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This is the first issue of our new twice-weekly Socialist Appeal.

Hundreds of tirelessly devoted militants went over the top in the \$3,000 drive and now it is our job to go over the top with a bigger, better, punchier Appeal which will help make our revolutionary program become the program of ever-widening circles of workers.

There will be no opportunity for a pause! Everybody get those shoulders down to the wheel again and carry through the next drive with equal speed and efficiency.

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"THE POST" TAKES A STEP

The N. Y. Post of February 2 published a lengthy editorial, "Now We Must Decide," which constitutes an object lesson for all those who seriously want to fight against war.

"For several years this newspaper has placed its faith in isolation as our best national shelter in this storm-driven world," says the Post. "We have predicated our foreign policy on geography and made up our minds to live, withdrawn and alone, behind our fortress of oceans. Recent events have shaken our faith in isolation."

The Post proposes a three-months Congressional debate on foreign policy, at the conclusion of which a final decision shall be made whether isolation or collective security shall be our fixed policy. But that the Post, for years the outstanding spokesman for isolation, has already made up its mind to swing to collective security, is clear from this sentence, among others: "If it be isolation, then let us consign ourselves to the business of preserving democracy here, giving it up as hopeless for the rest of the world."

The Post's turn demonstrates once again what we have always maintained: that the "battle" between collective security and isolation proponents is a sham, for as soon as war preparations are begun in earnest, the isolationists join up with the collective security war-mongers.

Isolation and collective security share the same fundamental assumptions: "sacred union" of all classes for the "defense" of the (capitalist) nation. All those who share these assumptions end up in the same camp: the bosses' side of the class struggle. They may not like each other, but Wall Street and Main Street's bankers and businessmen, John L. Lewis and Bill Green, Stalinists and Social Democrats, all join hands for "national defense" not only against the "aggressors" but also in lynch gangs against the anti-war workers.

"Many 'realistic' people joined the 'Keep America Out of War Committee' of Norman Thomas and the Lovestoneites, adopting its isolationist doctrine, on the excuse that it provided a vehicle for fighting against collective security. That vehicle has already arrived at the point of conceding armaments for 'national defense.' Its next port of call is anticipated by the Post.

The struggle against war is the struggle against capitalism, which breeds war as inevitably as it breeds hunger and insecurity—this is the only fundamental starting-point for anti-war work, and it is in irreconcilable opposition to the warmongers, whether they call themselves isolationists or collective securityites.

IT'S NO LONGER NEWS

Within a few days the Stalinists and the Social Democrats will proceed to wail with wounded and ever-so-innocent astonishment at the fact that President Azana and Premier Negrin have proposed to make peace with Franco. The groans will be designed to convince all listeners that such treachery comes as a bolt out of the blue.

No amount of crocodile tears will, however, wash out the plain and simple fact that they have known for nearly two years of treacherous moves by the Spanish People's Front government for capitulation to Franco.

At one point, when conciliation with Franco actually seemed about to be consummated, no less a Stalinist spokesman than Louis Fischer proceeded to prepare his audience for the coming embrace. Writing in the Nation on Sept. 4, 1937, he stated:

"A Spanish government representative who attended King George VI's coronation outlined to Foreign Minister Eden, Valencia's plan for ending the civil

war. A truce was to be declared. All foreign troops and volunteers serving on both sides would then be immediately withdrawn from Spain. During the truce no battle lines would be shifted. Non-Spaniards having been eliminated, Great Britain, France, Germany, Italy and the Soviet Union were to devise a scheme, which the Spanish government pledged itself in advance to accept, whereby the will of the Spanish nation regarding its political and social future might be authoritatively ascertained."

When the immediate move for peace then fell through, the Popular Frontists indignantly denied that it was projected. But Fischer's revelation remains indelible. What is more, when we sharply characterized the proposal as a betrayal of the struggle against fascism, the Daily Worker and the New Leader remained mum. Neither ever commented on Fischer's revelation!

