

**WORK FOR A WORKERS WORLD!  
JOIN THE WORKERS PARTY!**

# LABOR ACTION

JANUARY 17, 1949

A PAPER IN THE INTEREST OF SOCIALISM

FIVE CENTS

## TRUMAN'S FAIR DEAL: GEAR FOR WAR, HAMSTRINGING LABOR, PROMISE REFORMS

### Economic Reports Show State of the Union Is Based on War Economy

By HAL DRAPER

In his State of the Union message to Congress, President Truman has carried out a number of his campaign promises by—repeating the promises.

Naturally, not much more than this is expected from these presidential messages, which are traditionally couched in generalities and are not supposed to get concrete. Everyone knows that the battle over the pay-off on the pledges will come in the course of the congressional session.



Presenting them in the same general terms as during the election campaign—in some cases, a good deal more vaguely—Truman's message reminded the people that he is supposed to do something about: his civil-rights program, a 75 cent minimum wage, raising social security benefits, extension of rent control, lowering prices, rural electrification, housing, etc. What will be done to

implement these promises (let alone how much steam the Democratic Congress will put behind whatever they propose) is still as much in the air as before.

On two points in particular—and the most important two—the messages (State of the Union, economic message and budget message) were somewhat more enlightening. These are: labor policy and the economics of Truman's "cold-war deal."

#### SHOWS HIS HAND

While it was well known that Truman was going to ask for the repeal of Taft-Hartley and the adoption of a castrated Wagner Act, his message on this point contained small comfort for the more optimistic labor leaders who were all prepared for a "compromise." The crux of the question lies in the nature of the "improvements" to be made on the Wagner Act. And on this subject Truman indicated his hand most clearly by saying:

"The Wagner Act should be re-enacted. However, certain improvements, WHICH I RECOMMENDED TO CONGRESS TWO YEARS AGO, are needed."

The grossly anti-labor program which President Truman presented to Congress only a few years ago was, as a matter of fact, the occasion for the first open break with the administration on the part of the heads of the labor movement, particularly Philip Murray. It was in the midst of the famous General Motors strike that Truman ran to Congress with the proposal for "fact-finding boards in major industries" accompanied by a thirty-day "cooling-off" period. Speaking over the radio on December 4, 1945, Murray blasted the Truman intervention from stem to stern and declared flatly: "The CIO is . . . opposed to the basic policies pursued by the administration."

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### Rising Unemployment Trend Reported by NY Officials

NEW YORK—Unemployment is increasing in this state at the rate of 45,000 workers weekly, according to the latest reports of the State Industrial Commissioner. There has been a rising trend of joblessness since October of last year. This is the longest continuous period of increasing unemployment since before the war. Total unemployment in New York State at this time is 455,000.

These reports tie-in with year end economic predictions of a new "shaking down" process and "stabilization on a new level." A slow contraction is evident in many productive and mercantile fields, while heavy industry is being maintained to an increasing degree by the huge government military outlays. Since New York's industry is predominantly light consumers and distribution industry it is particularly sensitive to the sharp decline of purchasing power of great masses of people due to inflationary prices and exhaustion of savings.

Officials acknowledged that the unemployment figures by themselves did not tell the whole story. Many clothing factories, the largest industry in the city of New York, are working only part time on two or three day a week schedules or "skip-week" schedules. What is more, in many shops employers are re-establishing depression patterns of laying off during inventory or any other occasion they can utilize. In many shops, also, the six hour day is in operation, further cutting into workers income.

#### EXHAUST BENEFITS

Unemployment insurance cushions the impact of lay-offs to a considerable extent. However, one of the features of the present unemployment, as contrasted with seasonal and reconversion unemployment of the last

three post-war years, is the tendency to exhaust insurance benefits. Thus in December, 1948, 31,000 workers exhausted their benefits. This means that after 26 weeks they still were unable to find jobs. This is a dangerous warning signal in the present unemployment trend.

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### Can They Capture Truman's Machine?

## Labor and the Democratic Party

We think that the occasion of President Truman's State of the Union message (which was generally hailed in labor circles as a most liberal document, whatever misgivings the labor leaders may have about the actual legislation that will be written in response to the message)—is an excellent time to discuss a matter of great concern to the labor movement: can the Democrat Party be "captured" by labor?

The question is a very real and urgent one, for that appears to be an illusion acquiring considerable currency among labor leaders, especially those who had gone so far, in the days preceding the Truman election campaign, as to speak of independent labor political action of one sort or another.

Among these was Walter Reuther, president of the CIO auto workers union. The reference has special point because the UAW is scheduled to hold an Educational Conference in Milwaukee, on January 21, 22 and 23. We think that educating in political action is just about the greatest requirement of union education.

#### A Self-Defeating Goal

We do not wish here to discuss the Truman program. It is enough for our purposes here to concede that in his State of the Union message, Truman put his best face forward. Undoubtedly, it will be used as justification by every labor leader who plumped for Truman. And it will further be used by those who made the strongest political promises of independent political activity as argument that the channel of such political activity runs towards Truman's Party.

That's wrong. That's illusory. That's self-defeating.

Some months ago, Walter Reuther made an announcement that was truly sensational. Though it was vaguely worded, it was generally interpreted as a commitment to devote the greatest part of his energies as union president (that much was entirely unambiguous) to promoting labor's independent political action. For the most part that was taken to mean that Reuther, in his capacity as leader of one of the nation's largest unions, would devote himself to creating a new political formation.

Reuther, however, gave that a special, and unwholesome twist before the election when he moved the union machinery into gear to "take over" the Michigan Democratic party. Since then he has gotten chummier with Truman, real pals, and it is to be assumed that his course towards conquest of the Democratic Party is now fast charted.

Similarly with other labor leaders—again, especially those, like William Green, who tinkered with pledges of new independent political formations when they acted to get the vote out for Truman on any basis (the bulk of the leadership, of course, never dared breathe anything that smacked of a new party, certainly a labor party).

We grant them the best motives. Unfortunately, it is a tragic deception which may lead, if unchecked, to sapping the high confidence of labor in its political power. Everybody—from reactionary to radical—agrees that the elections produced a swell of confidence in the ranks of the labor movement. No matter for the moment that this power was misdirected to Truman

instead of toward running a labor candidate. Labor felt, and quite legitimately, that it had demonstrated its political strength.

(We must pause for an aside. We note that of late certain labor leaders, like David Dubinsky of the ladies garment workers union, have taken pains to point out that labor did not do the job alone, that the farmers contributed much to the Truman victory, that labor ought not to be too cocky. Obviously, labor did not elect Truman by its own efforts; obviously the farmers and others had much to do with it. But there was a special significance in the massing of the labor vote—especially inasmuch as labor, through its tremendous organizations, can continue to assert itself. What, then, is the purpose of Dubinsky's word of caution? We submit that Dubinsky is deliberately throwing cold water on labor's confidence. He is saying in effect: "Lay off, you're not so big, get any notion that you can boss things, even establish a party of our own, out of your heads.")

#### Labor Is in Politics

Willy-nilly, labor has plummeted into politics, not on the best level, but into politics nevertheless. Consider how far reaching in significance is the decision of the AFL to set up a permanent political machinery on a nationwide precinct basis—thereby discarding its traditional "hands off politics" attitude. If today that political assertion is confined to electing Truman, it is proof that labor can do something, and leads to the obvious conclusion that what labor could do for Truman it could do for itself.

Labor cannot stay out of politics, cannot any longer be driven out of politics. The basis on which it participates in politics becomes then of utmost importance. Independently, or as captives?

We do not wish here to argue any theoretical matters that relate to the business of trying to capture the Democratic Party. We'll assume that the intent rests on the noblest aim: capturing the party and changing its whole basic program and character so that instead of being a party representing the interests of capitalism, it becomes one representing the interests of labor.

Can labor do for the whole of the Democratic Party what the UAW did with the party in Michigan?

Hypothetically, perhaps. In any real sense, NO! Thus, in our view, those who speak of capturing the Democratic Party are really beginning to accommodate themselves to the Democratic Party as it is, or slightly altered—ideologically and in every way, regardless of what social attitudes they may once have possessed.

The Michigan Democratic Party was a shell of a party. In a predominantly Republican state, it had no machinery, commanded no patronage, the cement that holds the capitalist parties together on an organizational level. Anybody could walk into the primaries and take it over, especially if in "taking over" no change at all was imposed on the party.

