

LaGuardia Favored by Wall Street to Preserve Its Financial Interests

By James Casey

That Fiorello H. La Guardia is the possessor of an ugly anti-labor record has been clearly shown by facts and figures in previous issues of the Socialist Appeal. It has been definitely established, also, that the Republican-People's Frontists candidate for Mayor has the support of many of the most powerful reactionaries in Wall Street.

Jeremiah T. Mahoney, the Democratic nominee, is also an old foe of the working class and a spokesman for Big Business. But in the concentration of forces fighting the American toilers, hour by hour every day in the year, the advantage is easily on the side of LaGuardia over his Tammany rival. For this political development, there are ample and undeniable reasons.

With the exception of two or three brief periods Wall Street, for more than three generations, had been thoroughly satisfied with rule over New York City by its Democratic political wing. Tammany made its systematic raids on the city's treasury with impunity and had even been acclaimed for "its interest in the public welfare." One of its outspoken friends of past years was none other than LaGuardia himself, as the records reveal.

Tammany's Decay

However, Tammany Hall, grown more and more brigandish with the years and less proficient as a servant of the vested interests, had by 1930 begun to show signs of political decay. The distribution of graft became so loose and so disorderly as to arouse the displeasure of business leaders and capitalist "civic" groups throughout the city.

Big Business may, and does, condone thievery, bribery and other crimes in public office. Nonetheless, Big Business insists that such acts be committed "behind the scenes" and so subtly that the public may never know of their perpetration. This "convention" Big Business demands of its political servants. The growing failure of Tammany officials to meet this requirement convinced Wall Street Tories that the city's Democratic party had outlived its usefulness for them—at least for the time being.

Then, too, the Tammany spoils system, run amok, had begun to choke the city's credit and brought down upon the Wigwam chiefs the wrath of the Chase National and the City National Banks, the nation's two largest banking institutions.

The first, a Rockefeller bank, and the second, a Morgan concern, were, and still are, the city's largest creditors. The boards of these banks issued an ultimatum during the Walker administration for an immediate and drastic cut in spending and general distribution of funds.

Racketeers Cut Profits

Finally, Tammany district leaders and office-holders had become hopelessly entangled with the nation's biggest racketeers (natural products of the capitalist system) and the demands of the latter began to cut in sharply on the profits of members of the Chambers of Commerce, boards of trade, merchants' associations and manufacturers' groups.

The racketeers, fearless of any

genuine action by Tammany's police and prosecutors, grew bolder in their insistence on business concerns for "protection" pay. This protection pay was largely, of course, for the breaking of strikes, hiring out of strikebreakers, interfering in the affairs of trade unions and the clubbing of men and women on the picket line.

In the inevitable conflict, bankers, manufacturers and merchants found, to their chagrin, that Tammany was too closely linked to the racketeers to be of much further value for administrative purposes. Thus, the Committee of One Thousand, made up of leading business men, was formed and 150 lawyers were retained to handle the cases of merchant "victims" of the racketeers.

At the same time, a request was made to Franklin D. Roosevelt, then governor, for an investigation of the city administration. Former Judge Seabury, who broke with the Tammany robber gang in 1916, after they had rebuffed his quest for the gubernatorial nomination, was appointed to investigate the doings of his avowed enemies.

44 Million to Underworld

Among the points brought out in the investigation was that the gross volume of retail sales in New York City for the year 1930 totaled \$4,402,876,069 and that the "tribute" paid out to racketeers involved at least one per cent of that amount. In other words, underworld gangsters hired to club workers and commit other depredations, had received more than \$44,000,000 for their work in one year.

Reports in the office of W.C.T. Crain, then district attorney of New York County, showed that manufacturers had paid out millions to racketeers for "protection." Later, this significant data had "disappeared" from the files of the District Attorney's office. To this day, it has not been recovered.

All in all, the Seabury investigation had adequately served the end intended by its Wall Street sponsors. Tammany had been discredited and repudiated by the investigators. The voters were stirred to bitterness against Tammany. The groundwork was laid for coalition of forces to eject the Walker administration and replace it with one that would serve more efficiently the bankers, manufacturers, merchants and other sections of Big Business.

Subsequently a hunt was started for a "suitable" mayoralty candidate. Considered for the nomination were such reactionaries as Nicholas Murray Butler, president of Columbia; General John F. O'Ryan, militarist and wealthy business man; Martin Conboy, millionaire attorney; George Z. Medalie, then U. S. Attorney, and LaGuardia, the Little Flower.

On July 30, 1933, a number of leaders announced their agreement on General O'Ryan. This selection, however, did not meet with the approval of the more astute political leaders. They contended that this choice would

not appear "genuine enough" for a "New Deal", since the general was identified with Wall Street interests. Fusion was facing its first crisis. At this point, none other than Roosevelt came to its aid.

Roosevelt Imposes LaGuardia

On August 3rd a conference was called of all Fusion leaders. Adolph A. Berle, Jr., then a member of Roosevelt's "brain trust" was sent from Washington to address the Fusionists. The meeting ended with the nomination of LaGuardia.

In the final analysis, therefore, the selection of LaGuardia had centered principally around the question of the division of profits and general plunder of the city's toiling masses. The projected Fusion administration was designed to assure Wall Street a smoother financial control over the city's resources, through consolidation or elimination of various bureaus and departments, a curb on "illegal" racketeering and a narrowing down in the distribution of graft and tribute, as a result thereof.

The rest is now open history. LaGuardia was elected, his ascendancy to the mayoralty a natural outcome of a situation developed by the inner contradictions of capitalism.

