

In the Labor Unions

By B. J. WIDICK

When our movement adopted the idea of a sliding scale of wages for union contracts last year to protect the living standards of the workers from war time price boom conditions, many unionists considered it too theoretical and not practical enough.

Like many other advanced ideas, it took the hard impact of events to drive home the merits of this proposal. Yet, it was essentially a simple idea. Prices rise before and during war. Unless union contracts are signed that permit upward adjustment in wage scales in that period, the workers really take a wage cut because costs of living have increased but the amount of money the worker has with which to buy goods stood still. So part of our transitional program consisted of urging the workers to get a provision in union contracts which guaranteed a rise in wages to correspond with a rise in prices.

Prices Rise

The second world war already has brought a rapid rise in prices in America, and there seems to be no stopping. Right after Hitler marched into Poland, a sharp upward trend in the price of food became evident throughout the country. Prices increased from ten to twenty per cent on foods, etc. The pinch was felt quickly by workers. They were making the same pay, working just as hard, and yet they could buy less. The rising price level was reducing their real wages. A nationwide cry against "war profiteering" was raised by the labor movement as part of the protest against this injustice.

Some Unions Act

More or less progressive unions, whose leadership had foresight enough to have clauses contained in the signed contracts which permit reopening of the wage questions, are using these clauses to begin negotiating along the idea of a sliding scale of wages.

Sidney Hillman, president of the Amalgamated Clothing Workers Union, announced in behalf of 225,000 members that they would seek a wage increase of ten per cent soon to cover the men because of the rising price level.

The Textile Workers of America has also taken steps in this direction. David Dubinsky, president of the International Ladies Garment Workers Union, has advised all local unions to include provisions for cost-of-living increases in all new contracts. He proposed that wages be raised automatically when the price index figured out by the US Department of Labor goes up five points. Incidentally, the Textile Workers proposals are along these lines.

And there have been similar steps in other unions. Reports of the inclusion of the sliding scale of wages proposal in union contracts are beginning to appear in the labor press. It is entirely possible that the CIO convention will take decisive action on this question.

AFL War Stand

The AFL convention is facing an unusual resolution on the war question which was submitted to it by the executive council.

Besides the ordinary provisions about "we stand for neutrality, democracy, keep America safe and out of European wars," (which are a poor substitute for adopting a Let the People Vote on War slogan) the convention is being asked to call on the United States government to mediate in the second world war!

This section was introduced by William Green, president of the AFL. Who inspired him to introduce it? Since we know through Green's long history as a labor faker that he is an agent of American capitalism, we are inclined to doubt the theory that this was introduced as part of the "Hitler peace offensive."

Did Roosevelt ask his good friend Bill to bring this matter before the AFL convention? And if so, why? Does Roosevelt want to be "forced" to try a mediation of the war which would not "succeed." Which would mean America would have to go to war to "make peace possible?" The next few days will tell.

Election Campaign Gets Off to Flying Start

Max Shachtman Fires Opening Gun at Bronx Open-Air Rally

(Continued from Page 1) and the imminence of swift American involvement, Shachtman declared that the war is imperialist in nature and that its aim is the re-division of the world's markets. "In such a war for super-profits, the workers of the world are called upon by their masters to sacrifice their lives. That sacrifice," Shachtman declared, "is hypocritically described as a sacrifice to make the world safe for democracy. Yet it is a fact that the first victim of the war is, significantly enough, democracy itself," he went on.

Calling upon the workers to fight against the war, Shachtman stated that his candidacy made it possible for all working men and women to register their opposition to war at the polls this Fall and to support and join the Socialist Workers Party, the only working class anti-war party with a program to end the war.

In the coming four weeks before the election, the Bronx Party is planning to hold two or three outdoor meetings nightly to bring the anti-war and anti-Fascist message of the S.W.P. before thousands of workers. The party is also planning legal action to force the police department to grant it loud speaker permits for its outdoor meetings.

In addition to the outdoor rallies, the party is planning to cover every section of the Bronx with large indoor rallies. These rallies will be addressed by candidate Shachtman together with other prominent party speakers.

Among the meetings already scheduled are: a meeting this Friday night in P.S. 67 at 178th Street and Mohegan Avenue, a meeting next Wednesday night in Elmsere Hall at 170th Street and Morris Avenue and meetings in the following halls: Bronx Terrace, Ward Manor, Hollywood Gardens, P.S. 98, Wilkins Hall. The last meeting will be a special youth meeting for Shachtman. The areas in which these indoor meetings will be held are to be "warmed up" by intensive outdoor activities during the week before.

Among the other plans that the Bronx party has for the election campaign are: (1) the publication of a special 4-page paper which will give the workers of the Bronx a full statement of the anti-war principles of the party; (2) the publication of special "Shachtman for Councilman" placards.