Think of doing this in New York, with its deeply entrenched Democratic machine. Or in Chicago. Or in the South. The whole idea becomes absurd, even if we limit the argument to this most simple of practical bases. Badly

beaten as was the Tammany wing by the LaGuardia-Fusion victory some years ago, the Democratic party could not rid itself of Tammany, which still dominates Party politics in New York. Why? It has the machine. It dispenses patronage, and opponents of the Tammany wing in the Democratic Party generally have to come to terms with it. A most vulgar thought to be sure, but the capitalist parties operate in the most vulgar way.

The Democratic Party serves a purpose. Make no mistake about it. It serves a section of the services of the labor movement, provided it is subservient. But can you imagine what would happen if, granted the hypothetical, labor actually tried to take over? Can you possibly conceive of the bosses of the Democratic Party calling democratic membership meetings to decide by majority vote whether labor or capital shall call the party its own?

The merest hint of that as a real threat and there would be political class warfare to oust labor from the party, break it up, or do whatever they would deem necessary to save this capitalist political instrument.

Even if it could be done, it would entail such effort, such an expenditure of energy and time as to make the creation of a Labor Party simple by comparison. After all, the formality of an organizational structure is not the difficulty. Nor is getting on the ballot. (Wallace proved that it can be done.) The difficulty is actually in educating and organizing for independence.

#### Subject for UAW Conference

The effect of all this clever maneuvering will be to dissipate labor's energy in getting nowhere. Political confidence and will-to-work is high. It is a crime to subvert it into any other channel than independence.

There we think is something for UAW Educational Conference to ponder over. The UAW is committed by resolution to work for a new labor political formation. The UAW delegates, however, said nothing at the CIO convention when Murray rammed a "no third party" resolution down the convention's throat. This Educational Conference ought to be a good place to ask pertinent questions, and to take up the educational aspects of political activity in the coming year.

Before the last election, Reuther maintained that time was too short to effect any new political instrument for the 1948 elections. Time will be too short for the 1949 and 1950 elections, if work on it is not begun now. We hope that some delegates to the conference will rise to propose that political action conferences be called now, on a local and national level, to plan for participation with labor candidates in the 1949 elections, to shape the foundation of a new political organization, to promote a labor party.

To educate the UAW ranks in the futility of relying on or trying to "capture" the Democratic Party, to educate the UAW ranks in the necessity of an independent political party of labor—that would be a wonderful achievement for the UAW Educational Conference, one moreover that would have sweeping educational effects on the entire labor movement.

### Budget Allots Billions For War Machine

By EMANUEL GELTMAN

The bare realities of administration program are revealed in the President's budget message to Congress with a sharpness that is only assumed in the two messages which preceded it. Where the State of the Union message, and the economic report, concerned themselves with domestic program, with heavy emphasis on the President's fulfillment of campaign promises in various fields of legislation, the budget message illustrates what is the unalterable framework of the over-all program: preparation for an atomic Third World War through explicit all-out prosecution of the "cold war."

Proposing an unprecedented peacetime expenditure of \$42 billion, the President allotted in his recommendations more than half of this staggering sum to what he called "our international and national defense programs," with additional requests for special purposes under this plan indicated for the future. Specifically, the President asked for \$14,268,000,000 for "national defense," and \$6,709,000,000 for "international affairs and finance."

The implications of these requests are manifest. They establish the fundamental political and economic orientation of the whole United States system. The billions proposed in war preparation today are, so to speak, down payments on the war that the leaders of government and business expect in the future, however remote that fearsome future may be at the moment.

They are billions which condition the nature of economic activity, providing the only vital stimulus for a high production level and employment that a decayed economic system can find.

They are billions thrown into the wastefulness of production designed not to better the lot of man, but to destroy him—today in the "cold war" with despotic Russia, tomorrow in the "hot" war—while in both situations the peoples of the world serve as expendable pawns in a ghastly war that can benefit no rational part of humanity.

#### OTHER WAR COSTS

Actually, far more than is stated by the actual allotment figures (and more or less, the budget will generally be legislated with few significant changes, at least in this sphere of expenditure) is slated to go to the various war enterprises. Thus, whatever other benefits may accrue to the people from the sums asked for improving natural resources, transportation, etc., it seems obvious that part of them fall into the pattern of military needs.

(Continued on page 3 in edit. col.)

### Tanmalaka and the National Independence Movement

## Socialism in Indonesia's Independence Fight

By JACK BRAD

The letter of Comrade Magnus is doubly welcome since it provides the occasion for more extensive treatment of the very important questions he raises and because these same matters have been raised by others in a less formal manner. (See page 4.)

First, on Tanmalaka. Some information was printed in the December 27 issue of LABOR ACTION. It is extremely difficult to obtain details because so many of the important ideas of the colonial independence movements develop in a shadow-land of repression, poverty, lack of modern facilities for exchange and publication, years of exile alternating with the most violent releases of revolutionary energy. Certainly these things are true of Tanmalaka and most of the socialist revolutionaries of colonial countries. Only the Stalinists, with their wealthy world apparatus overcome these obstacles. So what Tanmalaka is and stands for must be reconstructed out of suggestions and hints.

When, after 1918, under impact of the Russian Revolution, class divisions began to separate the disparate elements in the nationalist movement. Communist parties began to develop in the Far East. In the formation of the Indonesian party in 1920, Tanmalaka was an initial organizer. As the movement developed through the 1920s, active struggle against the Dutch tyrannical increased in intensity. Trade unions, especially of farm-laborers and workers in the oil and rubber fields developed. In 1924 a vast peaceful movement of strikes and demonstrations took place; though still under the leadership of bourgeois nationalists it was a workers' and peasants' action.

In 1925 Alimin and Muso, two of the leaders of the CP, went to Moscow for instructions. They went specifically to inquire on the desirability of splitting from the main nationalist movement, a question which faced the Indonesian party in an immediate sense. At that time Stalin was deepening his struggle against Trotsky and

in China had buried the CP inside the KMT (Kuomintang) under the program of "bloc of four classes." So Moscow's orders were against class independence in the nationalist movement.

In 1926, the CP split on the issue of class independence in the nationalist struggle. Tanmalaka, refusing to go along with Stalinist policy, organized an insurrection on Java and Sumatra which lasted through 1927 but was defeated in a bloody suppression. The party was outlawed by the Dutch and was "reprimanded" by Moscow and Tanmalaka, a fugitive from ruthless butchery of the imperialists, was expelled from the Communist International. The leadership was dispersed, hundreds jailed and exiled, the party decimated.

#### FOUND OWN PARTY

Escaped to Bangkok in 1927, Tanmalaka founded his own party and from here, without Moscow aid or support, he began in the painful reconstruction of an underground in the

Indies. At this time he also developed the idea of an international revolution of the Southern Asiatic colonies, under the leadership of the proletariat; he looked beyond the national movements to a coordinated inter-colonial struggle of the entire South Pacific. To this end he did not restrict himself to his native Indonesia but with painful and indefatigable labors constructed organizations in Burma, Siam, Indo-China, Malaya, Philippines, New Guinea and native Australia.

He created a new term, Asia, to indicate the unity of the people of Asia proper with their fellow colonial slaves in the South Pacific islands and native Australia. He called his organization the International Proletarian Republic of Asia. Whether he had contact with Trotsky's writings is not clear. He was a major factor in the development of the Indo-Chinese Trotskyists who grew rapidly into a major force, over-shadowing the CP till after World War II.

His return to his native land was one of warm welcome and triumph.

One reporter describes it as follows: "He returned to Java late in 1945 after 20 years of hiding. Still popular he found a considerable following awaiting his return. He apparently decided to act as an opposition [to the Republican leaders] from within in an effort to pull the national movement to a more radical policy of economic reform and opposition to feudalism."

It is not clear whether he joined with Alimin to reconstruct the CP at this time, as one report hints, or whether he constructed a revolutionary socialist organization from the beginning. In any case it was not many weeks before the CP began to launch its customary expletives against Tanmalaka the Trotskyist. Political and organizational antagonism was complete, with Tanmalaka attacking the CP from the left consistently and apparently with great success in winning whole sections of the CP and of the workers' movement.

Early in 1946 Tanamalaka organized

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### Read Labor Action! In Coming Issues:

Report and analysis of the New Delhi Conference of Far Eastern States on January 20.

Report on the coming Educational Conference of the United Automobile Workers Union in Milwaukee.

Analysis of the National Elections in Palestine.

The work of the 81st Congress.

Workers Party Convention discussion articles.

