reaction. Mass demand for unity in working class ranks threatens now to break the barriers erected (in place of barricades) by bureaucratic Stalinist or Social Democratic leadership. The workers are prepared again to march in self-defense, in defense of their own.

Let Sacco and Vanzetti be again the rallying cry. They are clear symbols, belonging to no faction, to be claimed by no party, representing the fighting proletariat of all the world.

As they were defended, so must all victims of reaction be defended: Mooney rotting in San Quentin penitentiary, Thaelmann and Torgler held by the Nazi Inquisition, Angelo Herndon and the Scottsboro boys, Leon Trotsky, hounded by the French police agents.

A united defense, a true united front, in behalf of all victims of Fascism and capitalist oppression! In the name of Sacco and Vanzetti!

New Haven Meeting On Minneapolis

New Haven, Aug. 8.—Comrade Kotz's meeting was a success. We have it on reliable authority that the Stalinists soon after called a special meeting of the city committee to consider the "Trotskyist menace". About half-way through the evening a couple of the Y.C.L.ers dropped in. They were told, quietly but determinedly by a six foot two comrade, that there was to be no heckling or interrupting of the speaker. They left soon after. Evidently serious, democratic discussion was too much of a strain.

Comrade Kotz's account of the Minneapolis strike was favorably received by the crowd of fifty, as was proven by the collection taken up at the close of the meeting. The donations and the final amount were larger than ever before collected, even from larger audiences, by the League. Starting with a chronological account of the events leading up to the strike, the speaker explained in detail the roles played by the League and the Stalinists. For an hour and a half we received a first hand account of the struggle waged by the workers of Minneapolis for the right to live.

Young Spartacans Fight Stalinists Expel 6 Youth; Join S.Y.L. and League

The "First American Youth Congress" closed its three days sessions last Friday under the leadership of the Stalinist Young Communist League. With the withdrawal of the sponsoring group, the Central Bureau for Young America and its 50 delegates, the elected credentials committee reported that the Congress represented 76 organizations, among them 31 national ones, and 1,700,955 (!) youth. The committee recommended the seating of the delegates of the Spartacus Youth League and other organizations, mostly Stalinist, which arbitrarily had been barred from the Congress.

The Congress can record two achievements: the defeat of the Roosevelt program and leadership of the Central Bureau (which the Stalinists mistakenly call "Fascist"), and the presence of representatives of the major radical youth organizations in the country, particularly the Young Communist League, the Young Peoples Socialist League, Spartacus Youth League, National Student League and the Student League for Industrial Democracy.

All talk about this being a Congress representative of "the American youth is nonsense. Delegates from the Boy Scouts, Girl Scouts and Young Men's Christian Association did not represent the views of the masses of youth in their organizations. American youth today are without doubt, unfortunately as it is, enthusiastic supporters of Roosevelt. Yet when a spokesman of the Civil Conservation Camps at the concluding session of the Congress praised Roosevelt and his program the delegates laughed. Does this express the sentiments of the great mass of American youth? Hardly! It was a radical youth assemblage with a sprinkling of liberals.

Despite this fact the Congress had a pacifist color. The united front took the form of Yipsel and Y.C.L. delegates not only from paper groups in New York and elsewhere. The superior organization of the Stalinist youth delegation, its concessions to pacifism, the lack of organization among the Yipsels, and their submissiveness to both the Y.C.L. and pacifism resulted in Stalinist leadership of the Congress.

No attempt was made on the Congress floor by either the Y.C.L. or the Yipsels to state their full program on the youth problems. They supported two resolutions in the resolutions committee which contained pacifist conceptions. In the resolution on education, they supported the conception that the R.O.T.C. should be abolished "since we believe that war holds nothing for the youth but destruction—physical, economic and moral". The Spartacus Youth League delegates on the floor of the congress attacked this section as pacifist since it rejected all wars. He stated that the R.O.T.C. should be abolished because it trains the youth in the patriotism of American imperialism and prepares them for capitalist war service. An N.S.L. delegate introduced an amendment which called for the abolition of the R.O.T.C. because it was a training place for American imperialist chauvinism. The amendment was carried unanimously.

