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political affairs

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A New Monumental Work Coming—

By WILLIAM Z. FOSTER

THE NEGRO PEOPLE IN AMERICAN HISTORY

A PUBLICATION OF INTERNATIONAL PUBLISHERS

"Comrade Foster's new book is a synthesis and an analysis of all the Marxist writings of the past on the Negro question and on American history. It represents a monumental contribution towards an understanding of the struggles of the Negro people and of the development of the Negro nation. The book provides the necessary theoretical clarity for a comprehension of the significance of the national liberation efforts of the Negro people.

"The book will prove to be a great weapon in the hands of the American working class for it demonstrates the necessity for the Negro-labor alliance. . . . It shows, historically and conclusively, the tremendous importance of the struggle against white chauvinism, a struggle in the self-interest of the working class. . . .

"This most recent book will advance our whole understanding of the Negro question in the U.S. and of the colonial and semi-colonial status of the peoples of Latin America. I am confident that this book will be vigorously spread throughout the labor movement, the Negro movement, and throughout our Party."—PETTIS PERRY, in *Political Affairs*, October, 1953

This Book Will Be Out in Time for Negro History Week

WATCH FOR FURTHER ANNOUNCEMENTS

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A Theoretical and Political Magazine of Scientific Socialism

Editor: V. J. Jerome

The "Daily Worker"—Fighter for Peace

By William Z. Foster

THE *Daily Worker* is 30 years old. It was founded in Chicago on January 13, 1924, with J. Louis Engdahl as editor. The anniversary should be made a special occasion by the Communist Party and other Left and progressive organizations. For the *Daily Worker* and the week-end *Worker* constitute the sharpest journalistic weapon in the hands of the working class and by far the greatest press achievement ever accomplished by the labor movement in this country.

During the past century or more of class struggle, the workers, the Negro people, and the farmers have produced many notable journals—among them McDonnell's *Labor Standard*; Garrison's *Liberator*; Douglass' *North Star*; Susan B. Anthony's *The Revolution*; De Leon's *Daily People*; Debs' *Appeal to Reason*, and scores of others; but for loyal service to the working class and its allies and for a rugged battle for survival in the midst of a host of foes, the *Daily Worker* stands second

to none. The continued fight of the *Daily Worker*, with its unbroken publication over a period of a generation, is one of the real sagas of the American labor movement. It is a monument to the tireless support and boundless devotion of its readers and to the courage and ability of the men and women who have gotten out the paper all these years.

The *Daily Worker* was launched and supported for many years as an official organ of the Communist Party, but on August 1st, 1940, it was re-organized on an independent basis. The paper then passed into private hands, under conditions which allowed the editors full power to continue the paper along militant lines—as a fighting Marxist journal—which they have done ever since.

A GENERATION OF STRUGGLE

The *Daily Worker* was born at a critical moment in the history of the labor movement. The unions were just recovering from the heavy de-

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feats suffered in the employers' offensive of the early post-World War I period. The more progressive unions were heading towards a Labor Party, which the *Daily Worker* supported; while the more conservative among them were taking up the crippling B. & O.* class collaboration policy, which the *Daily Worker* militantly opposed. The *Daily Worker* also distinguished itself in the great movements of the unemployed in the period of the deep crisis of 1929-33, and it was also in the forefront of the big organizing drives and strikes of the late 1930's which unionized the basic industries and founded the C.I.O.

One of the very greatest services of the *Daily Worker* was its leadership in the fight against Hitlerism during the 1930's and 1940's. No paper in this country had so clear a line as to what was taking place in the world and as to what had to be done about it. In this period the paper was a big factor in organizing the Lincoln Brigade, which fought so bravely in Spain against Franco and his Hitler-Mussolini allies. During World War II the *Daily Worker* was also in the forefront of the whole American labor press in clarifying the issues of the war, in advancing the no-strike pledge, and generally in mobilizing the workers for the world-important task of militarily destroying fascism.

The most glorious of all the many struggles of the *Daily Worker*, how-

ever, has been its all-out and tireless support of the cause of the Negro people. For years, while the great bulk of the labor press generally ignored the outrageous persecution, discrimination and exploitation of the Negro masses, the *Daily Worker* championed their fight uncompromisingly. Its struggles against lynching, against Jim Crow, against the poll tax, for admission of Negro workers into industry, into trade unions, and into housing projects, against all manifestations of white chauvinism, and its gallant battle in the Scottsboro, Martinsville, and countless other brutal frame-up cases against the Negro people, were invaluable contributions to the general struggle of the Negro masses. The *Daily Worker* has also actively fought against the insidious poison of anti-Semitism and other forms of racism.

From its inception, the *Daily Worker* has always been in the forefront of the mass struggles against the frame-up cases of labor fighters which have so often stained the pages of American history, most of which struggles, unfortunately, were largely ignored or sabotaged by the general labor press. MacNamara, Sacco and Vanzetti, Mooney and Billings, the Scottsboro Boys, Herndon, and Julius and Ethel Rosenberg, are only a few of the names of the many great labor cases supported with characteristic militancy by the *Daily Worker*. The hundreds of foreign-born workers arbitrarily deported by the government in the past decades, too, have always found an active

* The Baltimore & Ohio R.R. plan.

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champion in the *Daily Worker*. And especially vital are the services of the *Daily Worker* in the current struggles against the jailing of Communists and other Left-wingers under the Smith, McCarran, and other thought-control laws.

One of the very greatest achievements of the *Daily Worker* was its courageous and intelligent stand against the reactionary Korean war and for the establishment of an armistice. In the face of wild denunciation, the *Daily Worker*, together with the *Freiheit*, *People's World*, and a few other Left-wing papers, stood virtually alone in denouncing this imperialist war. Their stand came finally to be fully justified, however, by the hatred of the American people for this war which they called "utterly useless."

The *Daily Worker*, in the true Marxist spirit of what a workers' paper should be, has not only led in all the strikes and other daily fights of the workers during the many stormy struggles of the past thirty years, but it has also carried on a ceaseless educational campaign in the elementary working-class principles. It has, in its consistent spirit of internationalism, carefully followed and supported the struggles of the world's workers for Socialism and it has tirelessly explained the experience of the Russian, Chinese, and other peoples in the building of Socialist regimes. There has been no interest of the working class—war, strikes, labor news, sports, education, or art, in which the *Daily*

Worker has not, through the years, devotedly concerned itself.

PRESENT ATTACKS UPON THE PAPER

From its inception the *Daily Worker* has had to face a violent barrage of capitalist attack. Never was this assault more severe, however, than at the present time, in the current rise of the McCarthyite profascist, pro-war hysteria. The red-baiters in Washington have not dared to try to suppress the paper outright, although the McCarran Committee has already made such a threat. The witch-hunters, however, have surrounded the paper and its staff with a poisonous fog of red-baiting and persecution which, they hope, will finally kill the paper. The *Daily Worker* is in growing danger from their mounting assaults.

The viciousness of the attack against the *Daily Worker* is expressed graphically by the fact that its editor-in-chief, John Gates, has been in jail at Atlanta for over two years, framed up under the Smith Act, by professional perjurers, on the criminally absurd charge that he conspired to teach and advocate the violent overthrow of the United States Government. The *Daily Worker's* Pittsburgh correspondent, James Dolsen, likewise is in jail, under an outrageous sentence of 25 years for "sedition"; its Detroit correspondent, William Allan, is now on trial under the Smith Act; and the Philadelphia representative until recently,

Walter Lowenfels, awaits trial under that law. These persecutions make a mockery of the Constitutional provisions for freedom of the press.

Under all these fierce attacks, the *Daily Worker* and *The Worker* have suffered considerable losses in circulation. From 1949 to the present time, during the period of the most acute war hysteria and ideological terrorism, *The Worker's* weekly circulation has declined from 84,000 to 27,500, and the sale of the *Daily Worker* has dropped from 22,500 to about 10,000. These losses have been caused chiefly by the intimidation directed against distributors of the paper and against readers who buy the papers on the newsstands or have it sent to their homes through the mails. The people's freedom has sunk to such low levels now in the United States, that it is almost a crime in itself to be seen reading or receiving a Left-wing paper.

Most of the circulation losses, however, could have been avoided by a more skillful distribution of the paper. In earlier years, the Party circulated the *Daily Worker* and *The Worker* largely through its own organizational apparatus; but this sound method of circulation through readership apparatus has lately been much neglected. Newsstand and mail circulation is almost the sole reliance of the papers. These methods must, of course, be utilized to the fullest extent possible, but they should also be supplemented by a far more systematic and vigorous distribution through readers, partic-

ularly of the Party. This is a matter of the greatest importance for the survival of the paper under the attacks to which it is being subjected.

The *Daily Worker* is a rugged paper and it has surmounted dozens of financial crises, any one of which would have destroyed a bourgeois journal. Ordinarily, American newspapers derive up to 80% of their revenues from advertising, but of course this is but a minor source of income for the *Daily Worker*. It has to depend almost exclusively upon what it receives from the sale of the paper and from workers' donations. It is imperative that these sources of income, under the increasing assaults of reaction upon the paper, be greatly augmented. To do this requires, without fail, far better organized support from the Communist Party and from all other Left and progressive organizations, whose defender the *Daily Worker* is. The management's aim is to restore, in 1954, the average circulation of *The Worker* to 32,000 and of the *Daily Worker* to 11,500. These goals should be relatively easy of achievement, if proper Party support is developed for the paper, in the shops, the unions, and the neighborhoods.