# Readers of Labor Action Take the Floor...

## Calls Charge "The Blood Libel"

Editor:

At every Jahrzeit (anniversary) of Chaim Arlosoroff, certain writers for the Yiddish press, who belong to the Poale-Zion Party, remember to mention the Revisionists as his murderers. It's time this accusation should once and for all be cleared publicly. Our opponents continue to repeat that blood libel, for the Revisionists have not the courage to answer them as they really deserve. Well, here is one Revisionist who will. Now to the point.

On June 15, 1933, a shot was fired

The article by Ed and Al Findley, "Irgun: Threat to Israel Democracy," which appeared in the December 27 issue of LABOR ACTION, has occasioned wide comment. Copies of it may still be ordered. In presenting the Findley article, which we believe to be the best and most complete yet written on the subject, we invited comment, notably from official spokesmen of the Irgun movement, offering to withdraw any part of the accusations that could be proved false. We herewith publish a long letter from one who describes himself as a "rank and file revisionist," with a brief reply by Ed Findley.—The Editors.

in Tel Aviv. As a result, Dr. Chaim Arlosoroff a member of the Jewish Agency died a few hours later. Immediately the good "Zionists" created a blood libel against the Revisionists.

On June 18, 1933, David Ben-Gurion wrote in the Heint of Warsaw the following: "I am one of those who wages a battle of life and death with the Communists and I know of their destructive pogrom efforts in the Yishuv. But as regards the murder of Dr. Arlosoroff, I must declare that they cannot be charged with it, for their work is directed in the direction of provoking pogroms and not terrorist acts. Nor do I accuse the Arabs of this murder because whoever is familiar with Eretz-Yisroel knows how impossible it would be to disappear as easily as the murderers of Dr. Arlosoroff. I opine, however, that the terrorist acts perpetrated upon Dr. Arlosoroff are political. Then he starts to discuss the Revisionists. Did he have to say more to point at a certain direction?"

Here is a statement by the Polish Zionist Organization: The pain burns and the heart palpitates in agitation, grief and wrath at the bloody crime in Zionism. Rage is within us. With the greatest misgivings did we follow all the time the development of the Revisionist plague. We saw the flood of hate and venom disseminated by that movement. Boldly do we declare that the moral responsibility falls upon the Revisionist movement which has produced such a murderer. Against such a movement, we must all defend ourselves. Let our motto be, "Expel the Revisionist gangs from Jewish life."

The president of the American Zionist Organization also accused the Revisionists. Many other ghetto slaves did likewise. All this was done before the British even suspected anybody at all. It took the British a month to take the various hints of their "Zionist" friends and arrest Abraham Stavsky, Zvi Rosenblatt and Abba Achim Meyer.

Achi-Meyer was cleared of the murder immediately. If Achi-Meyer was innocent, then so were the others, for he was accused of being the instigator. Now if he didn't instigate, then his followers could not have committed an act they were not told to carry out. But the "justice" loving British butchers sent Achi-Meyer to prison for two years for a "crime" for which he served a term once before.

Zvi-Rosenblatt, who was supposed to have fired the shot, was freed. Why should any court free a suspect of murder, but try his accomplice?

Stavsky was convicted by one court, but was acquitted by a higher court because of lack of evidence.

But Stavsky is innocent, because someone else is guilty. They could not have committed the same crime. We shall attempt to prove the guilty one.

Ben-Gurion was correct, when he said, the communists didn't commit that murder. The "comrades" are great cowards and would not dare murder a Jewish leader, who was very popular. Besides, communists don't believe in individual terror. They practice mass terror and liquidations against their opponents.

The Arabs are not guilty of this crime either. Arlosoroff was a friend of the Arab people. They are not as stupid as some Zionist leaders.

Is it possible that Revisionists committed the murder? It would be, if it occurred at a different time and against any other person. Let us say, Chaim Weitzman. Arlosoroff was a friend to our movement. He always wanted peace with the hated Revisionists.

Arlosoroff was murdered one month before the Zionist Congress. Therefore, it would certainly be id-

## In Brief Reply:

The "revelations" and "proofs" presented in this communication are not new. When the Brith Biryonim-Irgun activists, Zvi Rosenblatt and Abraham Stavsky, were positively identified as the murderers by the slain labor leader's wife, their defense and the Revisionist press engaged in a slanderous campaign to impugn her credibility. One can see from the above vituperative letter how meager is the factual evidence on which these slanders were based. Snide comments about alleged family quarrels and common-law marriage can hardly be taken seriously.

Yes, the Court of Criminal Assizes freed Abba Achmeir, the instigator of the assassination. Although he had conducted a lynch campaign in the press against Arlosoroff in the days leading up to the latter's assassination and was the ideological leader of the terrorist Brith Biryonim, whose members were implicated, Achmeir himself was not identified as one of the actual participants.

Zvi Rosenblatt, the other Brith Biryonim-Irgun activist implicated, was definitely identified as one of the killers but the corroborative evidence required by Palestinian law was unavailable. In the case of Abraham Stavsky, the Court of Criminal Assizes felt the corroborative evidence to be sufficient.

No, Stavsky was not acquitted by the Criminal Court of Appeals because the court felt him to be innocent, but due to a Palestinian legal technicality. Here is how the chief justice of that court, in announcing the reversal of the lower court's decision, put it:

"To sum up, I can see no reason whatever for criticizing the Court of Assizes in accepting Mrs. Arlosoroff's evidence, and if this case were being heard in England or in most British dependencies, that would be the end of the appeal and the conviction would have to stand. But the Legislature of Palestine has seen fit by Section 5 of the Law of Evidence, Amendment Ordinance 1924, to provide that no judgment shall be given in a criminal case on the evidence of a single witness unless such evidence is admitted by the accused person or is corroborated by some other material witness, which, in the opinion of the court, is sufficient to establish the truth of it." (Emphasis mine.)

We cannot retry the case in LABOR ACTION, but this much stands out. Both the entire Palestinian Jewish labor movement and the criminal courts accepted the fact of Abraham Stavsky's direct participation in the murder of one of the main leaders of the Jewish trade union movement in Palestine. We can hardly accept the fantastic charge of collusion between the trade union movement and the British police merely on Revisionist say-so.

What interests us is the fact that both the instigators and actual murderers played and continue to play a leading role in Beigin's Freedom Movement (Heiruth) (except for Stavsky, who was recently killed while fighting against Israeli government troops in the treasonous Aitalena putsch).

Ed FINDLEY

otic for Revisionists to commit any deed that would discredit our movement in the eyes of Zionist voters. On the contrary, it would have been in the interest of the opposing party to commit that crime and then blame their opponents just as Hitler burned the Reichstag and blamed the Reds. Didn't the Histadruth have a slogan, "Don't vote for murderers to the Zionist Congress"? Could it be they created the possibility for such slogans?

But let us examine some of the evidence. Arlosoroff and his "wife" returned to Eretz-Yisroel from Europe on a Friday. He had promised his mother to spend the Sabbath with her. But he was murdered in Tel-Aviv while his old mother lived in Jerusalem. Who was interested enough to change his mind and not be with his mother on the Sabbath? We must remember Arlosoroff was a very faithful son.

At the time he was shot he and his "wife" were walking near the Arab cemetery at the end of the city. Why did they walk in such a deserted place? There are many beautiful parks in Tel-Aviv. Whose suggestion was it to walk at that section?

"Madame" Arlosoroff testified that she asked her husband to turn back. Why could it not be just the opposite? It was not his idea to go there in the first place. He wanted to be in Jerusalem with his mother.

"Mrs." Arlosoroff was in the possession of a revolver that fatal night. For what purpose did she carry that

weapon? It couldn't be to protect her husband? It would be more logical had it been the opposite.

How come the "Madame" didn't faint when her "husband" was shot? She must be some "woman." Another woman could not have been so calm.

She also testified that Stavsky (how she remembered so well) held a searchlight against her face. Then how could she have seen? We know that a searchlight blinds you.

The bullet taken from Arlosoroff's body matched the "Madame's" revolver, but the weapon was not produced at the trial. Why? Surely it wasn't for Stavsky's benefit. The British police had that weapon "disappear."

According to the "Madame's" testimony, the murderer was facing them directly. But, Arlosoroff was shot in the side. Who was standing beside him?

But, the "Madame" was not beside her husband when he died. Why? Was she afraid to face him? Still, Arlosoroff tried to shield his unfaithful "wife" by saying before his death, a Jew didn't shoot me. No, it was a "Jewess."