In the discussion on the resolution on war and fascism, the Spartacus Youth League delegate repeated the objections he had presented at the progressive bloc conference. He amended the section reading: "For the support of the peace proposals of the Soviet Union for complete disarmament" to "Defense of the Soviet Union against imperialist attacks." After three minutes objections were raised to the "lengthy" speech. Other delegates had spoken more than five minutes and several times on minor organizational questions, but for discussion on a fundamental question, the delegates for the first time established a time limit of . . . two minutes!

And here again the Yipsels and the Y.C.L. formed a united front. First in refusing to give adequate time to the representative of the S.Y.L. and second in opposing the amendment. A young Socialist stated that he opposed the slogan "Defense of the Soviet Union" for the united front; that he "was of course in favor of the Soviet Union", but why not include those countries of Europe where the Socialists play an important role, he stated! Politically this means support of a "democratic" war of

imperialist country where the Socialists are strong. But did the young Socialist understand the import of his remarks? He did not say a word in reply to the objections to the slogan of disarmament.

Gil Green of the Young Communist League defended the original resolution. The proposal of the Spartacus Clubs is a provocation intended to break up (!) the Congress. It was explained at the conference (of the progressive bloc) that some delegates could not accept the slogan "Defense of the Soviet Union". We support the Soviet Union's proposal for disarmament, but this does not mean that we call upon the Roosevelt government to disarm! Such was Green's contribution. Everybody, but Green, had thought that the disputed section was a demand that the American government disarm!

The accusation of split was challenged by the delegate from the Communist Party (Opposition). He was quickly howled down and ruled out of order. Then a Stalinist delegate was given the floor to "explain" what Green meant! When the delegate of the S.Y.L. asked for the floor to answer Green and his interpreter he was shouted down and declared out of order. The victory of the "democratic control" group obviously did not mean complete democracy!

The S. Y. L. had explained at the conference that if the slogan "Defense of the Soviet Union" was unacceptable to a majority of the delegates this should not force upon the militant and revolutionary youth organizations the pacifist slogan of disarmament. The Stalinists thought otherwise; the section had been taken from the program of the "American League Against War and Fascism".

But the Stalinist pacifist bloc had its way. The confusion of the Yipsels on the paramount problems of war shows the immaturity of the militant trend in their ranks and their centrist character. The original resolution, with minor amendments was accepted.

In such an atmosphere the character of the continuations committee was determined. A Yipsel proposed a committee of fifteen which included the outstanding liberal, Socialist and Stalinist organizations. The Spartacus Youth League was the only national radical youth organization omitted. The same Yipsel explained that the continuations committee should have the power to solicit affiliations of new organizations.

The motion of the S.Y.L. that all national organizations be represented on the continuation committee, despite its support by several Stalinists and Socialists, was defeated by the Stalinists and liberals. They did not want the S.Y.L. on the committee, it would disturb the "peace"!

The Sparacus Youth League will make further efforts to affiliate to the Congress committee. However, a far more effective united front can be established by direct negotiations of the outstanding radical youth organizations, the Young Communist League, Young Peoples Socialist League, Spartacus Youth League Student L.I.D. and N.S.L. A militant program of action could be worked out on the basis of the needs of the young workers and students. Then local conferences could be held throughout the country leading up to a national congress representative of local and national radical and liberal youth sentiment.

To delude oneself that even such a conference can possibly represent the majority of the American youth is to be blind to the views of the mass of young workers and students. It is precisely the united front which can set in motion not only the present organized youth but substantial sections of the more backward young workers. Particularly in the field of unionizing the youth is this possible. Here also many obstacles will have to be overcome; in the first instance the dual unionist policy of the Stalinist Young Communist League.

A step forward has been made at the American Youth Congress. But only greater clarity on the role and mechanics of the united front, keener understanding of the danger of pacifism for the mass of youth, and finally greater participation in the united front movements by the small but only consistent revolutionary youth organization in the United States, the Spartacus Youth League, can bring about an effective all-inclusive united front support of a "democratic" war of

The Stalinists have added six more to their list of "renegade counter-revolutionaries" when they recently expelled six Y.C.L. members for contacting that dangerous disease Trotskyism. Fred Mauer, at one time agit-prop director of his section in New York City, and Al Garber, Lil Thompson, John Risten, Sid Scott and Art Dolinsky, all active and leading members in Chicago, were expelled in the pre-convention discussion period of the Y.C.L. for daring to express their doubts as to the correctness of the line of the Communist Party.