THE VITAL POLITICAL STRUGGLES AHEAD

Never, in all its history, was the *Daily Worker* so keenly needed by the working class, the Negro people and other democratic forces as it is now. Particularly at this time, when the country is facing most crucial

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problems, national and international, and when the reactionaries are saturating the political atmosphere with a deadly fog of thought control, warmongering, and ideological confusion and terrorism, is there the sharpest necessity for the clear-headed and courageous voice of the *Daily Worker* and *The Worker*.

In order to grasp the important need for the *Daily Worker* and *The Worker* in the present conditions it is necessary to bear clearly in mind the following basic elements of the world situation:

The first of these is to realize that Wall-Street imperialism is definitely orienting upon dominating the world. It pushes relentlessly on this course because, as the greatest of imperialist countries, it is pushed on relentlessly by inner forces to dominate the markets and raw materials of the world. It does not brook the competition of capitalist rivals, and the existence in the world of the U.S.S.R., People's China, and the European People's Democracies is intolerable to it.

The second basic element in the world situation is that the Soviet Union, and the other countries on the road to Socialism, are refusing, and will continue to refuse to yield to the domineering attitude of Wall Street. American imperialism, with its ruthless policies, has succeeded in setting up a partial and shaky hegemony over the capitalist world, but it cannot intimidate and subjugate the Socialist sector of the world by its political blackmail, economic boycott, and military threats.

The third elementary world fact to remember is that in order for it to break through the Socialist opposition, Wall Street is convinced that a third great war is indispensable. Therefore, they are orienting towards such a war. Another world war would be suicidal, and the Wall Street forces could not possibly win it; but they are gambling upon it nevertheless. There can be no other possible meaning than this to their A- and H-bomb diplomacy, the building up of an immense armed force here and among this country's allies, the dotting of the whole capitalist world with American air bases, and the insistent cultivation of war-breeding McCarthyism in this country.

The fourth important element to grasp in the international situation is that, more and more, American foreign policy is proving to be a failure, and the prospect of the Anglo-American war alliance walking willingly, as planned, into a war against the Socialist world, as fascist Germany, Japan, and Italy marched into World War II, is becoming more and more unlikely. This is because the pressure of the rising peace spirit among the masses in the capitalist countries, including the United States, is hamstringing the action of their respective governments and is making it more difficult for them to follow an obviously offensive war policy, however eager they may be to do so. One general consequence of this situation was the armistice in Korea, which was forced through by these peace-

loving masses in the face of determined efforts by Eisenhower, Dulles, and Company to keep the war going.

The fifth essential world element to bear in mind is the possibility that Wall-Street imperialism, which is basically resolved upon war, may, in the face of the rising peace sentiment in the world, try to precipitate the war and drag its unwilling allies into it, by provoking some incident as a pretext for launching a sudden general war. This is a terrible possibility, but it cannot be ignored, when we remember what desperate capitalist gamblers there are now dictating United States foreign policy. This putschist danger is all the greater because it is the stated program—the so-called “liberation” policy, of the Government to instigate civil wars in the Socialist countries. The June 17th “demonstration” in East Germany, organized by State Department agents, was such an attempt. Had it been successful it would have caused a great German civil war that could have expanded into a world war. This insidious incident indicates the reality of the danger that now exists of the world being suddenly plunged into war.

With the powerful forces of American imperialism pushing relentlessly towards war, the war policy of Wall Street carries in itself the profoundest dangers to this country and the world. To help to avert this grave menace, the *Daily Worker*, and such pro-peace papers as *The People's World* and the *Freiheit*, are imperatively necessary. It is a fact,

of course, that the American and other peoples of capitalist countries are making a certain resistance, in a rising degree, against the Wall Street warmongers. But this is far too hesitant and confused to be relied on. This is because the chief leaders of the trade unions, Negro organizations, farmers' and other mass democratic groups in this country are themselves following a red-baiting war policy which definitely feeds the pro-war moves of Wall Street and its political agents.

It takes a paper like the *Daily Worker* to analyze the war-fascist dangers, increasingly to make them clear to the masses, and boldly to take a stand against them. Contrary to the current madness of the war perspective of Wall Street, the *Daily Worker* must help teach the workers that the hope of the world is for peaceful co-existence between the U.S.A. and the U.S.S.R. Any other perspective is sheer insanity. Now more than ever, the *Daily Worker* is indispensable.

Through the years, the *Daily Worker* has been built and maintained by boundless effort and sacrifice by its readers. This fine spirit must be continued and increased. But above all, the fighting *Daily Worker* must henceforth be given real organized mass support, from the Party and all Left and progressive organizations, far more than it has been getting for many years past. If this support is forthcoming, a new period of growth and effectiveness will open up before this greatest of all American working-class papers.

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Speech Before Being Sentenced

By Bob Thompson

Bob Thompson, Chairman of the New York State Communist Party and member of the Party's National Committee, was sentenced, on December 16, by Judge Noonan, to serve four years in prison for "contempt of court." The "contempt" lay in the fact that Comrade Thompson was a political refugee from persecution under the fascist-like Smith Act. Judge Noonan's four-year sentence for "contempt" was added to Judge Medina's three-year sentence for "conspiracy."

Comrade Thompson, a leader of the immortal Lincoln Brigade, which nobly defended the Spanish Republic, and winner of the Distinguished Service Cross awarded by the U.S. Army for extraordinary heroism in combat during World War II, thus faces seven years as the political prisoner of Wall Street.

Before being sentenced, Comrade Thompson rose to address the Court. On such occasions, Courts generally allow wide latitude, and Comrade Thompson sought to speak, as is customary, on the motives which impelled him to his course of action. But, as the so-called Justice Department refuses to recognize political prisoners, so Judge Noonan refused to listen to the political motivations which, in fact, brought Comrade Thompson before him. Comrade Thompson was cut off, the Judge saying he did not want to hear a political speech.

Political Affairs brings to its readers the complete text of this Court-censored speech. It shows again that the cause of the Communists is the cause of the American people, and that amnesty and repeal of the Smith Act are urgent needs of our country.

Your Honor:

It is two years since my conviction was upheld under the Smith Act. Precedents in that case, and in the subsequent case of Gus Hall, my fellow member of the National Committee of the Communist Party, were established which I hope will be short-lived ones. I hope that we will not be followed shortly into jail by a parade of new victims from the unions, by new political prisoners of all shades of opinion.

There are ample grounds for concern that this may happen. Only

four years have elapsed since Mr. Eugene Dennis, General Secretary of the Communist Party, and ten other members of its National Committee, were convicted under the Smith Act. One cannot lightly forget that these four years have seen the wave of persecutions started by that conviction spread through labor and liberal circles to the point where they now threaten to engulf a very non-liberal ex-President and his Cabinet.

It is high time, Your Honor, that thinking men in all walks of life

realize that the attempts of the last four years to legalize the Communist Party and the current bold bid for national power by the McCarthy mob are two sides of the same coin. You can't have one and say "no, thanks," to the other. Truman, Clark, McGrath and McGrannery are political monuments testifying to this fact. They dealt themselves in on McCarthy's game of "Red menace" and are now paying the piper. Perhaps their example will speed the closing of a chapter of disastrous dissension and disunity in labor and liberal ranks over a fictional Red menace and mark the beginning of a powerful united counter offensive to stop McCarthyism in its tracks. My Party offers the hand of sincere cooperation to all who will fight against McCarthyism, to all who will fight for a restoration of sanity and democracy in our national political life. For its part my Party will let no past differences stand in the way of that unity and co-operation.

Your Honor, last night I tried to recall the number of mass trials of Communists that have been staged or are in the process of being staged since that fateful Foley Square trial of National Committee members of the Communist Party in 1949. I counted ten such mass trials and I may have missed one or two. New York, Pittsburgh, Philadelphia, San Francisco, Baltimore, Seattle, Detroit, Cleveland, St. Louis, Hawaii—in fact it would seem that by now almost every major city and every area of the country has been allotted its anti-Communist production with all

the appropriate stage trimmings of Budenzes, and Lautners. Attorney General Brownell assures us that there are an unlimited number of similar productions in the offing.

A casual observer of the American scene might imagine that all these F.B.I. middle-of-the-night knocks on the door, mass arrests, and mass trials of Communists would by now have pretty much leveled, or at least very much eased, any threat to the existing order of things in our country. Yet this is clearly not the case. On the contrary the very period of this hysterical Government witch-hunt against Communists has seen the shaping up of the most formidable threat to our existing form of government since the Southern Slave Confederacy challenged the Union at Fort Sumter.

The explanation of this seeming paradox is not hard to find. The Communist Party at the time of the Foley Square trial of its national leaders did not threaten the overthrow of our present form of government. Now, four years, ten mass trials and hundreds of arrests later—it still represents no such threat. A hundred more such mass trials and ten thousand more such mass arrests will neither increase nor decrease by one iota a non-existent threat. The essence of my Party's political program and activities is the defense and extension of the institutions and traditions of democracy in our country, not their overthrow.

Why then are we confronted with a grave internal threat to our present

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way of life? The reason is that while the F.B.I. has been swarming into the factories, mines and farms of our country after Communists, the real conspirators have been planning and organizing in the privileged sanctuaries of their corporation offices and bank suites.