The party is also planning a special mass meeting on October 13 in the Fordham area, which has been the scene of frequent Coughlinite and Fascist gatherings. James P. Cannon, national secretary of the party, is scheduled to address the meeting.

Despite the fact that the campaign is proceeding at a quick-

pace in the Bronx, the New York party intends to take the next week out and concentrate on finishing the drive in Manhattan to secure well over the number of signatures that is legally necessary to get candidate Paine on the ballot.

What the party requires most now is funds to make sure that all the projects outlined above are made certain. All sympathizers and members of the party are requested to chip in to the limit. The party is rarin' to go. A whirlwind campaign is planned—and has begun. All we need now is cold cash. If the party gets that, then New York will see a working class campaign such as it has not seen for a long time.

Join the SWP, Party of Revolution, Says Spain Veteran, Quitting the CP

(Special to the Socialist Appeal) TOLEDO, Ohio—Six years a member of the Communist Party, before that a member of the YPSL, a veteran of the Spanish Civil War, John Kendzierski last week resigned from the Communist Party and joined the party of revolutionary action, the Socialist Workers Party.

Active in the labor movement for the greater part of his life, Comrade Kendzierski is well known among Toledo's workers. On his return from Spain, the local C.P. forced him at meetings held in his honor. In Spain he saw the line of Stalinism in practice—how at every stage it violated the interests of the workers. With the added evidence of the Stalin-Hitler pact, Comrade Kendzierski came to the realization that the only way in which the October Revolution, and the interests of the world's workers could be defended was to break with the Stalinist party of lies and betrayal. His message to all members of the Communist Party is: Join the Socialist Workers Party.

Comrade Kendzierski's statement is here printed in full: **TO THE MEMBERS OF THE COMMUNIST PARTY**

Dear Comrades: For six years I have been a member of the Communist Party and the YCL. You all know that I am loyal to the working class and a militant anti-fascist. I have fought for the freedom of the international working class on the battlefields of Spain and against the wolves of fascist reaction.

While thousands of the best revolutionary workers of America fought with courage for what we believed would be the socialist revolutionary victory in Spain, we all saw many things in the policy of the C.P. in Spain which made us wonder. Being disciplined revolutionists, we placed our trust in our leaders of the CP and said nothing. We did not wish to cause dissension in our ranks before the enemy.

Now I for one cannot be silent. The signing of the pact between Stalin and Hitler, the most bitter enemy of the workers, at a time when Hitler was on the brink of an Imperialist War, forces me to speak. We must face the truth, so that we can continue to build on the basis of a real International Revolutionary program to crush capitalism, be it German fascism or English imperialism, by destroying the cause of fascism and imperialism, our class enemy—the bourgeoisie.

In Spain I saw how the C.I., with its policy of the support of "democratic" capitalism against fascist capitalism, led to the destruction of the Spanish workers and peasants revolution and to the victory of fascism. We saw how in the name of democracy the Communist

the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner or otherwise, to paid subscribers during the twelve months preceding the date shown above is. (This information is required from daily publications only.)

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WELL, WOLL FOR ONE HAS FAITH IN ROOSEVELT

(Special to the Socialist Appeal) ST. LOUIS, Missouri, September 28—Matthew Woll, arch-reactionary Vice-President of the AFL, in an address to the National Association of Life Underwriters today at the swanky Jefferson Hotel, placed his hope in keeping America out of war in our Congress and President.

While recognizing that the workers have everything to lose in the war, Woll placed absolutely no faith in any direct action by labor to keep us at peace, but placed his sole hope in our notoriously "neutral" War Deal government.

By now Woll will be expounding his misplaced hope from the tribune of the American Federation of Labor's 1939 convention.

Figures Reveal Scandal In St. Louis Relief

\$7 a Person Is Average Relief Allotment In Seventh Largest U.S. City

(Special to the Socialist Appeal) ST. LOUIS, Missouri, Sept. 27.—According to the Federal Social Security Board figures just released the skimpy relief allotments in St. Louis are so low as to approximate a national scandal if generally known. In this seventh largest of American cities, 7500 cases in August exhausted the local funds, a miserable \$120,000, an average of \$16 a case.

Other cities' expenditures rate: Duluth, Minn. \$152,000; San Diego, Cal. 175,000; Reading, Pa. 152,000; Milwaukee, Wis. 462,000; Boston, Mass. 451,000; Newark, N. J. 475,000. The family payment in New

York City in June was \$45.14, \$22.84 in St. Louis. Single cases in New York City were paid \$27. Many other cities were low with \$15 to \$20, but St. Louis with \$8.32 topped them all in meagerness.

August Average The August average in St. Louis dropped to \$20.59 per family and \$7.17 per single person.