The Stalinists and Social Democrats cannot pose as innocents. They deliberately suppressed the facts when there was still ample time to ward off the treachery now being consummated.

IT WAS PREMATURE

Warning against the premature rejoicing of the liberals and labor leaders over the anti-Hague decision of the Philadelphia Circuit Court of Appeals, we wrote last week:

"Anyone who thinks that the pieces of paper on which the majority of the court in Philadelphia wrote its decision, are enough to guarantee the real exercise of these rights, is duping himself or others."

"It wasn't paper, not even legal-sized foolscap, that decided things up to now in Jersey City. Paper isn't going to decide them from now on, either. It was power that decided."

A few days after the Appeal appeared, Judge Ezra L. Nolan of the Jersey City Traffic Court, a Hague agent who is also boss of the Quinn Post of the American Legion, gave added emphasis to our editorial. Addressing the Legionnaires, he told "Roger Baldwin, Morris Ernst, Norman Thomas and the rest of your ilk" that no matter what the courts might decide about Jersey City, the decision would continue to rest with Hague's hoodlums:

"If you insist on invading our city, the veterans will be compelled to give you a lesson in democracy (!) that you and your kind will never forget as long as you live . . . The final victory in this matter of the preservation of democracy in Jersey City rests with patriotic veterans and the large army of patriotic citizens in Jersey City who want no part of your activities within their boundaries."

In other words: If labor tries to hold meetings in Hague's domain armed with nothing more than a slip of paper from a court, we, the organized hoodlums, will break up the meetings by force. Whoever has a piece of paper—has only a piece of paper. But whoever organizes his power—has everything!

In their own way, Hague's hoodlums are right. God knows they are trying their level best to teach labor a lesson, a very simple lesson, a lesson which we continue to emphasize.

It is nothing more or less than this: If labor wants to exercise its right to free speech and assembly, it must first exercise its elementary right to self-defense.

If labor wants to hold meetings in face of the Hague threats, it must prepare to protect these meetings. A piece of paper won't wave the fascist bands away. A well-organized Workers Defense Guard can and will.

Hague's fascists number only in the hundreds. Labor in Jersey City alone has the power of more than a quarter of a million people to draw from. All it has to do is organize this power and it will have the Hague hoodlums on the run in the twinkling of an eye.

ON MEXICAN ANTI SEMITISM

Early in January 1939, Correspondent Fred Pasley completed a series of six vicious anti-Mexican articles in the N. Y. Daily News, organ of the reactionary McCormick family. The articles argued that Leon Trotsky was the instigator of the Mexican oil expropriations, was responsible for the Cardenas government's policies and was thus doing vast damage to Mexico's position at home and abroad.

From January 26 to January 29, 1939, anti-Semitic riots broke out in Mexico City under the direction of fascists. Mingling with the cry "Death to the Jews!" was the cry "Death to Leon Trotsky!" An attempt was made to get the rioters to march on Trotsky's home in one of the city's suburbs. Mexican fascists and their Nazi patrons have repeatedly tried to force the deportation of Trotsky.

On January 29, at the height of the riots, the fascist demand was heard again—at the congress of the Mexican Communist party. Secretary Laborde declared in his report:

"Trotsky's presence among us brings irreparable damage to Mexico's international prestige and domestic politics. The struggle must not end until Trotsky is chased from his Coyoacan lair and expelled from Mexico for good."

These two sentences perfectly sum up the program of the American interventionists and the Mexican fascists. Under the heading of "The Struggle against Trotskyism," the Mexican Stalinists have now put two demands:

"Carry out the wishes of American imperialism!" "Carry out the wishes of the Mexican anti-Semites!"

A NICE CLEAN WAR

"A program of national defense, competent to deal with any conceivable set of circumstances, need not involve placing the United States upon a militaristic footing."—Boris Shub, in the New Leader, Feb. 4.