Yes, there is a clear and present danger threatening the existing way of life in our country. But this danger does not come from a working class prepared to move forward to the socialist transformation of our country's economic and political structure. It comes from the opposite quarter of the political and social compass. It comes from ruthless circles of finance capital whose ambition is a fascist America ruling over an enslaved world. It comes from the cynical Big Business circles who are the brains and the money behind the McCarthy mob.

Yes, it is the McCarthy mob, the advance guard of fascism in our country, which threatens to destroy the established order. Theirs is the conspiracy which seeks to transform our America of today into the Nazi Germany of yesterday. It is they who can no longer live with the freedoms of speech and of political parties guaranteed under our Constitution and Bill of Rights and who conspire to subvert these with their Smith Acts and Congressional witch-hunts. It is they who can no longer live with labor's dearly won rights to organize, to elect without interference its own leadership, to bargain collectively and nationally, to strike for its demands, and who work with might

and main for the scuttling of these rights through their Taft-Hartley Act, their blacklists, and their preparations for union-busting open-shop drives. It is this McCarthy mob who can no longer tolerate academic freedom and an unregimented youth and who invade the class rooms with their inquisitions and their demands for universal conscription. It is they who can no longer live with Federal restrictions over the Dixiecrat lynchers and under the slogan of return to "State's Rights" demand a free hand in the South for the lynchers and enslavers of the Negro people.

Yes, it is the McCarthy mobsters who cannot live with Robin Hood, or Walt Whitman, or Theodore Dreiser, or Paul Robeson and who would substitute lead pipes, assassinations, and lynch mobs for their great contributions to human decency and comprehension in the American cultural pattern.

Your Honor: Once upon a time, and not long ago, a story was told in various political circles to the effect that the great issue confronting our country was who would overthrow the existing form of government first—the Communists or the fascists. The tellers of this story dubbed themselves spokesmen for the political center. Theirs was supposed to be the respectable method of opposing McCarthyism. It was also supposed to be the safe way, for many at that time believed that McCarthy would tolerate opposition to McCarthy if only Communists were first attacked.

What a sorry fairy tale this turned

out to be! Too long has it enabled the McCarthy mob to parade as a necessary evil. Too long has it provided the moral and political camouflage justifying the support and protection of the Brownells, Dulleses and Eisenhowers without which McCarthy could never have grown to the menace he is today. Too long has it robbed labor and its allies of their only really decisive weapon in the struggle against fascism—unity of their own ranks. Now is the time of decision for those tellers of fairy tales. Either they must bury their fable of red menace or McCarthy will bury them. There is no way under the sun of appeasing the McCarthy mob. There is only one way of successfully fighting it. That way is the achieving of unity of action in labor's ranks on a fighting program of defense of democracy. That way is the forging of a great common democratic front of all decent people in all walks of life to check and defeat McCarthyism. The program and activity of my Party is wholly and unreservedly devoted to these objectives.

Your Honor: The question of my motives in not appearing for imprisonment under the Smith Act has been raised in this trial. The Government prosecuting attorney has done his best to picture them as secretive and sinister. This is unadulterated nonsense. My motives are political and are openly and frankly declared. By their very nature they become meaningless unless they are known to and shared by the widest possible numbers of people. Simply

stated they are:

First—to do everything I can to bring popular pressure to bear for a reversal of the policy of organizing a third world war. My Party, the Communist Party, was the first political party in the United States to brand the policy of attempting to build a war alliance against the Soviet Union as disastrous for our country and to call for its replacement with a policy of negotiation of international disputes and of collaboration with the Soviet Union in the interests of world stability and peace. It was the first Party to call for an end to the criminal slaughter in Korea through truce negotiations. How, in the light of events, can I, or any other member of my Party, be other than proud of this record?

Now I am aware that there exist in our country widely different points of view on questions of war and peace. For example, Mr. Charles Wilson—so generously lend-leased to the Eisenhower government by General Motors—and I don't look at matters from the same point of view. He considers that anything that is good for General Motors is good for the country. He hasn't yet, and probably never will, learn the difference between a war contract and a casualty list. He hasn't yet, and probably never will, learn the difference between the interests of a corporation and of a nation, the difference between loyalty to a board of directors and loyalty to one's country.

Now I believe that it is just as preposterous for Wilson, the hireling of General Motors, to decide ques-

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tions of war and peace for the American people as it would be for him to represent the United Auto Workers in contract negotiations with General Motors. I believe that it can be just as disastrous for the American people to let General Motors and U.S. Steel continue to run the United States Government, as it was for the German people to let I. G. Farben and Krupp run Germany in the years before World War II.

Now if it were just members of my Party, the Communist Party, who want to take questions of war and peace out of the hands of Wilson and Dulles, the problem confronting U.S. Attorney Brownell and his officers would be relatively simple. Then his program of attempting to drive my Party underground through continuous Smith Act persecutions would at least have the merit of making sense from Charlie Wilson's point of view. But what, may I ask, is Attorney General Brownell going to do in a situation where millions of Americans become so fed up with policies that cost us 150,000 needless casualties in Korea that they, together with world opinion, force an end to the criminal slaughter there? What is he going to do in a situation where popular opinion in our country and throughout the world makes it impossible to rekindle the Korean war? How is he going to deal with a situation where millions of people are daily becoming more disgusted and ashamed of policies which make the cry "Go Home Yanks" a popular slogan in the streets of Paris, London, Rome and

Tokyo? How is he going to handle the millions of ordinary folk from Maine to California who are fed up with war hysteria and daily promises of atomic war to come?

Now Senator McCarthy has an answer to all these problems besetting Attorney General Brownell and he is doing his best to make his answer the program of our Government. McCarthy's solution is to label anyone who disagrees with Government war policies, or more properly speaking, anyone who dares disagree with his version of Government war policies, a Communist and then haul him into court or before an investigating committee and throw him into jail. Unfortunately McCarthy is having no little success in forcing the Eisenhower Government into line with his program. Every move that Attorney General Brownell makes, every additional trade-union leader he indicts, every new Smith Act prosecution, every trial such as this one, carries the McCarthy program one step nearer to becoming official Government policy.

The fact is that the McCarthy program has several fatal weaknesses. The most outstanding of these is that it is founded on war hysteria, its success depends on keeping our country involved in war or on the verge of involvement in war. This is becoming an increasingly difficult thing to do. McCarthy has had his Korean war taken away from him and the American people together with the peace forces of other countries aren't going to let anyone re-start it. The hopes of those who bank on a third

world war are at the lowest ebb of any time since the end of World War II. Of course, the ambitions of the war crowd die hard and there always remains the serious danger that they will organize fresh war crimes.

My Party believes, and I believe, that the ending of the Korean war under popular pressure and through negotiations can mean far more than a momentary check to policies that are driving the world to war and our country to disaster. Popular pressure can force a reversal of these policies. The nightmare danger of an atomic war can be ended and the building of a lasting peace instead of a war alliance begun. The peaceful co-existence of the capitalist and socialist sectors of the world can be achieved. In order for this to happen the unions and popular organizations of the farmers and Negro people must have a bigger say on questions of war and peace and must begin to take the settling of such questions out of the hands of men like Wilson and Dulles. This is what my Party is working to bring about. This is my objective.

My second motive is to do everything I can to help block the rise of fascism in our country and to secure the full restoration of the Bill of Rights and Constitutional democratic government.

The Communist Party of our country shares with the Communist Parties of other countries the honor and distinction of being the sworn enemy of fascism. Fascism has never come to power in any country without as

its first act illegalizing the Communist Party of that country. The driving underground of Communist activities and parties is the hallmark of the rise of fascism.

Now, my Party, the Communist Party of the United States, has not been driven underground despite all attacks by the Government these past number of years. As a matter of fact, it ran a candidate on the People's Rights ticket for the office of District Attorney, Mr. George Blake Charney—one of my own attorneys at this moment—in this city in the last elections. It is putting out its publications and conducting its activities as the open Marxist political party of the American working class despite all forms of persecution. But it is no thanks to the Government and the Attorney General's office that it has not been driven underground.

The thanks for this belong to the thousands of members of my Party, whose heroism and spirit of self-sacrifice has never faltered no matter what the attacks. It belongs to the warm sympathy and support which my Party has received in various forms from wide sections of working people during these trying years. By preventing the Communist Party from being driven underground these splendid men and women have prevented our country from duplicating a cardinal feature of the political situation that existed in the fascist Axis powers before World War II. They have made, and are making, an indispensable contribution to the cause of a democratic America.

Your Honor: I have no desire to repeat in my poor fashion legal arguments already set forth so ably by my attorney, Mrs. Kaufman. I would, however, with the Court's permission, like to say a few words on the significance in these times of a submissive attitude towards reactionary political laws such as the Smith Act which undermine at its foundation the structure of democracy in our country.

In the course of two wars I have had the experience at various times of fighting against the soldiers of fascist Germany, Italy, Franco Spain and Japan. These men, against whom I and so many other Americans fought in what President Roosevelt called the war for survival against fascism, were in their vast majority regarded as law-abiding citizens by the courts of their respective countries. At the time when laws were passed persecuting and then illegalizing working-class political parties, they did not protest and they did not disobey. When laws curtailing and then destroying the rights of free speech were enacted they did not violate them. When the right to strike was eliminated and unions disbanded, they complied. When laws were passed sentencing people of Jewish faith to death camps, they carried these laws out. When academic freedom was destroyed and youth militarized, they obeyed. When government decrees were issued to violate the territories and destroy the national independence of other peoples, they dutifully executed them.