Four years have passed. LaGuardia has been true to his Wall Street makers. He has aided in the prosecution of "illegal" racketeering. He has permitted the clubbing of workers on the picket line by company thugs and "progressive" police of his administration. He has warned trade unions against the calling of "unnecessary" strikes, with himself sitting as judge to decide "the necessity" for impending or prevailing strikes.

He has appeared at Italian Fascist mass meetings and is today receiving support in his election campaign of Italian Fascist groups throughout the city.

LaGuardia has served well the Chase National and National City Banks and other Big Business interests in the city. The Republican-Stalinist candidate, a super-demagogue, has given sufficient proof to Wall Street reactionaries that he can always be counted on as their man.



"I consider", Browder said, "that there are ample reasons for this investigation, and I know that there are subversive influences working to overthrow the American form of government. The Communist Party is not under such a heading, and does not conduct any teaching or activity which is subversive to American government." — Daily Worker, Oct. 2, 1937.

Fear for Life of Widow of Reiss, Murdered by G. P. U.

We reprint below a wireless dispatch from Mexico City to the New York Times, which contains an important statement made by Leon Trotsky on the assassination of the revolutionist, Herman Eberhardt, by the G.P.U. agents in Switzerland a couple of weeks ago.

"I am hopeful that focusing attention on this case will dissuade the GPU from murdering Mrs. Reiss," Trotsky said. "However, if they assassinate her it will be as useless as her husband's murder, now in safe hands and will eventually be published. Reiss was an agent of the GPU operating in Britain, Switzerland and Holland. When he was ordered to prepare charges involving himself, Sedoff (Trotsky's son) and others, he broke with the GPU and the Comintern, returned his decoration of order of the Red Banner and simultaneously wrote old friends abroad urging them to leave the service."

Then, Trotsky declared, a woman "resident agent in Rome whom Reiss had enlisted years ago was ordered to go to Lausanne and lure him to a restaurant on the outskirts for supper. When they left, a car came up, and Reiss was knocked out, dragged into the car and later thrown out on the road with ten bullets in his body...."

"I am very concerned about the fate of Mrs. Reiss, whose address is unrevealed for obvious reason," the statement concluded.

400 Yipsels Demonstrate Against N. Y. Nazis

Four hundred anti-Fascist demonstrators, organized by the Socialist Party (left wing) and Young Peoples Socialist League, woke up Broadway last Sunday evening with shouted slogans and songs in a counter-demonstration directed against a mass meeting of American Nazis held in Madison Square Garden under the protection of LaGuardia's "finest." While the Fascists inside the Garden thanked Hitler for his four years of barbarism and blood-purges, the revolutionary socialists on the outside tangled with the police in their attempt to reach the Garden entrance and wound up the parade with the unusual spectacle of a revolutionary mass meeting in the middle of Times Square.

Met by a combined police cordon of 200 mounted and foot police, the demonstrators took to Broadway, where they drew scores into their ranks with their slogans: "Down with Nazi Terror", "Down with Fascism—Up with Socialism!", "Hitler, Hands Off Spain!" and "Long Live the Fourth International!" At least 5000 people witnessed the event.

The mass meeting in the heart of Times Square was addressed by E. R. McKinney, New York Organizer of the Socialist Party (left wing), and by Hal Draper and Manny Garrett, YPSL leaders, who explained the issue involved in the counter-demonstration and pointed out that the Nazi rally was being tolerated and protected by a mayor who pretended to labor sympathies.

They called for support of James P. Cannon, the only independent working class candidate, for mayor in the coming elections.

One young socialist, I. Rader, was assaulted and injured by a Nazi who attempted to tear up copies of the Socialist Appeal he was selling. The police, who were eagle-eyed in chasing young socialists away from subway entrances as they distributed leaflets, were looking the other way at the time.

Among the people who witnessed the demonstration were many young Stalinists, some of whom hissed "Trotskyites!" and some of whom asked "Where is the Communist Party?" Neither the Communist Party nor the Young Communist League were any closer than 13th Street. Their only sign of life was a leaflet being distributed by a stooge cultural organization which denounced the Nazis for "profaning the Star-Spangled Banner" by linking it with the swastika. Two years ago, the Young Communist League had joined with the YPSL in organizing a similar anti-Nazi demonstration at the Garden, but they were nowhere in evidence on Sunday. They were probably unwilling to embarrass LaGuardia whom they are supporting for Mayor. It was pointed out at the mass meeting that the Stalinists, who accuse the Trotskyists of being "agents of Hitler", did not fight the Nazis in deed, whereas the Trotskyist "agents of Hitler" were the only ones to be found in the militant demonstration against Fascism.

Here We Are!

off to a good start. Some more letters like the following with the same kind of enclosures will solve many problems, financial and organizational that have been facing us:

"Dear Comrades:
"Enclosed please find eleven (\$11) dollars to help you along with the publication of our revolutionary organ.

Kindly take out enough for two bundle orders and to cover the twenty five cents due on our last order. The rest is another installment on our sustaining fund.

"...The comrades in St. Paul are cooperating in the maintenance of an Appeal sustaining fund. However, we are small in numbers. I believe you can count on between ten and fifteen dollars a month for sure, and I hope

much more. That isn't much but we have a tough time....

"Comradely yours,
"Jules Geller"

"St. Paul, Minn."

If every local duplicated what St. Paul is doing it would not be long before that Daily Socialist Appeal that we are all looking forward to would become an actuality.

At the moment, however, help us keep the weekly coming regularly. More subs, more contributions, are absolutely essential for the maintenance and success of the Appeal.

If you haven't done anything about the subscription blanks that have been appearing in each issue of the Appeal, do something about this one. There's space for contributions, too!