There were two witnesses who saw and heard the "Madame" walking on her hotel balcony saying, what shall I tell the police? Innocent people are not worried in such cases. Those two witnesses were not given the chance to testify. The reason is obvious.

Now as for the motive. Dr. Arlosoroff was never legally married to the "Madame." They lived, as many other Marxists, a free love. They had

many quarrels in the last few years of his life. Such things happen every day. In the United States the "Madame" would have been convicted to the electric chair. This was a civil case.

But, the British with the help of the Jewish Agency saw a chance to discredit their mutual opponents and created the blood-libel. It's strange while Stavsky and Rosenblatt were allowed to remain in Eretz-Yisroel, the British sent the "Madame" out of the country. Why? Because everyone in Eretz-Yisroel knows that Arlosoroff was murdered by his unfaithful "wife."

We asked, is it possible that Revisionists or any other patriotic Jewish group would assassinate one whom they considered a traitor. Our answer is "it's possible" but not in this case. Arlosoroff was not a traitor. Suppose a certain Zionist group did execute a Jewish renegade. So what? The penalty for treason is death among all nations. Why should the Jewish people be an exception?

As a matter of fact, the first to carry out an act of assassination were members of the Poale-Zion. In 1933, a leader of the Agudath Yisroel was shot for being an informer for the British. His name was Jacob De Haan. One of those participants is still living in Eretz-Yisroel. Her name is Mara Shocket, who was herself an informer for the Russian police against revolutionists. We do not denounce this deed, but merely state a fact. So, why condemn others, who were only accused of doing the same? We must also remember the crime of De-Haan was not greater than those committed by Chaim Weitzman and he is still among the living. Our character (comrades) refrained from taking Jewish lives, unless it could not be helped any more. Such cases did arise.

Why did the Revisionists return to the Zionist Organization, when members of that body still consider us as the murderers of Arlosoroff. People with self-respect should act otherwise. We should demand a Jewish (we don't recognize the British) court of Justice and once and for all clear Rosenblatt, Stavsky and Achi-Meyer, through them the Revisionist movement.

Elihanan BEN-AMI

## Praises Findley's Analysis of Irgun

Your long and exhaustive article, "Irgun: Threat to Israel Government," in the issue of December 27, certainly deserves the thanks of every right-minded Zionist and every sincere friend of the young state of Israel. You may expect that some of your statements will be refuted by representatives of the Heiruth movement or writers friendly to it, but the undeniable fact remains that this movement exists mainly as an opposition to Israel's workers' organization, Histadruth. This movement, indeed the old Revisionist Party under a new name, is ready to carry over its tactics and underground fight against our enemies, the British, into the open field against the Histadruth, thus preparing the ground for civil

## ARTICLE ON IRGUN:

Copies of the December 27 issue of LABOR ACTION which carried Ed and Al Findley's thorough documentation on the charge that Irgun is a threat to Israeli democracy are still available. It is the best work on the subject. Order from LA, 4 Court Sq., Long Island City 1, N. Y.

# With the Workers Party

All readers of LABOR ACTION are invited to attend meetings, class lectures and social sponsored by local branches of the WORKERS PARTY. For information of WORKERS PARTY activities in cities not listed below, write to WORKERS PARTY, 4 Court Square, Long Island City 1, N. Y.

- AKRON: Write to Box 221.
- BALTIMORE: International Fellowship House, 21 West Preston St., 2nd floor. Public forums every second Friday of each month. Discussion group on remaining Friday evenings.
- BUFFALO: 639 Main St., 2nd floor. Office hours, 11 a.m.-2 p.m., Monday through Friday. Open meetings Sunday evenings. Discussion groups Thursday evenings.
- CHICAGO: 800 West North Ave. Tel.: Michigan 9003. Office hours: Wednesdays after 4:00 p.m. Meetings: Every Wednesday at 8:30 p.m.
- CLEVELAND: WP Branch meets Sundays, 8:00 p.m., in the Croatian Home Association, 6314 St. Clair Ave. Write to Bernard Douglas, Box 1130, Cleveland 3, Ohio.
- DETROIT: 9016 12th St. Meetings Fridays, 8:15 p.m.
- LOS ANGELES: 3214 So. Grand, Los Angeles 7. Tel.: Richmond 7-3230 (if no answer, phone AX 2-9077). Office hours, 2 to 5 p.m. daily.
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# YOUTH and Student CORNER

By JULIUS FALK and JACK MAXWELL

[This week's column is contributed by Comrade Justin Graham—Ed.]

We often hear objections, from non-Marxist quarters, to the phrase "capitalist institutions of learning." Socialists speak of schools and universities in that way in order to indicate that their administrations, their curricula and even their methods are influenced by, and characteristic of, the capitalist social order.

Evidence of this, even aside from the general class nature of educational opportunities, is widespread. First, the schools—from the kindergartens to the universities—teach capitalism. They perpetuate its morality and its mythology. Chauvinism and patriotism, belief in the impartiality of government, belief in the inevitability of class-distinctions—these are a small part of the capitalist ideology that is worked into every course of study.

Conversely, the schools discourage any activities, teachings or ideas which might lead to questioning the status quo. Lately, we have seen a great increase in the number of teachers discharged because of their ideas and an increase in the number of restrictions against socialist student activities.

## CAUSES OF CONSERVATISM

Conservatism of school administrations can be traced to several factors. University administrators, professors and persons of high rank on the school boards have found comfortable positions for themselves. And since such positions do not abound in capitalist society they want to maintain them, and that, for them, means maintaining the status quo. Furthermore, the boards of most large educational institutions are composed of prominent business men who use the influence of their position to good advantage.

Another reason, increasingly more important, is the fact that universities and colleges are becoming profit-making institutions to a greater extent than was ever true before. The raising of tuition fees and the introduction of mass production methods of education are only a small part of this trend. Educational institutions have actually invaded the field of business. They (they here means practically all of them) have become capitalists.

The practice of investing university endowment funds in real estate, bonds and other commercial ventures

is not new. What is new is the amazing extent to which such investment has gone since the war. In the fiscal year ending January 31, 1947, 455 universities extracted a total profit of \$150,492,583 from their interests. Of the 2½ billion dollars in endowments held by universities, over one billion dollars has been invested in business investments. You can see that this adds up to BIG business.

The range of businesses in which the colleges have invested is vast—everything from department stores to orange groves. Columbia University, for example, owns shares in Rockefeller Center amounting to 28 million dollars. The total investments of Columbia come to over 38 million dollars. Oberlin College, in Ohio, has among its real estate holdings some Montgomery Ward stores, some Sears, Roebuck stores and a number of Woolworth stores. The University of Georgia has investments in real estate totaling 20 million dollars. The University of Pennsylvania recently bought the premises housing the Lit Brothers Department Store in Philadelphia for 3 million dollars and now leases it to that company for an annual sum of \$275,000.

## EXEMPT FROM TAXES

The universities have an advantage over their competitors in business because they are exempt from the usual corporate tax of 38 per cent. So New York University, for example, which owns the C. F. Mueller Spaghetti factory, which realizes a profit of \$900,000 a year, saves approximately \$300,000 of the normal tax on such a profit. NYU also owns the Ramsey Corporation, manufacturer of piston rings, with plants in Missouri, Michigan and Canada and a yearly profit of \$900,000, the American Limoges - China, Inc., with a yearly profit of \$8,000,000 and the Howe Leather Co., whose annual profit is 2 to 3 millions.

We can see, from facts like these, that the community of interests which exists between large educational institutions and capitalist business has ceased to be merely ideological. There is now an identity of vested interests. The universities have become dependent for their welfare upon the capitalist market. Professors have become dependent on it for their jobs, as have college administrative workers and the publishers of textbooks.

The pressure of the market is felt by everyone in the capitalist institutions of learning, even by the students, whose education, unfortunately, depends on it.

# Unemployment—

(Continued from page 1)

Another new feature is that only a tiny fraction of the unemployed are veterans. This is no longer, then, a matter of individual re-adjustment to civilian life. It now affects workers of skill and long years of experience, men with families.

What is not stated in the reports, but is clear to anyone who visits an unemployment insurance office, is that the racial pattern is still dominant. For the longest queues occur in predominantly Negro and Spanish speaking neighborhoods. These workers are still the last to be hired and the first to be fired, so far as the good jobs go. They are also the ones who have the least savings to fall back on and the least collateral for obtaining loans to tide them over.