Bowing before laws paving the way for fascism did not save the peoples of Germany, Italy, Spain or Japan from national catastrophe and dishonor. It did not prevent them from committing crimes against humanity that will live as long as recorded history. It did not save their countries—or our country—or the world—from the horrors and ravages of war.

Your Honor: My Party didn't believe in appeasement of Hitler and it doesn't believe in appeasement of McCarthy. It doesn't believe that victory over fascism lies through surrender to McCarthyism. It doesn't believe that capitulating before those who undermine and subvert the Constitution and Bill of Rights is the way to defend the Constitution and Bill of Rights. It does believe that the way to defend democracy is to fight for it. It does believe that the way to defend inalienable democratic rights is to refuse to surrender them. It does believe that the people of our great country so love and honor its democratic institutions and traditions that they will never honor infamous laws which attempt to illegalize the defense of their institutions and traditions.

As for my Party, Your Honor, I would like to assure this court that its organization and its anti-fascist activities are on the American scene to stay no matter what McCarthy and his helpers do. It will continue to work tirelessly for wiping off the books such legislative products of an earlier war hysteria as the Taft-Hartley Act, the Smith and McCarran

Acts, and witch-hunting Congressional Committees. It will always and everywhere unite with all patriotic Americans to speed the day when the people of our country eliminate permanently from public life Senator McCarthy and the powerful mob of atomic war advocates, union mobsters, and Negro haters that he symbolizes.

I have mentioned one fatal weakness of the McCarthy program, the fact that it is founded on a war hysteria that cannot under today's conditions of the strength of the forces of peace be long maintained. A further fatal weakness is that it is founded on contempt for the great mass of people of our country. It underestimates their courage, their democratic instincts, their wholesome common sense.

My third motive, and this is of a somewhat longer-range nature, is to do everything I can to bring about by democratic methods a basic change in the composition of the Government of the United States. I want our country to have a Government which promotes the defense and extension of democracy, not the growth of McCarthyism. I want our country to have a Government devoted to increasing the well being of workers, farmers, professionals, and small business people, not the profits of a few giant corporations.

In short, Your Honor, I want our country to have a Government in which the unions and popular organizations of the farmers and Negro people have the same decisive voice that General Motors and U.S.

Steel now have in the Eisenhower government. This would be a government of Peace and Prosperity for our country. It is my conviction that such a government would open wide avenues for a future democratic transition to Socialism in our country.

Your Honor—these are my motives. They are open and frankly declared political motives. In them can be found the reasons for my conduct.

Allow me to say one more thing in conclusion. I consider the verdict of this court in my trial a disservice to the Bill of Rights and the interests of peace. I did not expect a different verdict. In high circles in our country today the kind of courage required for a different verdict is a rare commodity. But, if there is a dearth of courage and democratic spirit in high places there is plenty of it in the plants, in the mines, and on the farms of our country. This courage and democratic spirit cannot be illegalized, it cannot be deported, it cannot be stabbed or clubbed to death, it cannot be sent to Alcatraz. It is beginning to assert itself and that is a major reason we now have a truce in Korea. It will re-invigorate with a democratic spirit our national political life and wipe out the stench of McCarthyism and atom-bomb diplomacy.

That is why, Your Honor, I now await whatever sentence you see fit to hand out in a spirit of calm confidence in the future of my country, my class, and my Party.

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Questions of Wage Policy

By Charles T. Murray

(The following is an extract from the Report on Trade-Union Work, delivered at the recent National Conference of the Communist Party.)

ONE OF THE outstanding features of the main report* to this National Conference is the way in which it centers its attention on the developments in the labor movement in relation to each and every question under discussion. And that is as it should be. For no significant step forward can be made in the fight for peace, in the struggle against fascism, without involving the basic sectors of the working class and their unions.

The organized labor movement is that force which, once it is moved into action, gives the guarantee that the American people will be able to realize the enormously enhanced possibilities for defeating the present drive to war and halting the giant steps already taken to convert our government into a fascist adjunct of American monopoly capital.

The working class does not want war. The workers have the most to lose from the attacks upon bourgeois-democratic rights. The farmers, the Negro liberation movement, and even vacillating liberals, can have

no perspectives of permanent victories over reaction, except insofar as their struggles are firmly bound up with and develop under the leadership of the working class and its organized sector, the trade unions.

The primary role of our Party is to direct its energy toward aiding the labor movement to play this most important role.

Events of the last few months demonstrate that sections of the labor movement are developing an increasingly militant role on a whole series of fronts. This has been true in relation to labor's desire for peace and its opposition to expansion of the war in Korea. It has been seen in the increasing on-the-job struggles against the employers. It is most outstanding in the recent unity developments which include some of the most important sections of the labor movement.

The agreement in the oil industry, in the packing industry, between the National Association of Masters, Mates and Pilots, and the Marine Engineers Beneficial Association, are all in the direction of combining the strength of the workers in vari-

* Andrew Stevens, *New Opportunists in the Fight for Peace and Democracy* (New Century Publishers, N. Y., 1953).

ous unions in a common economic struggle against the companies. The discussions between John L. Lewis and David McDonald indicate the concern with the necessity to present a common front against the steel barons, who also own some of the largest coal mines in the country.

* * *

This is an extremely important development. It is the first step in the direction of re-establishing the kind of unity in wage negotiations that existed in the labor movement in '46 and '47. The unity of the bulk of organized labor at that time around a specific wage demand was successful in forcing the companies to grant the highest wage concessions to the workers in the history of the trade union movement. Since '47, differing expiration dates, differing demands, the introduction of all sorts of Social-Democratic and employer wage formulae have brought less financial gain to the workers in each annual wage struggle.

The success of the Social-Democrats in preventing the unity of the workers on this central economic and class question has been one of the major factors contributing to the increased exploitation of the workers in the last period.

On top of this they have devised a series of formulas as a substitute for the wage struggle. Among the most important of these have been the package settlements, the escalator clauses and the long-term speed-up contracts.

Since the War Labor Board days of World War II, the trade-union leadership has generally contented itself with the so-called package settlements based primarily on fringe demands. Certainly many of the fringe demands which have been won constitute highly important gains for the workers. The welfare plan in coal and in longshore on the West Coast have made an important impact on the conditions of the workers in those industries. However, the idea of package settlements was originated in order to circumvent the wage freeze rather than to attack it. In most of the industries the demands won did not result in any significant gains for the workers. In auto and steel, such things as pensions have meant very little to the workers, who must be 65 years of age and remain 25 years in a shop, before they can get even a pittance.

The attempts, particularly by the Social-Democrats, to seek out forms of settlement that avoid a direct wage struggle resulted in a series of economic formulae, such as escalator clauses, productivity factors, automatic annual increments, etc. When we take all these formulae and relate them to the negotiation of long-term speed-up contracts with the main emphasis on the so-called fringe benefits, we can clearly see that this line not only attempts to avoid the direct wage struggle of the workers, but has as its objective the imposition of a series of contract clauses

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which make the workers more dependent on the employers. In many instances the fear of job loss is tied in with the fear of loss of benefits, which are dependent on sustained employment with a single boss.

Incentives and piece-work rates are another special favorite of the Social-Democrats which results in weakening the health, and lowering the standards, of the workers.

As Marxists we are not partisans of any particular form of wage payment. We struggle for the abolition of the entire wage system. Yet at the same time it is necessary for us to point up those forms of wage payments that tend to increase the exploitation of the workers and to do battle against them. Incentives, bonus and piece work rates are among those forms.

These forms of wage payments, essentially dependent upon the degree to which the individual worker will intensify his rate of production, do their greatest damage to the health of the workers. To the degree that these systems of wage payment are imposed, to that degree the rate of accidents increases.

More than that, the workers only receive a portion of the return on their increased production. The greatest amount goes as profits into the pockets of the employers.

Incentives, bonus and piecework rates are a most vicious form of self-imposed speed-up. They give the employer more work with a smaller number of workers and thereby in-

crease unemployment. They leave the low base rates untouched and force the workers to intensify their output in their losing battle with the increased high cost of living and the bloated war tax program.

In effect the workers are reduced to competing among themselves in order to make a week's pay, rather than being united in a common struggle against the employers for adequate wage increases.

The pattern of incentive and bonus rates has by now in some instances become deeply ingrained in the wage structure. Therefore our opposition to these forms of wage payments must include a struggle against their worst evils in cases where they exist and have been accepted by the workers.

The program adopted by the six Youngstown Sheet and Tube locals is an example of how to approach this problem. They adopted the following 7-point program:

1. No unsafe speed-ups.
2. Continuance of present working force.
3. Pay-off at the rate of at least one percent in earnings for each one percent of increased production.
4. Incentives to be figured in pounds, tons, feet, pieces, etc., in order that every employee can figure his individual earnings.
5. Incentives cannot be changed at will by the management.
6. Coverage for all employees participating directly and indirectly in production.
7. Recognize the principle that an

employee cannot be forced to work at an incentive pace.

The question of the direct wage struggle is now increasing in importance, in spite of the line of the Social-Democrats. This is so, first, because the employers are sharpening their axe for direct wage cuts, and already have taken steps in that direction in such industries as textile and farm equipment. Second, because what the worker gets in his pay envelope is related to the tremendous rise in the cost of living. Third, the top trade-union leaders, convinced that an economic crisis is developing, are giving some attention to wage increases. They say an increase in the purchasing power of the worker is necessary to prevent the economic crisis. While we know this Keynesian vision of preventing the outbreak of a crisis is false, we do agree that the workers are entitled to substantial wage increases to help shift the burden of the pending crisis, to some extent, from their backs.