In a word, "comrade" Shub gives us his guarantee that it will be a nice, clean war.

The Dis-semble Line!



Huge Swindle Seen In Gov't. Security Fund Bond Scheme

By GRACE SAUNDERS

Under the guise of providing old-age insurance, the United States Government is currently engaged in one of the most fantastic financial swindles of all times, a swindle that makes the Coster-Musica affair shrink, by comparison, to the dimensions of insignificant petty larceny.

The government, through special legislation setting up the Old Age Benefit Plan, has rigged up a scheme whereby it will acquire a cool 47 billion dollars, which will be used for any type of expenditure—not excluding armaments expenditures—except the single purpose for which it is ostensibly being collected, namely, providing security for the aged.

"Reserve" to Big Swindle

John T. Flynn, in the February issue of Harpers magazine, exposes the mechanism by which this hoax is being perpetrated, with the full blessings of complete legality. Instead of collecting taxes which would be merely sufficient to cover the moneys actually to be expended in the payment of old-age premiums, plus operating expenses, the government is busily engaged in collecting in addition a sum which is to be earmarked "reserve" for old-age pensions. It is this mythical "reserve" which constitutes the gigantic swindle.

The Old Age Account, as the reserve is termed, will never be realizable in cold cash and in reality will never exist except as a bookkeeping fiction. The money will be collected, is in fact now being collected, but it is not and will not be segregated or so handled that it can be converted when the need arises. Instead, the money is dumped into the Treasury, and in return the Old Age Account receives interest-bearing government bonds. In this way, according to Mr. Flynn, the government will have acquired by 1980 the astronomical figure of \$47,000,000,000, money which will naturally be spent through the years for whatever purposes the government sees fit. The "reserve" held in the Old Age Account will consist solely of a huge collection of treasury bonds.

Double-Dealing Bond Scheme

If money from this fictitious reserve is needed, the Old Age Account will have to get it from the Treasury in return for the bonds which it holds, and the Treasury in turn will have to go once more to the people to raise the money to liquidate the bonds. In financial circles, such practices are termed double-dealing, corrupt practice, swindle. When the government indulges in the same trickery, it is termed "high finance."

The further one delves into the scheme, the more shameful and corrupt it is revealed. The government is now collecting a two per cent payroll tax, one per cent coming from the employer, one per cent from the employee, the tax to be gradually increased until employer and employee are each paying three per cent. Up to October 31, 1938, according to Flynn's figures, the government had so collected close to a billion dollars, which was deposited in the Treasury.

In return, in keeping with the practice above outlined, the Old Age Account has received treasury bonds. But on these bonds

the government has to pay interest, a charge which must be met from other income, that is, from further levies in the form of a general tax. Thus, in addition to the payroll tax, which is supposed to provide ample funds for old-age pensions, the people of the country are even now being called upon to pay supplementary funds for interest on this same money, funds which by 1970 will have reached the not insignificant sum of \$19,000,000,000.

57c Back on Dollar

To put it briefly, by 1970, the people will have paid to the government a total of \$75,000,000,000 in payroll and general taxes for interest on the reserve account, whereas the Treasury during the same period will have paid out a little over \$34,000,000,000 in old-age pensions. The balance, or roughly 41 billions of dollars, will have been used by the government to meet other expenses in no way connected with social security, and the Old Age Account will have in its reserve merely a stack of bonds which can be redeemed only by further taxing the people up to the face value of the bonds.

By 1980, the people will have paid in 111 billion dollars for social security, 47 billions of which will have been diverted to other uses. In its simplest terms, this means that for every dollar paid in by the people for social security, they will receive back in old age pensions only 37 cents.

Benefits Not a Gift

Workers have no desire to see insurance done away with; on the contrary they desire that security be extended, both upwards in actual cash payments, and downwards in the age limit at

which these payments can be secured.