Their status at the bottom of the economic heap is intensified and made particularly poignant by the lay-offs.

And it is a fact filled with agony and misery in daily living that the nature of employment these workers do get is the least stable, pays the least and is most often affected by seasonal lay-offs.

Whether this rising unemployment indicates a profound economic trend or will level off is not yet certain. Certain conclusions can however be made at this time. Neither the New Deal nor the New Deal Security of the workers. The specter of unemployment with all its horrible consequences continues to haunt them. Those least able to afford it are those most subject to economic dislocations.

The basic reason is the trend in capitalism to create a permanent reserve army of unemployed, a reservoir to draw upon and to use as a weapon to drive wages down and thus keep profits up. These are problems that simple unionism cannot solve. It requires political action. Present unemployment is the handwriting on the wall for the labor movement.

All organized labor should struggle for the extension of insurance benefits to a one year minimum and an increase in benefits to a \$35 weekly minimum, the guaranteed annual wage and government responsibility for the right to a job as a basic human right.

JANUARY ISSUE OF THE NEW INTERNATIONAL will be out next week, featuring a debate on Marxism vs. Catholicism between Max Shachtman and Father Rice.

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# Editorials

## Budget Billions for War Machine

(Continued from page 1)

Further, we must add to the explicit billions asked for "international and national defense," and the hidden millions referred to in the above paragraph, those other billions which are payments on previous wars. Here we have a picture of the intolerable burden imposed upon us by capitalism—yes, that most comfortable, energetic, stable of all capitalisms, United States capitalism.

Approximately one eighth of the whole budget, or \$5,496,000,000, is asked for veterans' services and benefits. This is one item of war expenditure we heartily endorse! By all means, the men and women who bore the pain of imperialist war have every right to be remunerated, and far more adequately than is provided for in the budget. For example, there is no provision for a national veterans' bonus. We favor the expense, but should we not at the same consider the cause of the expense?

### MAKING A COMPARISON

It is in the light of these billions that other appropriations requested must be seen. The State of the Union message may have left one saying . . . well, however narrow, however inadequate, however limited, the President was coming across in his proposals for social legislation, and the real job is therefore to see that Congress enacts at least as much as the President seems to be asking.

Increased social security, public housing, aid to education sounded fine, if not all that is required, in the State of the Union message. But read in terms of the budget statistics, they seem pitiful indeed.

\$2,358,000,000 is provided for social welfare, health and security. That is somewhat more than last year's figure, but under the 1941 figure (the big drop-coming in work relief requirements.)

\$388,000,000 is provided for housing and community facilities, which is a slight jump over last year's figure. About a third of this is intended for a public housing program.

\$414,000,000 is provided for education and general research, which is a big jump (some five times) over last year's figure.

These three items, plus others under agricultural aid, preserving natural resources, etc., are commendable requests. Compare them, however, with the multi-billion requests for the armed services, with the \$800,000,000 for the single item of universal training, with the \$740,000,000 requested for the atomic energy commission (of which \$210,208,875 is to be directly allocated to atomic weapons.)

\$144,000,000 for public housing is better than nothing. That is one way to look at it. But, compared with the billions for war preparation (all right, "national defense"), it is nothing! \$144 million will help some. However, it can come nowhere near meeting the need, for which an appropriation in the neighborhood of \$5 billions would make sense.

So too, on the other items. It is understandable that a rich nation such as ours should spend billions on behalf of its citizens. Billions for what, though? For housing, for education, for social security? That's rational. That's sane.

### IRRATIONAL, INSANE SYSTEM

Capitalism is, however, neither. It is caught in the impasse of being unable to meet the challenge of totalitarian Stalinism, in any other way than war, or the anticipatory skirmishes of war.

It cannot appeal to the people of Europe and Asia, and the United States, to withstand and crush the Stalinist advance by asserting themselves, by independence, by dictating their own future through governments of their own.

It cannot appeal to the people trapped in the monstrous slave camp of Stalinism by telling them to free themselves, so that they can exercise control over industry and politics themselves, in common striving for a world of peace and plenty with the workers and farmers of other lands.

It cannot, because what it has to offer is no kind of desirable substitute—only the chaos and misery of capitalist imperialism, which has, in fact, made possible the advance of Stalinist imperialism.

And so, today, pending more terrible days of disaster, it imposes a 42 billion dollar burden on the people of the United States more than half of which is intended in one way or another for destructive purposes, in order that U. S. imperialism may assert its dominance over a shaky world.

### SOCIALIST OPPOSITION TO BUDGET

Is it unreasonable to request billions for housing and other useful purposes? We know that the legislators, confronted with such a demand would raise their eyebrows in horror. Where to get the money? Well, one source suggests itself immediately: from the war budget. Simple.

Unfortunately, there is no one in either House of Congress who will oppose the budget on a socialist basis. One or two Stalinist stooges will oppose it, but their purpose will be to facilitate Russia's campaign, to strengthen Russia's hand,

and not to promote the welfare of the people. They too are preparing for war, but for the other side. Perhaps some left-over isolationists will quibble about the size of the amount. Their complaints will do nobody any good either.

A socialist could oppose the military appropriations, and put the whole thing in proper perspective. He could ask the billions for housing, etc., and give that lift to the confidence and wishes of the people which could serve ultimately to block the imperialist war makers on both sides by laying the groundwork of a mass people's opposition.

There are no socialists in Congress to speak for us. We must therefore speak outside the halls of Congress, and press through our unions and other representative organizations, for those measures we consider essential—bigger appropriations for housing, education, and so forth. And educate everyone to understand the meaning of the budget which is the real presidential message.

### WHERE THE MONEY COMES FROM

How does Truman propose that all this money shall be raised? He is asking for a raise in taxes. His proposals, except insofar as they call for greater taxes, do not appear to affect the lower income groups.

He has not been specific, but it seems likely that taxes will not be raised on incomes up to \$5,000. The increase is to come from higher corporation taxes, and increased taxes on high incomes. Very good. However, we note something most interesting. Truman, in his new, aggressive liberal mood, does not ask for as much as he requested in what might be called his less liberal, pre-election campaign days: namely, an excess profits tax. Why not?

Not to impose a greater tax burden on the low income groups is welcome escape. The fact remains that present taxes are in themselves a burden.

One forgets what is the contribution of the low income group. Of \$18.5 billion in taxes to be contributed in individual income taxes in the fiscal year ending June 30, 1949, \$9,500,000,000 comes from those who make less than \$5,000, \$5 billion from those making between \$5,000 and \$25,000, and \$3 billion from those making over \$25,000.

Obviously, the nine and a half billion is spread over a vastly greater number of people. Still, it is a burden, a burden which concretely cuts into the standard of living, a burden which in our opinion ought to be borne by the fewer people who make the big dough.

Our slogan has been and remains: Soak the Rich! By all means an excess profits tax. By all means, a steeply graduated income tax above \$5,000 with a \$25,000 ceiling on individual incomes.

The rich ought to be soaked, and in our opinion they ought to be soaked to provide the revenue for socially useful enterprises instead of the socially destructive enterprises for which the greatest part of the budget is now allocated.

In conclusion, the budget, and all those matters like taxes which relate to it, are things that require the closest study by labor. The budget indicates to what we are heading. It also indicates those demands which not only serve our immediate, special interests in housing and the like, but which can serve as well to head off the disaster that a "healthy" and temporarily prosperous capitalism is preparing for us.

### No Amateurs Wanted

The American occupation authorities in Korea do not like amateurs. General Hodge seeks to get experienced professionals for all jobs. In pursuit of this laudable objective, so typical of the tradition of the "service" of the US army, most of the cops employed in Korea by the occupation were also cops for the Japanese. The reason: they have previous experience.

### "We'll Teach Those Germans Democracy" Department

The American Military Government police chief in Berlin is a former labor spy. He was exposed as a notorious labor spy several years ago, working in the UE and the NMU. Since labor spying was outlawed in the US and Carlucci had been driven out of the American unions he apparently found AMG in Berlin the ideal spot and has risen to the top. Carlucci's career is reported in the January 1, 1949 issue of *Colliers* magazine.

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# WORLD POLITICS

## The German Social Democracy:

Last week we pointed out a new series of steps by which the Allied occupation authorities have renewed their hold over Western Germany and have indicated a growing fear that nationalist trends are becoming too bold and must therefore be curbed. Not only did they indicate by these actions their intention to remain in Germany, in some form or other, for an indefinite period, but they forced upon all German political parties and groups the necessity of re-evaluating their attitudes toward the continuation of the occupation. This necessity, of course, is a good and necessary thing.