Both from the viewpoint of the defense of existing standards, as well as the fight for wage increases, we see the question of the wage struggle beginning to reassert itself as the central economic demand of the workers.

Most of the basic wage settlements for 1953 have already taken place, with the important exceptions of coal, longshore in the East and railroad. Wage settlements have been made in auto, steel, marine, garment,

electrical, and in a number of other industries. The settlement in steel, of course, was the most important.

The steel settlement, which was the highest in basic industry, included two factors of significance. One was the elimination of the North-South differential, which by acceding to the special demands of the Southern workers, and in the first place the Negro workers, was an important step in unifying the union. Second, was the 8½ cents across-the-board wage increase, going equally to the 32 wage classifications, instead of the pro-rated increases of the past which gave substantially more to the higher paid workers and tended to widen the gap between them and the low-paid workers in the industry. This not only created resentment among the low-paid workers, but also tended gradually to undermine the conditions of the more skilled workers.

The wage settlements this year were the lowest since the end of the war, except in cases like the Amalgamated and the I.L.G.W.U., where the workers have not had increases for two or three years.

The monopolists have gotten off cheap this year, particularly in auto. This has been so for a number of reasons.

1. The union leadership generally de-emphasized the question of wages. In many instances, as in steel, no specific money demand was put forward.

2. The workers were concerned

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with the lack of unity in their ranks in the face of the stepped-up offensive of the companies. They had bitter experiences in the on-the-job struggles against speed-up and crew-cutting, where one gang or department would walk out and fail to receive the support of other sections of the shop or mill, to say nothing of the union. In some instances, (I.U.E. local in Lynn), they refused to adopt a strike vote until the union leadership gave guarantees they would undertake joint negotiations against G.E. with the other unions in the industry.

3. The monopolies were not yet ready to take on the basic unions, through a frontal attack, when they could easily pass the cost of a wage increase plus a neat profit on to the consumer. Where this could not be done, as in the farm equipment industry, where the income of the farmers has dropped sharply in the last year, there they did take on the unions. The International Harvester Co., for example, was able to take on the unions, one at a time, defeat them and impose wage cuts.

The key lesson of the 1953 wage fight that we must draw for the future is the fight for unity of action of the workers around this basic question.

The direct struggle of the workers around wages is one of the most important roads to their developing class consciousness. To divert the workers from this central aspect of the class struggle is one of the

main objectives of Social-Democracy. Communists and other progressive forces in the trade unions should energetically strive to place the wage struggle in the center of the economic demands of the workers.

As a result of the sharpening critical economic picture, the monopolies are losing one of the key weapons they have used in the past in their attempt to alienate the public from sympathy with the just demands of the workers. This has been the propaganda that high wages lead to higher prices and are bad for the economy. It is becoming clear, however, that prices have been going up far out of proportion to wages. There is a growing feeling that increased purchasing power is necessary to meet the economic problems that will be posed following the truce in Korea. The fight for the defense of the workers' wage standards and the demand for wage increases is becoming more widely understood as a program in the interests of all the people.

The elements of a wage program have already been presented in the main report. These include direct and substantial cash wage increases; raising the pay of the unskilled and those in the lowest job categories; the fight against speed-up; for a shorter work week with no reduction in pay; complete abolition of all differentials, North and South, men and women; and the question of F.E.P.C. as an economic demand.

On the Law of Maximum Profits, I

By Catherine Welland

FOR NO OTHER COUNTRY does the basic law of modern capitalism formulated by Stalin—the law of maximum profits—have greater significance than for the United States. It provides a searchlight enabling us to penetrate many aspects of the development of monopoly capitalism in our own country which have previously been unclear, as well as illuminating the economic essence of the war economy today, the developing economic crisis and the nature of American imperialism's drive for world economic domination.

Yet so far, we in the United States have been somewhat slow in grasping this valuable new tool for analysis and action. While articles appearing in the Marxist press make constant reference to the law of maximum profits, no extensive application of it to our country's economy has yet been undertaken.¹ This job, of course, requires the joint efforts of our specialists in political economy together with the political leadership of our Party.

In the meantime, considerable discussion of the subject is taking place, sometimes in classes or study groups,

more often in informal conversations. In the course of this a number of theoretical and practical questions have arisen which merit a more formal examination, even before a full study of the law's application to the United States has been developed. The present article is addressed to a consideration of some of these questions.

I

WHAT IS NEW IN THE LAW?

The main features and requirements of the basic economic law of modern capitalism might be formulated roughly in this way: the securing of the maximum capitalist profit through the exploitation, ruin and impoverishment of the majority of the population of the given country, through the enslavement and systematic robbery of the people of other countries, especially backward countries, and, lastly, through wars and militarization of the national economy which are utilized for the obtaining of the highest profits.²

A first reading of Stalin's formulation often gives rise to the initial question: "What's new in this law? Hasn't the capitalist class always

1. A useful initial discussion of the drive for maximum profits by U.S. monopoly capitalism, written by A. Kashkarov, appeared in *New Times*, January 7, 1953.

2. J. Stalin, *Economic Problems of Socialism in the U.S.S.R.* (International Publishers, N. Y. 1952), p. 32. All additional quotations from Stalin are from this work.

sought maximum profits?"

This reaction reveals a confusion of the *subjective* desire of the capitalist with the *objective* economic laws which govern the operation of the capitalist system. It is the latter which form the point of departure for Stalin's entire theoretical analysis.

... the laws of economic development, as in the case of natural science, are objective laws, reflecting processes of economic development which take place independently of the will of man (p. 8).

This point is of particular importance today, since the economic theory of monopoly capitalism, Keynesism, is based upon a subjective, non-material approach to economic processes, and regards economic developments as rooted in psychological factors. (For example, Keynesism substitutes a subjective, psychological and non-class concept—"The propensity to consume"—for the objective, material reality of the limitation of mass purchasing power under conditions of capitalist exploitation.) This approach is concretely reflected in the current outpouring of articles and speeches warning that the real danger of depression arises from the psychological outlook of the business world or the public.

It is essential, therefore, that students of Marxist political economy keep a firm grasp of the objective nature of economic laws in general, and especially upon the material, non-subjective character of the cen-

tral motor of that system—the drive for profit.

It may be helpful in the light of the foregoing to review briefly the origin and nature of capitalist profit. The basic source of profit, and, consequently, of capital accumulation, is, of course, surplus value. This is value produced by the worker over and above the value of his own labor power. The value of labor power is, in general, determined by the value of commodities required to maintain and reproduce the working class. Stated in money terms, this is wages. But labor power, we must remember, has the *unique quality* of being able to produce a value greater than its own value. That is, the worker produces in the course of a working day, value greater than that represented by his wages. It is this surplus value, created by the productive labor of the workers, which is the source of capitalist profit.³

Stated in more popular terms, surplus value represents that portion of total value produced by the worker for which he receives no equivalent in pay. He is paid only enough to preserve his ability to work (his labor power) and to produce a new generation of workers. Thus, one part of his labor is paid for; but another portion is unpaid. Capitalist profit finds its source in the unpaid labor. Marx writes:

Capital . . . is essentially the command over unpaid labor. All surplus value, whatever particular form (profit,

3. We do not undertake here to review the nature of commodities and the meaning of value. For this, the reader is referred to J. Eaton, *Political Economy*, Chapter II.

interest, or rent) it may subsequently crystallize into, is in substance the materialization of unpaid labor. The secret of the self expansion of capital [*i.e.* capital accumulation (C.W.)] resolves itself into having the disposal of a definite quantity of other people's unpaid labor (*Capital*, I, p. 585).

For the individual capitalist, as for the capitalist class as a whole, the production and realization of surplus value is *an absolute necessity—the penalty of failure being economic death*. This is true under both competitive and monopoly capitalism. The battle is always to the strong, and he who falls behind in the extraction of profit and accumulation of capital will sooner or later be driven from the arena. The extraction of surplus value, and its accumulation as capital is therefore an objective economic law of capitalism.⁴

With the law of surplus value, Marx unlocked the secrets of capitalist development, its fundamental contradictions, the cause of its periodic crises, and the forces leading to its eventual destruction. Stalin comments that this law, "the law of the origin and growth of capitalist profit . . . really does determine the basic features of capitalist production" (p. 31). However, it does not fully cover the new conditions of monopoly capitalism because it is "too general a law."

Specifically, the law of surplus

value "does not cover the problem of the *highest rate of profit*, the securing of which is a condition for the development of monopoly capitalism. In order to fill this hiatus, *the law of surplus value must be made more concrete and developed further in adaptation to the conditions of monopoly capitalism*, at the same time bearing in mind that monopoly capitalism demands not any sort of profit, but precisely the maximum profit" (pp. 31-32; italics added).

To understand this further development, it is necessary to analyze the formation of the rate of profit under competition as compared with monopoly capitalism.