But every working man and every working woman has the right to insist that the moneys collected for insurance be spent directly and solely on insurance. The old-age benefits cannot be looked upon as a gift from the government. They are insurance premiums, being paid for by the workers today, tomorrow, next year and all the years to follow in the form of a definite deduction from their monthly salaries.

Stop the Swindle!

It is monstrous and criminal that this money should be raised to any extent from the already underpaid workers. It is still worse for their money to be used for other purposes than that for which it is being collected. If the payroll taxes are higher than necessary, either they should be reduced correspondingly, or payments to people 65 years of age or older should be correspondingly increased. If a "reserve" is to be created then that reserve must be maintained as a reality and not a fiction, a reserve which when dipped into will produce handfuls of hard cash, not handfuls of promissory notes, paper which can be redeemed only by further taxes on the masses.

The swindle is only just beginning, but it will continue at an accelerated rate, for the means by which it is made possible have been written into the law of the land. It will continue, and the workers will be fraudulently gouged of enormous sums week by week and year by year, unless immediate pressure is brought to bear to expose the swindle and force its cessation.

INDIA CONGRESS DEFEATS GHANDI

Mahatma Gandhi and his fellow-compromisers with British imperialism have been sharply defeated!

At the recently held convention of the All-India National Congress the rising power of India's workers and peasants was felt when Gandhi's candidate for Presidency of the Congress was defeated by Subhas Chandra Bose, candidate of the left wing. Bose, who won by a majority of 200 votes over Gandhi's candidate, is known throughout India as a sympathizer and supporter of the Congress Socialist Party—leading left wing party of India.

Federation Plan Hit

The significance of this event lies in the fact that the right wing of the Congress has been preparing for some time to accept the British scheme for a Federated India.

This plan of Federation would bind India more closely to the British imperialists and would create a one-man military dictatorship—in best Fuehrer fashion—over the entire 364 million people of India.

The left wingers at this Convention advanced their candidate on the program of uncompromising opposition to the British Federation as well as no support to British imperialism in any war it may conduct.

The conflict between the two wings of the Congress is extreme-

ly bitter as is shown by the fact that for the first time in many years no compromise was reached as to who was to be the new president. The defeat of Gandhi will undoubtedly sharpen this struggle between the opposing forces.

The Congress right wing and Gandhi, representing the interests of native capitalists and landlords, will in all probability attempt to expel the left wing as advocates of "class struggle and mass action."

Victory Welcomed

Those who stand for India's freedom cannot but rejoice at the victory of the working-class and socialist wing of the Congress. It remains to be seen whether this section of the I.N.C. will take full advantage of its splendid opportunities for advancing the revolutionary cause by launching an immediate mass struggle against British Federation plans and for freedom.

Unfortunately, in the past, many of these left wing leaders (including Bose, the new president) have shown all too great a willingness to compromise with Gandhi and his conservative followers.

India today is one of the few countries in which the workers and peasants are making great forward strides towards their emancipation. The struggles of India's masses will assume greater and greater importance in the near future. As ardent supporters of the colonial people in their fight for liberty the Fourth International stands by the side of the Indian masses.

THEIR GOVERNMENT

By James Burnham

About three weeks ago a special attack bomber, newly developed by the Douglas Aircraft Company, crashed during a test flight in California. The incident would scarcely have been noticed had not astonished onlookers pulled from the burning wreckage the injured body of a man who turned out to be Paul Chemidlin, representative of a French governmental air mission assigned to purchase military planes in this country. Chemidlin's presence in this country, and his purpose, were a closely guarded Administration secret.

During the same week, a test pilot reported that in a Curtiss-Wright pursuit plane he had achieved the incredible speed of 600 miles per hour. Very few of the news dispatches that carried this story mentioned that this plane was one of several hundred on order by the French government.

Secret White House Conferences

William Bullitt, Ambassador to France, and Joseph Kennedy, Ambassador to Great Britain, left their posts a couple of months ago and have since been in this country. When they first arrived, they went at once to Warm Springs, Georgia, to report to the President. No news of this conference was released: the conference was secret. They later attended several discussions at the White House, and testified before Congressional Committees. Both the discussions and the testimony were secret.