This crisis has been brought about because the State Legislature appropriated but \$6,000,000 for the entire state of Missouri for the years 1939 and 1940. Governor Stark, New Dealer, held out for slightly larger appropriations of \$9,000,000, which would still not solve the problem.

In the weeks ahead the St. Louis area is faced with one of the most serious relief crises in the country.

The WAR DEAL

By DWIGHT MACDONALD

This week I should like to develop a little further the theme of my last column: that modern war is so vast a social undertaking and the capitalism it expresses is by now so closely integrated with the bourgeoisie state, as to make it impossible for old-style "private enterprise" either to fight a war or even to meet the problems of neutrality. The state simply must step in and handle matters.

In 1914-1917 the dynamic leadership of the war drive came from Wall Street, with the Wilson Administration up to the last putting on at least an appearance of opposition. This time the Roosevelt Administration is openly playing a war game, with Wall Street rather inclined to keep in the background. This is by no means to imply that this war is not, like the last one, Wall Street's war. The basic motivation of Roosevelt's war drive is to protect the interests and profits of American big business. And the final, fateful decision as to the time and conditions of our entry into the war will be determined in Wall Street and not in the White House.

Instrument of Big Business

The Roosevelt Administration is as much the instrument of the big bourgeoisie as was that of Woodrow Wilson. Even more so, indeed, since in the last two decades there has taken place a gradual coalescence of big business and the government. This means that the relationship of Wall Street and Washington in this war is far more subtle and complicated than it was in the last war. It is not enough to perceive the basic fact that the country is being dragged into a second world slaughter in the interests of American capitalism. We must also understand just how this is being done this time. We must be aware of certain differences in technique which in turn reflect twenty-five years of development of our monopoly capitalism.

The other day the U.S. Chamber of Commerce reported to its members on the outlook for foreign trade. This report was a sermon in caution and scepticism, warning that war booms produce bad economic hangovers, and advising its members against "over-confidence." This tone of moderation and wariness is characteristic these days of the whole financial press. On the other hand, the President whips up the war spirit with ever-increasing abandon, the current climax being his personal announcement—such dirty jobs are usually left to minor officials—that submarines "of unknown nationality" had been sighted off our coast. This bit of frank war-mongering, released just as the Congress was about to start debating neutrality legislation, got the front-page scareheads it was intended to.

The Morgan Myth

There is a widespread illusion, sometimes to be found even in the pages of the Appeal, that J. P. Morgan & Co. is playing exactly the same role in maneuvering America into this war it did in the last. This emphasis does not correspond with the known facts.

When the last world war hit the American economic system, no governmental measures whatever had been taken to cope with it. The financial community was hastily mobilized by the Governors of the N.Y. Stock Exchange and by the leading Wall Street bankers, headed by Mr. Morgan. But this mobilization was insufficient. The impact of war abroad and the hasty selling of large blocks of American securities by foreign holders, these caused a temporary financial panic. The Stock Exchange had to be closed for several months. There was an industrial slump before the Allies began to buy over here in big quantities.

This time, J. P. Morgan, symbolically enough, happened to be on the high seas when the war began. It would have made little difference if he had been on the spot, as he was in 1914. For one thing, the present Morgan is rather stupid, carries little weight in Wall Street, and for many years has had very little to do with running the House of Morgan. But even if he possessed the brains and the influence his father had in his day, the present J. P. Morgan would have played a rather small part in the drama. Months ago the arrangements to meet the impact of a European war on our financial system had been made, and when war actually came they were merely put into effect. This job was done neither by the Stock Exchange governors nor by the big bankers of Wall Street, but rather by the Federal agencies which now dominate the nation's financial system: the Securities & Exchange Commission, the Federal Reserve Board, and the U.S. Treasury Department. Working in close collaboration with the British Exchequer and the Bank of England, these powerful state agencies drew up plans so effectively that from the firing of the first gun in Poland, stocks began to soar, and an uninterrupted war boom began over here.

So it has been also with two other functions which the House of Morgan fulfilled for the Allies in the last war: the raising of credits over here, and the purchase of American war materials. In the first week of the war, Administration officials announced they were prepared to extend credits to the Allied nations through two governmental agencies: the Reconstruction Finance Corp. and the Export-Import Bank.

It is true that when J. P. Morgan got off the boat the other day, he said something about it being "reasonable" to assume that the Allies would call on his firm "to repeat our performance." But this remark, which caused a great flutter in left-wing journals, turned out to be merely an indication of how much out of touch with things Mr. Morgan is these days. His partners promptly denied any such possibility, and so did the British and French governments. Officials of the War Deal disclosed that Roosevelt had advised the British government against allowing the House of Morgan to give an encore of its famous 1914 performance. As T.R.E. cynically notes in the Sept. 27 New Republic: "The advice was sensible. To create pro-English sentiment among the mass of voters here, the House of Morgan should be kept out of sight. . . . In 1914-1917, the English government had Ambassador Page to help them influence American opinion: in this war they seem to have done much better."