ELEMENTS DETERMINING RATE OF PROFIT

The reader will recall that two elements enter into formation of the rate of profit. First is the *rate of exploitation* of the workers, which is also called the rate of surplus value. This is the relation between that portion of capital spent on wages and the value produced by the worker over and above this amount. It is expressed in the formula $\frac{s}{v}$ in which *v* (see next paragraph) represents wages, or the labor for which the worker is paid, and *s* represents the unpaid labor, the surplus value, which is pocketed by the capitalist. The objective of the capitalist, of course, is to increase the proportion of surplus value to wages as much as possible, through all available means—cutting wages, lengthening

4. For a more complete explanation of the law of surplus value, see Marx, *Wage-Labor and Capital*, and J. Eaton, *Political Economy*, Chapter IV.

hours with no increase in wages, and intensifying labor. The exact level of the rate of exploitation at any given time depends, in the last analysis, upon the struggle between capital and labor and ultimately "resolves itself into a question of the respective powers of the combatants."⁵

But a second element also enters into the rate of profit. That is the *organic composition of capital*. The capitalist invests his capital not only in wages; he invests it also in machinery, buildings, equipment, raw materials, and other means of production which are utilized by the workers in the process of production. The portion of capital expended on wages is called *variable capital* (v) because it is the sole source of the *increase* in value in the process of production, since it is used to employ *labor power* through which alone new value is *created*. That part of capital invested in the means of production is called *constant capital* (c) because, while it imparts the value embodied in it to the commodities produced, of itself it creates *no new* value.

"Organic composition of capital" thus refers to the proportion in which capital is divided between these two components, constant and variable capital. We speak of rising organic composition of capital when the proportion invested in constant capital increases as compared to variable capital, when more and more capital is invested in equipment and raw

materials, in relation to that spent on wages.

The capitalist calculates the rate of profit on the basis of total capital invested, both constant and variable. The rate of profit, as distinct from the rate of exploitation, is thus expressed as $\frac{s}{c+v}$. This formula conceals the real source of profit, the real essence of capitalist exploitation, so that the capitalist is free to think that profit somehow emanates from all parts of his capital equally, and that this, indeed, is a reflection of his own ability and acumen.⁶

Now, how does the rate of profit operate with reference to the capitalist system as a whole? If the rate of profit of each enterprise were determined simply by the conditions existing in that one concern or industry, the rate of profit would, of course, be different for every line of industry and for various individual firms. Why? Because even if the rate of exploitation ($\frac{s}{v}$) were the same in each line of industry and for each individual concern (and this is by no means the case), the organic composition of capital would differ widely. That is, the proportion of constant capital compared to variable capital differs from industry to industry. It is obvious, for example, that the value and amount of equipment used, and raw material processed, by a given number of workers in the petroleum refining industry is much higher than that which

5. Marx, *Value, Price, and Profit*, p. 53.

6. For a full discussion of the organic composition of capital and the rate of profit, see Marx, *Capital*, Volume III, Chapters 2 and 3.

the same number of workers utilizes in the coal or textile industry. Similarly, the organic composition of capital in manufacturing as a whole is substantially higher than is the case in agriculture.

Since the organic composition of capital does in fact vary tremendously from industry to industry, one might think this would automatically mean a wide variation in the rate of profit ($\frac{s}{c+v}$). Moreover, one might expect the rate of profit to be highest in those industries having the lowest organic composition of capital, and lowest in those with a relatively high organic composition. But this is not the case. In reality, the capitalist does not receive the special rate of profit arising in his particular enterprise or line of industry. Something quite different actually occurs.

PROFITS ABOVE AVERAGE RATE

Here we come to a very important distinction between the rate of profit under competitive capitalism, and in the era of monopoly capitalism. Under competitive conditions the rate of profit is *equalized* between various branches of industry. Capital tends to flow out of those lines in which the rate of profit is below the social average; on the other hand it flows into those receiving higher than the average rate of profit. As this takes place, the production of commodities in lines with a below-average rate tends to decline until the

relation of supply to demand raises their market price to a point where the average rate of profit can be realized. The reverse process takes place in industries where an above average rate of profit attracts new capital, and leads to increased production, lower prices, and a reduction in the rate of realized profit.⁷ Thus, says Marx: "These different rates of profit are equalized by means of competition into a general rate of profit, which is the average of all these special rates" (*Capital*, III, p. 186).

This average rate of profit, under competitive conditions, is, generally speaking, the rate realized by all capitalists in varied spheres of industry, irrespective of the organic composition of capital in their particular line or enterprise. Or, to put it another way, the total surplus value produced by the working class represents a sort of social pool from which each individual capitalist takes his share, in proportion to the total capital he has invested, on the basis of the "going rate of profit"—regardless of whether this share is larger or smaller than the amount actually produced in his individual sphere.

In business life, under competition, this process is reflected in an upside-down fashion when the capitalist determines his total costs of production (variable and constant capital),

7. This is a very simplified explanation, which does not attempt to cover Marx' full analysis, including the relation of value and price to the formation of the average rate of profit. For a complete discussion of this question see Marx, *Capital*, Volume III, Part II.

adds to this the average rate of profit (the profit which he knows to be general and customary) and uses this as the point of departure for calculating whether the market price he will be able to get for his commodities is sufficient to enable him to operate. If he cannot, over a reasonable period of time, secure at least this average rate of profit, it doesn't pay him to stay in this line of business. Indeed, should he fail to secure the average rate over a prolonged period, he will inevitably be driven to the wall.

Under competitive capitalism, the average rate of profit thus operated as an objective law confronting all sectors of the capitalist class. Their profits were determined not by their subjective desire for the most they could make (a desire always boundless!) but by the objective elements outlined above. It should be added, however, that the restriction of the rate of profit to the social average did not limit the amount of total profit, which depends also on the amount of capital invested. As capital accumulation took place and capital expanded, the total mass of profit obtained by individual capitalists, as well as by the capitalist class as a whole, also grew.

So far we have spoken of the general rule. However, even under competitive conditions, there were special cases in which an above-average rate of profit was realized. This was taken into account by Marx, who pointed out that individual capitalists could secure a rate of profit well

above the average as the result of a temporary monopoly, whether of a new product, a new method of production, or a new market. He also devoted considerable analysis to the special profit, over and above the average rate, which accrued to land owners as a result of the monopoly of land. This extra profit he called absolute rent.

Moreover, through outright swindling, graft, and robbery—usually connected with the use of government influence and agencies—individual capitalists were also able to amass huge fortunes which were not derived alone from the direct process of capitalist production. This represented one facet of the primitive accumulation of capital, which continued to take place even after the development of capitalist industry.

The decisive point, however, is the fundamental nature and direction of capitalist development under competition. The growth in the mass of capital led to ever more large-scale production; the dog-eat-dog character of capitalist competition brought with it a growing centralization of capital in the hands of the largest, most favorably situated capitalists. Thus competition gave rise to concentration of production, and Lenin writes in *Imperialism*:

At a certain stage of its development, concentration itself . . . leads right to monopoly; for a score or so of giant enterprises can easily arrive at an agreement, while, on the other hand, the very difficulty of competition and the tendency toward monopoly arise

from the very dimensions of the enterprises. This transformation of competition into monopoly is one of the most important—if not the most important—phenomena of modern capitalist economy.

The economic history of the United States during the latter half of the nineteenth century reflects this process which reached its culmination roughly at the turn of the century. After the Civil War, the accumulation of capital through capitalist production proceeded at a rapid rate, as industrial capitalism flourished and extended its control over the south and the west. Simultaneously, the looting of public funds and land, the outright corruption of government, became a tremendous source of capital accumulation, as the history of individual capitalists amply demonstrates. Toward the end of the 1800's large scale industry began to emerge, the process of concentration of production speeded up, and the foundation was laid for the emergence of monopoly capital as the dominant factor of our economy.

As a result of this transformation of competition into monopoly, a new situation arose with respect to the rate of profit. What was previously the exception now became—for monopoly capital—the general rule. The great new giants of capitalism could not grow or even exist on the basis of merely an average rate of profit, which is "the lowest point of profitability, below which capitalist production becomes impossible."

"No," writes Stalin, "it is not the average profit, nor yet even super profit—which as a rule represents only a slight addition to the average profit—but precisely the maximum profit that is the motor of monopoly capitalism" (p. 32).

II

Maximum profits are required by monopoly capital in order to guarantee the basic conditions for its continued development. The most essential of these conditions is accumulation of capital on the scale necessary both to meet the vast size of investment involved in modern monopoly enterprises, and to participate successfully in the titanic struggles which take place between present day monopoly groupings. Such accumulation would not be possible on the basis of merely the average rate of profit.

Consider, for instance, the scale of investment which characterizes Big Business in the United States. In 1901, the first billion dollar concern was launched, the United States Steel Corporation. Today, there are sixty-six members of the "billion dollar club," whose capital investment totals at least one billion each. The aggregate assets of these corporations at the end of 1952, reached an all-time high of \$174,318,787,000. The largest single corporation is Metropolitan Life Insurance with over eleven and a half billion dollars; the second is A.T. and T. with an investment of over ten and a half billion

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The largest manufacturing corporation is General Motors, worth four billion.⁸

Extended reproduction of capital on such a scale (capital replacement and new capital investment) requires maximum profits. And extended reproduction on a more or less regular basis is essential for monopoly capital, the economic law for capital in general being: expand or die.

Furthermore, this expansion takes place under conditions of sharp struggle between various groupings of monopoly capital (Morgan, Mellon, Rockefeller, *et al.*). Competition is not eliminated in the era of monopoly capital. It continues to exist both alongside of monopoly and, on a new level, between huge aggregates of capital whether constituted as single corporations, trusts, combines, or cartels. A sharp war is being waged, for example, in the auto industry today, with General Motors and Ford fighting each other for domination of the industry, while simultaneously pushing the "independents" to the wall. Similarly, a major struggle is going on, as James S. Allen showed in his *Atomic Imperialism*, between the Morgan, Mellon, Rockefeller and du Pont interests for preponderant influence in the atomic energy industry.