Fred Mauer, whose membership in the Y.C.L. exceeded that of any member in his section, found himself outside its ranks for carrying out an appeal to the N.E.C. of the Y.C.L. calling upon the membership to send in articles to the Young Worker dealing with the various problems confronting the organization. Comrade Mauer sent in his contribution which was never printed because in it he pointed out the causes for the defeat of the German working class, that the errors made in Germany were not due to isolated individuals, but rather to a false conception of the united front, a false appreciation of the actual situation. Instead of opening a discussion on these most vital problems of the revolutionary movement the bureaucracy replied with immediate expulsion. There can be no hope for an organization which treats with its critics in this manner.

Similarly in Chicago, where five were expelled for Trotskyism. There, the five sought to participate in the pre-convention discussion by bringing up the trade union question. For stating the revolutionary axioms, that the place of Communists is in the trades unions where masses of workers are to be found today; for declaring that the majority of organized workers and those who are just coming to the union movement are in the A. F. of L.; that the Stalinists today are isolated from the masses of organized workers and incapable of influencing them with a militant, left-wing program; these comrades were summarily expelled from their organization. In addition, the have been attacked as stool-pigeons, spies, counter-revolutionaries and all the other choice words out of the Stalinist dictionary.

These six comrades have now found their place with the Communist League of America and the Spartacus Youth League. They conclude from their experiences in the Y.C.L. that it is not by accident that the Stalinist organizations lead only to defeats for the working class, that the fundamental course of the Stalinists is false to revolutionary principles, and that it is now necessary to create a new Communist party in this country and a new revolutionary International. They know full well that a party which is blind to all its mistakes, that refuses to discuss and correct them, but demands blind and religious obedience instead of revolutionary discipline—such an organization is hopeless.

We welcome these comrades to our ranks. They are not the first nor the last. The Stalinists are losing their best material to the Fourth International. These comrades are now where they belong, in the ranks of the internationalist revolutionists, building and creating that party which will lead the working class to Soviet America.

Japan Prepares Seizure Of C. E. R.

(Continued from Page 1)

ing to force the Soviet Union to sell its share of the road.

Unable to bluff Russia to give up the road back in 1933, Japan-Manchuko has been attempting ever since to force down the price of the Soviet's share. A campaign of banditry, of blowing up of bridges, of stealing movable property belonging to the Chinese Eastern, and of harassing the Russian officials in every conceivable manner has been going on throughout the entire period of negotiations. These acts on the part of the Japanese authorities have undoubtedly had their share in reducing the figure originally asked for by the Soviets to that asked for today (190 million yen).

The latter figure is only 40 million (12 million dollars) above that offered by Japan. It was for these 12 million dollars that Japan was bidding when she arrested the Soviet railway officials.

This time the Soviet Union called her bluff. The complete negotiations had been laid bare and the enormous concessions already made by Russia. Japan's hand was stayed and, although still keeping the men in prison, she has taken no further acts against them.

The danger that Japan may attempt to forcibly seize complete control of the railroad has already been pointed out by the Soviet Union.

Where the present action will lead to, one cannot say. Any spark today may start the world afire again. It was the Balkans in 1914; will it be Manchuria in 1934?

FALL TERM OF INTERNATIONAL WORKERS SCHOOL TO OPEN OCTOBER 1st

The International Workers School will open at its new headquarters, 144 Second Avenue, on October 1st, with the following courses:

1. ABC of Marxism Carl Cowl, Instructor
 2. Organization Principles Instructor to be Announced
 3. History and Principles of the International Communists Max Shachtman
 4. State and Revolution Jack Weber
 5. American History Felix Morrow
 6. Elementary Marxian Economics Alfred Weaver
- You are urged to register now for whatever courses you are interested in. Registrations are accepted daily at the office of the school. Each course is \$1.50 for the complete term. Further information may be obtained by telephoning Gramercy 5-5924.