A Matter of Scale

But it is not only for propagandistic reasons that the House of Morgan is not being called in again by the Allies. The main reason is that today Government agencies rather than Wall Street bankers control the technical workings of our financial system. (The basic control of the system, of course, remains in the hands of big business. It has merely been found advisable, for the benefit not of "the people" but of business interests, to centralize technical management in Washington.) This is true in times of peace, and it is truer than ever now that war has enlarged the problems of capitalism to abnormal size.

An anonymous "financier" put the essence of the matter pretty well when he was quoted in the N.Y. World-Telegram of Sept. 14 as follows: "Buying materials is not a banking firm's function anyway. When J. P. Morgan & Co. went into it in the last war, everyone thought the fight would be over quickly and the work could be done. Then it turned out to be a gigantic undertaking. It expanded tremendously. Buying for this war is expected to begin at the same scale and may go on from there to something which would dwarf the imagination."

The French have already announced that all their purchases will, for the time being, clear through the commercial attaches of their embassy in Washington. There is also a semi-official report that a Franco-British joint purchasing agency will be set up in Canada to arrange all purchases in North America. This agency, it is expected, will work closely with the procurement division of the U.S. Treasury.

War today is just too vast an enterprise for even the most powerful private bankers to handle. If war hasn't been exactly socialized, it has at least reached the stage of government ownership. It goes without saying that, as in the case of other forms of government ownership under capitalism, the change is made in the general interests of monopoly capitalism.

WAR PROBLEMS RAISED AT A.L.P. MEETING

(Continued from Page 1)

P's choice for the Court of Appeals, the meeting of the State Committee was about to adjourn when a lone Committeeman arose to offer a resolution on the Stalin-Hitler rapprochement.

Text of Resolution

The resolution, submitted by William Schaeffer of Local 155, ILGWU, declares: "As a worker and a member of the New York State Committee of the American Labor Party, I want to take this opportunity to express my opinion and also to ask the State Committee to go on record in expressing its opinion on the present international situation.

"1. That we go on record condemning Stalin and the present Soviet Government for the pact between Hitler and Nazi Germany and the Soviet Union. This pact has brought about a war which has resulted in the destruction of millions of lives, especially in the disruption of the Polish working class as a whole. As a Labor Party, we cannot remain silent in the face of the betrayal of the international working class by Stalin.

"2. That the American Labor Party go on record in favor of requesting the President and the Congress of the United States to declare the Soviet Union a belligerent nation and that the embargo be applied to the Soviet Government as well as to the other belligerents on the European Continent.

"3. That the American Labor Party go on record condemning the Communist Party of the United States as an agency of the Soviet Union and as an advocate of policies detrimental to the American labor movement."

Immediately upon concluding the reading of his resolution, in which are mingled an attack on the pact as well as a lot of patriotic nonsense, Committeeman Schaeffer received the almost unanimous applause of the body. Although the State Committee includes not a small group of Stalinists, there was none in the hall who arose to oppose or to argue against either the resolution or its language. The only opposition came from the dais; from State Chairman Luigi Antonini and State Secretary Alex Rose.

Declaring himself in sympathy with the resolution, Antonini pleaded with the State Committee to refuse to consider it. The body relented when Antonini gave the assurance that the A.L.P. is preparing a similar resolution which will submit at the Party's Citywide Conference this Wednesday.

Big Guns Flat

Although the big guns of the Labor Party had popped off in order to force a retreat upon other Committee members with similar resolutions and in order to clear the way for the introduction of officially approved statements at a later date, one of the committeemen offered a resolution on the war danger. She had spoken only a few moments when Antonini declared her out of order on the grounds that the Executive of the Labor Party would present a resolution on war at the Wednesday night Citywide Conference.

MASS MEETING
Max Shachtman
Editor of the "Socialist Appeal"
speaks on
WAR & THE STALIN-HITLER PACT
at the
PARK PLAZA
1530 PITKIN AVENUE, BROOKLYN
FRIDAY EVE.—OCTOBER 6th, at 8:00 P.M.
ADMISSION 15c
Auspices: Socialist Workers Party of Brooklyn

FUN and GAIETY
at
NIGHT IN HARLEM
Sat., Oct. 14, 9 p.m.
at the
Mimo Club
2237 Seventh Avenue
Tickets: 50c
On Sale At:
S.W.P., 116 University Pl.
Auspices:
National Negro Department,
Socialist Workers Party

John Kendzierski
Sept. 18, 1939