Such struggles between giants require huge capital resources for victory. They involve a battle to control raw materials, production, technical

and scientific developments, markets—in short, every aspect of production and distribution, both within the domestic economy and internationally. Just as modern war cannot be fought with bows and arrows, so the economic warfare between rival monopolists cannot be conducted on the basis of the average rate of profit. Those who for one reason or another fall behind in the race for maximum profits will ultimately be ruined or swallowed up by their more powerful associates. This happens constantly both within individual countries and in the international arena.

The drive for maximum profits is thus inherent in the very nature of monopoly capitalism. It becomes ever more intensive as the contradictions of modern capitalism become more acute, and it in turn accentuates these contradictions.

How then are maximum profits achieved? What methods are used for their extraction?

HOW MONOPOLY OBTAINS MAXIMUM PROFITS

The first method is ". . . exploitation, ruin, and impoverishment of the majority of the population of the given country."

The working class, of course, is the initial source from which monopoly capital seeks to extract maximum profits. In the United States today, this is achieved primarily through speed up and lowered real wages (due to rising prices and taxation).

⁸ Labor Research Association, *Economic Notes*, June, 1953.

A striking example of the first is the situation in the steel industry. In six years alone, from 1946 to 1951, the amount of steel ingots produced per employee increased from 79.4 tons to 114 tons. Meanwhile, profits realized by the steel corporations soared from \$590 per employee to \$2,149. No wonder United States Steel ended the third quarter of 1953 with the highest profits (but one) in its history, while Bethlehem Steel topped all records!⁹

Nor is the increase in exploitation based simply on the introduction of new machinery and equipment. It is due above all to intensification of labor, to speed up, as workers in the steel, auto, textile, and countless other industries can testify.

Meanwhile, consumer prices have more than doubled from 1939 to the present, while there has simultaneously taken place an enormous increase in taxation. Per capita taxes have risen from an annual average of \$3.88 in 1900 to \$472.00 in 1953. Both these developments have fallen with special impact upon the workers, but they also drain away much of the income of the urban middle class and the working farmers. Roughly two-thirds of the families of this country now have incomes below the minimum health-and-decency budget prescribed by the U.S. Government Bureau of Labor Statistics (which is set at approximately \$4,160 a year, for a family of four.)

If the standard of living of many

families has not yet fallen to the depression levels of the 1930's, this is due primarily to the lower level of unemployment and to the fact that in a number of cases more than one person in the family works. It has also been based on a tremendous increase in consumer debt, which, the Government reports, now totals almost twenty-eight billion dollars, exclusive of mortgage debt. These factors, however, are essentially temporary in character and will be quickly undermined by any serious economic downturn.

It is apparent that maximum profits are not secured alone from the more intensive exploitation of the working class. Monopoly capital is able to "milk" the entire domestic economy so as to exploit the *majority* of the population. This includes the small producers, especially the working farmers, as well as the city middle class (professionals, shop keepers, etc.) and even small industrial capitalists. How is this brought about?

Because monopoly capital dominates the economy, it has eliminated the free movement of capital which (relatively speaking) characterized competitive capitalism. The huge scale of investment required for present day giant industry precludes the unhampered entrance of even comparatively large "independent" capitalists into the basic industries of the country, as well as into many other fields—not to mention the countless other barriers with which monopoly fences in its preserves (control of

⁹ *Steel Labor's Road* (Communist Party, U.S.A., N. Y., 1953), p. 90; *New York Times*, Oct. 29, 30, 1953.

raw materials, domination of the market, buying up of patents, etc.)

Consequently, the monopolists are able to jack their rate of profit up beyond the average, through a variety of means: setting commodity prices far above value; driving agricultural prices (and those of other raw materials) below value; crushing any would-be smaller competitors who attempt to undersell them; and increasingly, utilizing the government to further increase their profits through preferential handling of fat government contracts, enormous tax concessions, and outright subsidies.

However, while monopoly dominates the economy, it rises upon the base of the older capitalism, of competition and small scale production, which continue to exist alongside of and beneath it—though under crippling conditions. In order to realize maximum profits, Big Business constantly drives hundreds of thousands of these small producers and independent capitalists to ruin. Monopoly capital is thus able to “escape” operation of the law of the average rate of profit, but only at the expense of all other sectors of the economy, including the “independent” capitalists on whom the operation of this law now falls with devastating results.

The results of this process are evident in the United States today. A particularly heavy toll is being taken among small and middle farmers. The price scissors (high monopoly prices for commodities farmers buy, low prices for agricultural products),

together with contracting markets, have resulted in a fall in farm income of 23% from 1949 to 1953. This development is being utilized by Big Business to further its stated aim of driving one third of this country's farmers—the so called inefficient, marginal producers—from the land.

Small business is among the current victims of the drive for maximum profits. During the “prosperity years” of World War II, approximately 200,000 small enterprises went to the wall. Today, the Department of Commerce says, the rate of *reported* business failures is running at over 800 a month. Those who, for the moment, avoid bankruptcy, experience the heavy hand of monopoly domination in other ways—through monopoly dictation of prices they pay for material, of prices at which they can sell, the terms on which they may secure credit, the share of the market they can reach, and what—if any—government contracts they may receive. On all these matters, small business gets the short end of the stick. Consequently, from the beginning of the Korean War, through early 1953, the larger manufacturing corporations reported *profits averaging 36% above the 1947-1949 level*, while smaller corporations reported an average *decrease in profits of 16%.*¹⁰

Particular importance must be attached to the additional profits extracted from the Negro people through the system of special ex-

10. Small Defense Plants Administration, *Final Report*, 1953.

ploitation based on national oppression. Discrimination against Negro workers in wages, employment, and working conditions, virtual enslavement of Negro sharecroppers and tenants, and other economic aspects of Negro oppression, net U.S. monopoly capital an annual additional profit of about four billion dollars. What this means in daily life is shown in the fact that the average income of Negro families in the United States for 1950 was only \$1,869 compared to \$3,445 for white families.

Thus, the first source of maximum profits is the many sided exploitation of the majority of the population within the given country.

The second method of securing maximum profits is "... the enslavement and systematic robbery of the peoples of other countries, especially backward countries."

This includes, first of all, "superprofits" arising from exploitation of colonial and semi-colonial countries, which, wrote Lenin in *Imperialism*, "are obtained over and above the profits which capitalists squeeze out of the workers of their 'home' country." The higher rate of exploitation of workers in outright colonies like Puerto Rico, as well as in less developed countries like those of Latin America, together with the systematic plunder of small agricultural producers in these areas, nets U.S. imperialism huge profits. It is no accident that 40% of all direct, private U.S. investment abroad is located in Latin America, totaling \$4,675,000,-

000 in 1950. Victor Perlo, in his *American Imperialism*, estimates that at least \$2,500,000,000 in profits is realized annually by U.S. imperialism from this one area of the world. To this, U.S. Big Business is rapidly adding the exploitation of other colonies previously controlled by older imperialist powers, notably in Africa, in which U.S. investment has increased by leaps and bounds since World War II. "Point Four" programs have been especially designed to facilitate the penetration of U.S. imperialism into such areas.

But profits secured from foreign countries are not confined today to "super profits" realized from colonial and semi-colonial countries. Monopoly exploitation now includes, wrote Stalin, "the conversion of a number of independent countries into dependent countries" (p. 32). This is accomplished in a variety of ways including: penetration or outright taking over of capital investments in other relatively advanced capitalist countries (a characteristic of Nazi domination of Europe, and of U.S. "aid" and occupation today); domination of foreign trade so that prices of imports and exports can be dictated; outright crippling or destruction of rival industries; control of fiscal policy through terms of government loans, etc.

All these methods are characteristic of the current international economic operations of U.S. imperialism which are directed at world economic domination. The United States has utilized both private and

large-scale government investment to control the economies of previously independent capitalist countries, including major imperialist powers. This is the real significance of the loans to Britain and France, the Marshall Plan, and its successor, the Mutual Security Administration. By 1949, U.S. capital investment abroad (both private and government) totaled over thirty-two and a half billion dollars. Of this, some nineteen billion dollars represented private investment. The balance of thirteen and a half billion was government loans and grants, paid for by the mass of U.S. taxpayers, but utilized to enrich Big Business directly and indirectly. Since then, the total of U.S. government funds invested in loans and grants abroad has grown to over forty billion dollars.

Perlo estimates that the total annual profits realized by U.S. imperialism from foreign investment and trade run roughly at \$7,500,000,000. Moreover, the *rate* of profit on such investments is extremely high. For 1948, comparative profit rates on U.S. corporate investment in various parts of the world were, he shows, as follows:

Europe, outside of Marshall Plan countries, 7.6%; Canada, 14.0%; Marshall Plan Countries, 14.5%; American Republics, 17.4%; Colonies of Marshall Plan Countries, 20.0%; Other Countries (mainly Middle East), 31.3%.

The third means of extracting maximum profit is "through wars and militarization of the national economy."