The Military Affairs Committee of the Senate has been meeting almost continuously since Congress opened. A stream of General Staff officers, diplomats, War and State Department representatives has appeared before it. All of the key sessions have been secret.

The members of the Military Affairs Committee were summoned to the White House on Tuesday, January 31. For more than an hour they met with the President. They were told to regard everything spoken at that meeting as secret. When reports nonetheless leaked out as to what had transpired, these were three days later brazenly denied by Roosevelt; but along with the denial there was not a single word about what had actually been said at the Tuesday conference.

Last year a number of authoritative British representatives came to this country to visit the White House, including Runciman (subsequently hero of the rape of Czechoslovakia), Montagu Norman (head of the Bank of England), Anthony Eden, and several military attaches. No news of what transpired at any of these meetings has ever been published. They were all secret.

When the Bolsheviks took power in November, 1917, one of their first official acts was to publish to the world all of the secret treaties, alliances and agreements of the Tsarist regime. They made remarkably instructive reading for the workers of all the warring nations.

Those documents showed the true nature of "wars for democracy." They told what "democracy" means to imperialists. The undercover, double-crossing deals for colonies, mandates, spheres of influence, rights of exploitation, were fully listed. The phrases about "civilization" and "freedom" were omitted: those were reserved for the public speeches.

Men who have nothing to hide do not need secrecy. The Bolsheviks told, and tell, the truth to the masses because they have nothing to hide from the masses. Their aims, their full aims, are entirely open, for every worker to know and to judge.

Workers Must Demand Full Accounting

But imperialism can never tell the truth. For public consumption it offers only the multitudinous lies of its demagogues. Its real aims and plans are mentioned only behind the locked doors of secret chambers. Imperialism cannot tell the truth openly because if it did the masses would recognize their real enemy and would turn their anger away from the scapegoats conveniently provided and direct it against that enemy, against their own imperialist government.

All conspiracies are nourished in secrecy. The great conspiracy of the Roosevelt government through which it hopes to drag down the people once more into a war for the salvation of the Sixty Families is no exception. The secrets will remain until the workers themselves bring the imperialist conspirators to their full accounting.

Labor Looks Through The Press

By ARTHUR HOPKINS

Mexico expels Frank L. Kluckhohn, New York Times correspondent, for his reports, which were "full of inaccuracies and bias against the Mexican government." These Mexicans act like they owned the country!

A courtroom mural depicting a child laborer with his hand caught in a machine is not allowed to be hung (by Federal Judge Guy L. Fike) because it might influence a jury. . . .

Dentists offer simple rules for teeth health: "Secure adequate food, chew it well, and have a happy, contented frame of mind." Sharecroppers and relief clients, take note. . . .

Those millions of nickels alleged to have been stolen from the New York subway company by several minor employees now turns out to have been only a few thousand, according to a New York Times dispatch. We know that no mere worker could have got away with that much sugar—this is the exclusive province of the front office. . . .

The Christian Business men of Minneapolis are holding a rally and inviting all "Practical Christian Business Men" to attend. The hall manager is proceeding to nail everything down. . . .

Mrs. Edgerton Parsons of New York, chairman of the Far Eastern commission on the Cause and Cure of War, asks for "protection of American investments in educational and religious institutions in China, and for an embargo by the United States on war materials and credits to Japan." So we're all set for another "war to end war"! . . .

Buddhists want all of us to refrain from killing any living creature—even an insect—in an effort to eradicate the war spirit from the world. But if we don't get rid of parasites like flies, for instance, they get us. This also goes for bosses. . . .

In Milan, Fascist police confiscate all available copies of a popular dictionary which defines the word "anti-Semite" as a "poorly civilized person who is hostile toward and fights Jews."