The concrete issue over which this restatement of attitude toward Allied occupation takes place is the new decision on the Ruhr, referred to in our previous article. Contrary to expectations, protests and disclaimers have been mild. No one expects the type of mass, passive resistance movement which the Ruhr workers developed in 1923 against the French occupation of that region. The Ruhr Stalinists naturally demand such actions, but considering that they have just been humiliatingly defeated in all trade union elections for this area, it is unlikely that their slogans will have any results.

The attitude of the German capitalist parties (Christian Democrats and "Free" Democrats) can easily be explained. Since these two parties represent not so much big capitalists, industrialists and bankers as the badly off German business man and small factory owner, together with the professional and middle class elements of the population, one could hardly expect a determined reaction from them. Their perspective is essentially a slow and tortuous one, implying years of revival and a gradual building up of the old German bourgeoisie. They are in no condition, materially or politically, to lead a serious struggle against the occupation, nor is this their actual perspective.

Instead, they rely upon the division between America and Russia as making it possible for them to reassert themselves, step by step, since they feel confident that American imperialism must permit such an economic reconstruction and revival in Germany that the day will come when it can no longer be controlled by the occupation authorities because the rebuilt economy will have become an independent factor in both European and world capitalist economy. This explains their patience and persistence, as well as the fact that the Constitution they are now writing at Bonn is so loosely and vaguely worded that it may be considered an "Algebraic" Constitution, full of unknowns whose real value will be determined in the future. The future of such parties and what is left of German capitalism is subordinated to the occupation authorities and the most they will do is to take advantage of any situation to strengthen their hand.

### AN INEPT AND LEADERLESS MOVEMENT

But what of the German Social Democracy, that political party of the German working class which has made a truly astounding comeback since the end of the war and is now the mass party of Western Germany? Completely destroyed under Hitlerism, the Party now numbers close to 1,000,000 members and has a vast electoral and political influence which reached its height after the Berlin victory. According to the "SPD-Jahrbuch 1947," which was presented at the Party's annual convention in Duesseldorf in September, 1948, the Party has 9191 branches in the country, gained 200,000 new members in one year and has 1,000 youth groups (Jungsozialisten) with a membership of 100,000. In its traditional strongholds of the Ruhr, Westphalia, Hanover, etc., the Party dominates the local situation. The Party publishes no less than 15 papers, now has extensive contacts abroad and of 1416 Landtag delegates throughout Western Germany, 563 belong to the Social Democracy.

Organizationally and in terms of influence among workers and the population as a whole, the German Social Democracy Party leads all others. At the very least, it should obtain a plurality vote in the elections that will later be held under the Bonn Constitution, with a possibility of a majority not excluded. Here, one would think, is a party with sufficient support and strength to establish itself as a leader of the entire nation in a struggle

both against Stalinism and for national independence. The reality is far from this, unfortunately, and politically the SPD is surely one of the weakest, most inept and leaderless movements ever inflicted upon the working class.

In terms of leadership, with the exception of Kurt Schumacher, the Party is without any outstanding personality or authentic voice. For the most part, the leaders consist of ancient Social Democrats repeating their past, with all its former mistakes, under the new conditions of the occupation. Old professors, holders of doctorate degrees, union officials and minor bureaucrats operating in one or another capacity in the military government administration, form the bulk of the leadership. Uninspired and colorless, they retain their hold primarily because a new and dynamic leadership has not yet come forward, because there is insufficient political agreement and understanding among party members to develop such a challenge. As the report on the Duesseldorf convention puts it, "The Party is quite free of serious internal divisions." And that's precisely what is wrong with this loose and ill-formed mass.

Politically, the "official" stands of the Party are a disgrace to itself and all its professions. Naturally, everything is loosely interpreted and much local autonomy exists because "hardly anybody wants to abandon coalitions in such states where the socialists are indispensable for forming a majority and where the Christian Democrats, looking for the Catholic workers vote, even support socialist legislation . . ." (Convention Report). In his speech to the Convention, Schumacher declared that "Social democracy is still on the lookout for partners in an alliance," and that the question of a coalition after the coming elections would depend on the attitude of the other parties, not his.

### EVADE OCCUPATION ISSUE

In a formal resolution adopted as to the new tasks of the Party, the issue of Germany's occupation is evaded although the attitude, in practice, is clear enough. A struggle over the occupation on any front or at any level is to be avoided, no matter at what cost. "A legal basis defining the relations between Western Germany and the occupying authorities" is the principal goal of the Social Democratic leadership, who support without criticism the ERP program and the Marshall Plan. Naturally, other and harsher words are reserved for Russia and Stalinism whose efforts at expansion "will be met by the decisive and uncompromising resistance of the Social Democratic Party." Essentially, the political approach of Schumacher and his supporters does not differ substantially from that of the German bourgeoisie who likewise demand "more responsibility" for themselves within the occupation framework and a legal defining of the occupational powers. This latter request will shortly be fulfilled—and in a clear-cut fashion, too—by the "Occupation Statute" now being drafted by the Big Three. On the Ruhr issue, the Social Democrats conceal themselves behind a "nationalization formula" and blame the present situation upon . . . Nazism!

The sad fact is that history has forced upon this shapless party a task which is far too difficult and complex for it to handle—namely, organization of and leadership in the struggle for Germany's rewinning of national freedom and independence. For lack of any other party, and in opposition to Stalinism, Germany's working class has been obliged to rally behind this doddering and toothless image of the past. Yet this fact indicates the astounding possibilities in this situation. If ever a movement was thirsting for the organization of a militant left wing, based upon the youth groups and the party's young elements, it is this Social Democratic Party.

Will such a left-wing come into existence in the near future? At the moment, there is no real signs of this because opposition voices are still too weak and scattered, but surely this is the direction of the future. Then, behind a program of clear-cut opposition to any and all forms of opposition, and for a genuine Constituent Assembly representing all of Germany which shall be protected by its own national workers' and people's militia from Stalinism and the occupation forces, one can expect a favorable and revolutionary turn in the affairs of Germany.

Henry JUDD

### Earns Place on Neo-Stalinist Booklist

## Dressing Up the Russian Despotism

POLITICAL POWER IN THE USSR, by Julian Towster. Oxford University Press, N. Y., 1948, 411 pp.

This is primarily an examination of the present governmental structure, political machinery and constitutional complexities of totalitarian Russia. The author carefully examines the function, power and jurisdiction of the state party, the Soviets, the Council of Ministers and the innumerable agencies, councils, bureaus and mass manipulative organizations which cross-cross the Russian scene and intrude themselves into the daily life of every single Russian citizen.

Most exclusive emphasis is given to the formal constitutional arrangements by which power is "legally" defined and delimited, and therefore as a genetic history of power and class struggle since 1917 the book is completely useless. Suffice it to say that the strictures of Stalin are accepted as Marxism. As a resume, however, of present political arrangements, it is eclectic and dull but fundamentally correct.

### FUNDAMENTAL ERRORS

On those rare occasions when the author recognizes the existence of power struggles, faction fights, police terror, purges, the Moscow Trials, liquidation of nationalities, forced labor camps and other such uncomfortable details, he either apologizes profusely, takes a hopeful attitude toward the future, or simply ignores them as irrelevant or unimportant. This is part of a new technique developed by the "Apologetes" to set

aside the damning indictment of bureaucratic collectivism revealed by such organic aspects of the Stalinist regime.

Three fundamental errors run through this work like a red thread: (1) identifying the regime of Lenin and Trotsky with the regime of Stalin, (2) taking the pronouncements of the Russian rulers at face value, and (3) apologizing and explaining away unfriendly facts. These aspects have produced a friendly response in *The Daily Worker* of December 13, 1948, which notes that while the book "contains many hostile misconceptions . . . it is, despite these defects, an obvious effort to educate an American middle class in the realities of Soviet life."

In some respects, then, the work is fair; in others it reaches the extreme in sophisticated professional twaddle. Thus the following statements appear between the same covers:

"In no country in the world is the province of government so great, the concern of authority so total in scope. . . . Its supervision, instruction, counsel or observation reaches farm and factory, production and distribution, science and education, literature, music and dramatics, medicine and jurisprudence, journalism and publishing, cinema, radio and sport." (Page 384)

"Yet it is probably true that the majority of the Soviet citizens are not laboring under any undue sense of deprivation of freedom." (Page 386)

The predominance of apologetics and the glossing-over of important details, then, indicate for this work a place on the neo-Stalinist booklist for the more sophisticated Friends of the Russian State.

Robert MAGNUS

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## IN ITALY:

### PERSPECTIVES FOR SOCIALIST FORCES

By A. DEMAZIERE

The following article appeared originally in the November 16, 1948 issue of *La Battaglia*, organ of the Spanish POUM.—Ed.

For the well-intentioned, but superficial, observer the Italian situation can be summarized in three or four sentences: Italy is tending to develop into a "dominion" of the United States; store windows are full but purses are more or less empty; more than two million unemployed are testimony to an industry paralyzed by Marshall Plan importations; the Christian-Democrats and the Communists are opposed in a death struggle; the socialist leader Nenni is in the service of the Stalinists.

Here we have several statements which seem to sum up the Italian situation. It is evident that in Italy just as elsewhere there are forces which are opposed or allied, and are also evolving in relation to the international situation and to the national deceptions and hopes.

At this point we would like to call forth a clear decisive picture of the situation on the peninsula: a picture of the relation of the forces in the anti-capitalist camp and of the perspectives which can be formed by the revolutionary militant.

### STALINIST POLICY IN ITALY

Everyone knows the result of the last general elections and of the defeat suffered by the democratic bloc, a defeat whose importance—at least at the moment—was less within the country than abroad. However the reaction was serious, and De Gasperi, outdoing the French government, was able to allow his offensive against the workers to develop further, especially after the general strike which followed the attempt on the life of Togliatti last July. In the month of August, for example, De Gasperi and Scelba caused the detention in Sicily of a communist regional deputy and of the principal leaders of the CGT.

In Italy, just as in France, it doesn't appear that the Cominform—or of course the national Stalinist leaders—intend to attempt the establishment of a "people's democracy." The Communist perspective seems, as in France, to be a struggle for economic chaos, for the failure at any price of the Marshall plan, by means of local or industry-wide strikes, which are no more than justified given the precarious economic condition of the workers on the other side of the Alps.

The scope and violence of the working-class reaction to the attack upon Togliatti—whose prestige among the masses has no equivalent in France—surprised the Communist leadership who had to exercise great effort to end the strike and calm the fury of the combatants.

Thus, on both sides of the Alps, the action of the Stalinists tends little to demoralize the workers thanks to the struggles without political issue. And in Italy likewise, these struggles are nourished by misery; the international situation is such that the Stalinists not only assume the leadership of the strikes but also foment them under certain conditions—when in other times they would have acted as pure and simple strike-breakers. Their prestige in Italy is tremendous; they have fatigued their periphery troops slightly, at the same time strengthening their grip on the faithful. If the Stalinists leaders' policy of pacification in the strike of July 14 stirred up a strong reaction against them among their own people it appears, nevertheless, that these have reaffirmed their confidence in the High Command.

However, an element of extreme significance places the Italian anti-capitalist camp in an original position which is to a great extent pregnant with hope: this is the existence of a mass socialist party, whose leaders are not in the government, nor do they want to be in it; and after the recent elections and the fiasco of the electoral lists in common with the Communist Party, they have rid themselves of those leaders, such as Nenni, who are pro-Stalinists.

Here we have a party grounded on hundreds of thousands of workers, which refuses to play the bourgeois game of participation in the De Gasperi government, which likewise refuses to play the Stalinist game. This party is separated from its collaborationist and governmental wing led by Saragat, yet it has been able to seize control from Nenni and Lungo who favored absorption by the Communist Party.

This has been the situation for the past six months, in the course of which it is necessary to recognize that the "centrists" who today lead the Italian Socialist Party have not shown much originality in their political activity; this leadership so far has aligned itself more or less upon the orientation of the Communist Party, although sometimes appearing as a wisely moderate element in circumstances sometimes adventurous or perilous for the Italian proletariat. However, in the past few weeks a new attitude is evident, the immediate causes of which are not yet quite clear: several articles have been published in *Avanti!*, the daily of the Italian Socialist Party, attacking Russian diplomacy and calling for an independent road for the workers, for neutrality between the two blocs. Several other articles have appeared which attack some aspects of the past policy of the Stalinists. This is unprecedented.

This orientation has not been effected without provoking disturbances within the party: the pro-Stalinist Nenni tendency has tried to sabotage the directives of Jacometti-Lombardi with the slogan, "Down with the Centrist leadership!" This leadership, faint-hearted, without confidence in itself, defends itself poorly; under these conditions, a Nenni victory must be feared. It would be a disaster and would make the Italian Socialist Party a wing of the Communist Party or drive a great part of the socialist militants into the arms of Saragat.

What can be desired in the present situation? Without wavering we reply: reinforce the drive toward socialist reunification, giving it the strongest possible content. It seems to us, only the reconstruction of a united socialist party will at the same time eliminate the lamentable influence of both Saragat and Nenni on Italian socialism. However, such unity must be based on the following two conditions: no socialists in the De Gasperi government; complete independence from the Communist Party.

If such a unification is realized—and it is possible—it would be an accomplishment of extreme importance for the future of the Italian—in fact the whole European—proletariat. Such a party, with a broad proletarian base, politically and concretely anti-bourgeois and anti-Stalinist, would be the fulfillment of the greatest hope the revolutionary Marxists have known in years.

Teamster Union Orders Men Through MESA Picket Line

CLEVELAND—On January 5 a truck driven by a member of the Teamsters' Union (AFL) drove through a picket line which was manned by the Mechanics Educational Society of America, a union of machinists and allied workers.

The strikers were not asleep. The truck was liberally showered with bricks, chunks of concrete, etc. The windshield was smashed and other damage inflicted. But the truck got through, and, during the excitement, another truck (driven by another union teamster), sneaked in the other gate of the same plant.

The officials of the Teamsters' Union had announced a few days before all this that in the "dispute" at Wellman Co., the matter of going through the picket line was left entirely to the individual member.

Still later in the day the company came into Common Pleas Court asking a Court order to end the strike and also to stop all picketing. Maurice Hanning, the company attorney, said it was the first time a court had been asked to issue an order ending a strike, although requests for orders against picketing are quite common.

Referring to the suit, Mathew Smith, MESA National Secretary, said "The company can get all the injunctions it wants but that plant will not operate as long as our members are out."

Strike Paint Concern CLEVELAND — In a strike over wages, the 250 employees of the Patterson-Sargent Co., have been out since November 10, and are still on their picket line. This is a paint manufacturing concern that has always been noted for its low wages and hatred of unions.

Ohio FEPC Board CLEVELAND — It is interesting to note the composition of the Voluntary Board recently set up to handle FEPC matters in Cleveland. The plan was to have eight members appointed by the Mayor and eight by the Chamber of

Commerce. As was to be expected, the C of C men were heads of the biggest industries in the City, especially since the President of the C of C, Elmer Lindseth, is also president of the Cleveland Electric Illuminating Co., the greatest producer of electric power in the state of Ohio.

At its organization meeting a couple of days ago, William I. Ong, Director of Public Relations for The American Steel and Wire Co., was elected as Chairman of the newly formed Committee, that is the whole body of sixteen.

A move is on foot to pass a State law on FEPC. At present it is very hard to judge what the outcome will be.

Truman on the State of the Union—

William Green joined in the unanimous protest of labor against Truman on the point, John L. Lewis called his proposal a "foolish bill to strait-jacket American industrial relations."

Murray's radio speech further went on to say that "The administration has given lip service" to a lot of good things but "the complete failure to obtain such legislation has proved that the activities have been limited to a mere gesture."

This little story of the reaction of labor to Truman's "improvements which I recommended to Congress two years ago" is instructive.

The rest of Truman's remarks on this crucial question of labor policy go beyond the two-year-old proposal; clearly indicated is the retention of presidential power to use the injunction of strike-breaking. The message said:

"Jurisdictional strikes and unjustifiable secondary boycotts should be prohibited. The use of economic force [that is, strikes] to decide issues arising out of the interpretation of existing contracts should be prevented. Without endangering our democratic freedoms, means should be provided for setting up machinery for preventing strikes in vital industries which affect the public interest."

The groveling attitude of the leaders of the AFL and CIO has brought them to the point today where they are apparently willing to accept—or at least make no fight against—anything "their" President proposes, as long as it does not go over the name of Taft and Hartley. The one point upon which they have been yelling—actually a minor one, though not without significance—is the matter of a "one-package deal" versus a "two-package deal."

The question here is: Shall the T-H Law be repealed and the Wagner Act be re-enacted FIRST, and THEN the "improvements" taken up—or shall both be done at the same time? In the latter case (the so-called "one-package deal") the wrangling may be protracted, while all the while the T-H Law itself stands on the books.

Truman's message says nothing about this at all. (Consequently, Murray greeted the message as . . . giving labor all it wants!) The Democrat who is slated to be the head of the House Labor Committee, however, has been less close-mouthed. This administration spokesman, Representative Lesinski, has told reporters that Truman favors the "one-package" approach, as does Lesinski himself. (Lesinski also announced

A VIVID PAGE IN THE STRUGGLE FOR COLONIAL FREEDOM

Tanmalaka: Indonesian Independence Fighter—

(Continued from page 1) a "People's Front" of labor and peasant elements on a program of rejection of any compromise with the Dutch, such as led to the Lingajatti agreement of March, 1947, which has been described as "bringing neither independence nor early relief from economic pressure."

Incidentally, there is a formal resemblance between this Stalinist doctrine and the program of Social-Democracy, which is one very important reason these parties have difficulties in repulsing Stalinist blandishments. This is precisely what happened in Indonesia, where the Sjahrir Social-Democratic government had no difficulty in entering all kinds of political blocs with Stalinists and their fronts.

ence movement did not enter any of the rainbow coalitions which ruled the Republic after the war, preferring to maintain proletarian independence in the movement.

CP organized a rebellion against the Sjahrir government. The revolt failed and Tanmalaka and the other leaders were jailed.

However, in September, 1948, the Stalinists under the leadership of the Russian agent Muso, who had arrived in Indonesia only a few weeks previously to re-organize the party and assure its Stalinization, went into revolt against the Republic and set up an all-Stalinist regime in the City of Madoen.

Where he is now, what his political attitude is at this time is not known. Contact of direct nature has not existed for a decade or more, and now no real news from Republican areas is possible. All of the information re-

lated is pieced together from scattered sources. But from the known facts it is clear that Tanmalaka is a heroic and indefatigable revolutionist, dedicated to socialism and freedom.

On support to the Republican Government: there can be no doubt as to the progressive character of the Republic's struggle. It is a fight for the basic democratic right of the Indonesians to national independence, self-government and freedom from colonial oppression by a foreign conqueror.

The leadership of the Republic is democratic; it is not like Chiang's regime in China or Roxas' in the Philippines. It is a national coalition of several parties and classes. The initiative in this coalition belongs to the Socialist Party under Sjahrir and has the active support of organized workers and peasants.

The Constitution contains the following clauses: (article 33) "1. The economy shall be organized cooperatively. 2. Branches of production that are important to the State and that affect the life of most of the people shall be controlled by the State."

Nowhere in the Republican leadership are anti-democratic elements important—neither totalitarian nor Stalinist, feudal or would-be puppet elements. The greatest danger is of compromise, that sections of the Republican leadership will seek to come to agreement with the Dutch.

The action of the Dutch, who were reinstated to power by British troops in 1945, and American military supplies—has aroused the deepest revulsion among the peoples of Asia: the Delhi conference of 14 Asiatic nations to be held January 20 is a major development of unity of action against colonial oppression.

Defense of the Republic has become a rallying point with extensive ramifications. (There is one danger here too, however, and that is why socialists must follow these events most cautiously. This Congress is not only for the defense of Indonesia but many of its leaders are even more con-

cerned with the Stalinist victories in China. Some of them propose to rally around the standard of Britain as the unifying force for the East.)

SOCIALIST PROGRAM

For all these reasons socialists must unhesitatingly and unconditionally support the struggle for liberation of the Indonesian people whose political organ today is the Republic. Within the Republic, as within the United

What Is Tanmalaka Group in Indonesia? Editor: Although the general coverage given by LABOR ACTION to the Indonesian conflict has been excellent, some specific details of great importance have been omitted.

The most important of these concerns the internal factional struggle in the Indonesian labor movement. Information on this conflict is almost impossible to obtain and much more difficult to verify, but some reports indicate that besides the Stalinist and Socialist Parties, who took posts in the Republican government for a time, there is a Trotskyist group led by one Tan Malaka. An old revolutionary, this Malaka seems to have split from the Stalinists and to have been arrested by the Republicans.

Who is Malaka and what group does he head? Information on this group is of immediate importance to correct the tacit political support given by LA to the Republicans.

The reply which appears alongside is the first complete account of Tanmalaka to appear in this country, or in the English language, so far as we know.—Ed.

Asia movements, socialists should aggressively fight for independence from all imperialism, as well as oppose tendencies to join the Russian bloc; no reliance on the UN or its two imperialist factions. Liberty can only be won with the people.

Socialists have the special task of regrouping workers and agricultural laborer's cadres in underground leagues of struggle. Loyally, within the framework of the Republic, revolutionists should fight for the political hegemony of the masses on the basis of a radical program of land division, nationalization, and workers' and peasants' control. The strategy of class independence must be developed in a democratic manner, with utmost loyalty to the Republic.

that Truman is against putting the National Labor Relations Board under the Labor Department—another slap in the face to the "labor statesmen.")

The Economic Report

In his economic report Truman raises the question why "our economy showed strength sufficient to withstand shock of a kind which had ended earlier inflations with collapse," that is, why the United States has been able to avoid a post-war depression, at least so far.

The reasons given by Truman immediately after raising the question can be almost brushed aside if one is seeking fundamental reasons rather than mere contributory factors; these reasons are: "affirmative national policies," "greater caution in the business community," the farm price-support program, the greater strength and resilience of "our whole financial and banking structure," the social-security set-up, and finally: "Our working groups [by which is presumably meant those sections of the population that work for a living] were better supplied with current income and accumulated savings" than in 1920.

One other one, and a rich one: "Our businessmen, having become better informed, were more prudent." This in particular is so much hogwash. The very same report, a few hundred words later under a different heading, has a word to say on the main way in which "our businessmen" showed their "prudence":

"Profits in 1948 again surpassed all previous records and were rising throughout the year. Corporate profits after taxes amounted to about 21 billion dollars, contrasted with a record level of about 18 billion dollars in 1947. With sales booming, the ratio of profits to sales was again maintained at around 5 per cent after taxes. As I pointed out a year ago, such profits are in excess of the levels needed to furnish incentives and equity funds for industrial expansion and to promote sustained economic health [undoubtedly the greatest understatement of the year—H. D.] although some businesses have not thrived nearly so well as others"—for, example, we add, the corner grocery store as compared with U. S. Steel.

This is the greater caution in the "business community," which Truman cites as a factor in preventing collapse. There is not much point in going into the others either.

The real and effective factor is referred to in a sideswipe in an entirely different place in the economic message. This passage reads as follows:

"Expectations of continued inflation have added to the incentive for business investment, while the price rise has acted as a brake on the demand of consumers with relatively fixed incomes. The proportion of consumer expenditures in the total national product has never been lower in any peacetime year for which statistics are available. This is not an immediate problem so long as the sum of government expenditures, and net foreign investment is still rising. It could become a critical problem as those other factors begin to turn down or even to assume a declining relative importance in a constantly growing total economy."

And so despite the long list of anti-depression factors cited by Truman, the low proportion of consumer expenditures (what you and I are able to buy) could become "critical" for the economy if the three other factors were to fall. These three other factors, one sees above, are: government expenditures, business expendi-

tures and net foreign investment. The heart of these factors, in turn, is highlighted by a statement in the Annual Economic Report by Nourse and Keyserling, transmitted by the president together with his own message:

"Needs engendered by war and its aftermath of international tension continued during 1948 to overshadow the civil programs of the government and to exert crucial influence throughout the economy. It was necessary to hold back government programs urgently needed for peacetime growth and progress, while extraordinary activities to meet world responsibilities prolonged and strengthened the general forces of inflation. The enlarged expenditures for national security and foreign aid authorized in 1948 will impinge in 1949 upon a private economy still sensitive to inflationary pressures. Not only will total government spending be rising, but its impact in critical areas will be intensified."

What has shored up the economic structure has, then, not been the "prudence" and "caution" of "our businessmen"—who, as usual, are still concerned primarily with grabbing the greatest amount of profits ever recorded in the face of a situation characterized by the lowest proportion of consumer expenditures ever recorded. What has shored up the structure of American capitalism has been its increasingly large sector devoted to building an economy for war preparation as well as expenditures for past wars. If the United States had not run into economic crisis, it is be-

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