This method is especially characteristic of the United States today. We have already spoken of the rise in prices and taxation, which is due primarily to the development of war economy in the United States from World War II up to the present. But this is only part of the story. There are many other kinds of bonanzas which Big Business has reaped from the militarization of U.S. economic life, and which are associated also with a tremendous growth of state monopoly capitalism.

War contracts worth \$73,800,000,000 were allotted by the U.S. government from July 1950 to June 1952 alone, of which 100 large corporations received 62%. The biggest war contract receiver was General Motors, with over five and half billion dollars in contracts during the Korean war. Huge tax concessions, including rapid tax write offs on facilities worth \$28,000,000,000 were also granted. Government investment in war industry, worth many billions of dollars, has been turned over to the monopolies either on a fee-management basis, or for a few cents on the dollar. This includes the over seven and a half billion dollar investment in the atomic energy industry, from which the dominant monopoly groupings profit heavily. In addition, there are outright government subsidies, worth hundreds of millions of dollars annually, which are paid to aviation companies, shipping concerns, and other sectors of Big Business. Mention must also be made of the seven billion dollars annual interest

on the national debt which is paid into the coffers of the banks, large corporations, and wealthy individuals.

The effect of war economy on the profits of U.S. monopolies is graphically illustrated in the total profits reported by 200 of the largest manufacturing corporations. According to a survey made by the Federal Reserve Board, in 1939, their aggregate profits (before taxes) were \$1,200,000,000. During 1941-44 they rose to an annual average of \$3,500,000,000, and in 1948 to \$5,300,000,000. While they dropped slightly in 1949, they again soared upward with the launching of the Korean War, reaching \$7,900,000,000 in 1950 and \$8,600,000,000 in 1951.

The increase in total profits is associated also with an increased *rate* of profit for Big Business. The rate of profit (after taxes) for *all* U.S. industrial corporations rose from 10.2% in 1940 to 16% in 1948, dropped in 1949 to 11.7% and rose again to 15.4% in 1950, slipping back to 12.5% in 1951. Since these figures include *all* manufacturing corporations, the rate of profit for the major concerns would be even greater. This is indicated in a Federal Trade Com-

mission report which analyzes the rate of profit for 512 selected manufacturing concerns from 1940 to 1951 and concludes that the profit rates of the largest four corporations in each industry "were generally higher than those of the smaller corporations." For example, in production of motor vehicles the rate of profit for the big four in 1951 was 19.9%, and for the other companies only 9.0%.

* * *

From the foregoing, it is clear that maximum profits are extracted from many varied sources, both domestic and international, their most important single fountainhead being militarization of the economy and war. We are dealing here with profits on a vaster scale than that comprised even by the "super profits" of colonial exploitation; what is involved is the intensified exploitation of the majority of the people of the entire capitalist world.

* * *

In the last half of this article, to be published next month, we shall consider: Maximum profits and the declining average rate of profit; the scope of the operation of the law of maximum profits; and ways of restricting the operation of the law.

An Analysis of the New York Elections

By George Blake Charney and Harry A. Levin

THE NEW YORK CITY elections resulted in a defeat to Big Business and the reactionary Dewey-Riegelman-Impellitteri forces on which it relied. What occurred in New York was a reflection of important developments throughout the nation.

It is reactionary nonsense to attribute the defeats suffered by the GOP and Eisenhower, in New York, New Jersey, Wisconsin, Ohio and other places, primarily to local factors. A national anti-GOP trend has emerged which accounts for the results of 1953. It reflects the growing opposition of the labor movement and other broad strata of the population to the foreign and domestic policies of the Administration. Only a short time after the sweeping victory of Eisenhower in 1952, a fight-back movement has unfolded against the extension of the cold war, against the mounting economic burdens imposed on the people and against the dangerous spread of McCarthyism.

The fight-back movement was expressed electorally mainly through the Democratic Party. Nevertheless, the reactionaries in *both* parties know that the elections of 1953 represent more than a swing from one party of monopoly capital to another. The

uppermost fact is that the fight-back mood is growing and that there is a distinct trend in the labor movement toward greater unity and independent political action. The elements of a major people's coalition are beginning to take shape.

SPECIFIC FEATURES OF THE NEW YORK ELECTIONS

The main aim of the progressive movement in the New York election was to defeat the reactionary Dewey-Farley forces and their candidates, Riegelman and Impellitteri.

Big Business, operating through the Republican Party and its allies in the Democratic Party, such as James A. Farley, hoped to follow up the 1952 Eisenhower victory with a blitz against the labor and people's movement in New York City. The Dewey Administration, with the aid of its Democratic stooges in the city administration, had forced through the 15% rent steal and the transit hike.

It planned, through a victory either by Impellitteri or Riegelman, to intensify these attacks all along the line, with an increased sales tax, even higher rents and fares, curtailment of construction of schools, hospitals, public housing, etc.

The fight to defeat Dewey and the Republican Party simultaneously involved the fight to defeat Mayor Impellitteri. This was because Dewey placed his main reliance, in his effort to fasten reactionary control of the city, on an Impellitteri victory. The defeat of Impellitteri would likewise be a defeat for the Farley forces who hoped by an Impellitteri victory to strengthen their hold on the Democratic Party in preparation for the State and Congressional elections of 1954. It would be a defeat for the most reactionary forces in the Democratic Party associated with McCarran and the Dixiecrats. Local and national issues were thus interlocked in this conflict between the liberal and McCarthyite groupings of the Democratic Party.

What were the chief features of the results?

1. Reaction suffered a defeat at every crucial stage of the campaign.

2. A loose coalition did emerge, even though not formalized nor united around a single candidate. This coalition was sparked from the start by labor, the Negro people and certain liberal Democratic forces.

The forces arrayed against Dewey and Farley were divided into three camps, represented by Wagner, Halley and McAvoy (Democrats, Liberals and A.L.P.). *Together*, they polled 70% of the vote: Wagner—1,031,000; Halley—468,000; McAvoy—54,000.

3. While the issue of peace did not figure directly in the municipal

campaign, it was ever present in the minds of the people. Undoubtedly, the Republicans suffered because of the "no-negotiations" line of Eisenhower and Dulles despite the Korean truce, while the Democrats gained from Stevenson's speech that "the door of the conference room is the door to peace." Dulles' position on Israel further exposed the hypocritical pretensions of the Eisenhower Administration.

4. All sectors of the loose coalition were hostile to McCarthyism. There was Red-baiting on several occasions by Wagner and Halley, particularly in relation to the witchhunt in the schools, but, in the main, they campaigned on the issues. Impellitteri's defeat had special significance, for he particularly conducted a McCarthyite campaign, centering his fire on the *Daily Worker* and bragging of banning the traditional labor May Day parade.

5. Labor unity and labor political activity were advanced. At first confused and depressed by the Eisenhower victory, weakened by the "accommodation" line of many national trade-union leaders, labor gradually roused itself to resistance. This sentiment was very strong among the rank and file in the shops and among labor leaders at lower levels.

Both the A.F. of L. and C.I.O. backed Wagner. The C.I.O. Political Action Committee's endorsement of Wagner prior to Primary Day played a decisive role in the Democratic Party primary. In the general

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election, working-class areas voted for Wagner overwhelmingly, with Riegelman, the Republican, getting only 10% of the vote in these areas against 30% city-wide.

6. The labor-Negro alliance was strengthened. The struggle for Negro representation reached a new high point, with national significance.

7. A new recognition of the role of the Puerto Rican people in New York City affairs was achieved.

8. The elections strengthened the liberal wing of the State Democratic Party led by Sen. Herbert Lehman, Franklin D. Roosevelt, Jr., Averell Harriman, Mrs. Eleanor Roosevelt, etc. It weakened the reactionary wing led by Farley, Kenneth Sutherland and James Roe.

9. Despite the defeat of the Republicans, Riegelman got a relatively large vote, about 30% of those voting (661,000). This indicates a rather strong base for reaction, although many voters were misled by "good government" demagoguery. Part of this vote undoubtedly came from extreme reactionary supporters of Impellitteri.

10. The Liberal Party emerged as a strong force in the campaign. It is the second party in the Bronx and came within 7,000 votes of being the second party in Brooklyn. This vote, in the main, comes from the Jewish working class, white collar and middle class areas.

11. The American Labor Party, the most advanced sector of the anti-

Dewey-Impellitteri camp, roughly maintained its vote, although one million fewer voters participated than in 1952.

12. The campaign of George Blake Charney, a leader of our Party, and Smith Act victim, was an important contribution to unity against reaction, as well as to the fight for the constitutional rights of our Party. It was a campaign well waged and well fought.

The 9,300 signatures collected in 8 days to place Charney on the ballot testify that our Party by sustained effort can win support for democratic rights and for a fighting program.

Comrade Charney's appearance on TV and radio, at street and shop rallies, at forums and homes, helped bring more sharply our coalition policy to broad masses. While nominated on the People's Rights Party petitions, Charney fought vigorously for a large A.L.P. vote and effectively championed the rights and views of our Party.

A lesson of the Charney campaign is the need to seek out every possible method for the public presentation of the Party's views and policies. Indispensable in developing a fighting program is a far greater and more effective use of the *Daily* and *Sunday Worker*, which contributed greatly to the defeat of the Dewey-Farley conspiracy.

However, the outstanding feature of the campaign must be considered the emergence of the loose coalition

of labor, liberal Democrats, the Negro people, Puerto Rican people and some middle-class good-government forces. Despite labor's limited role—it did NOT lead the coalition—this loose coalition proved strong enough to defeat reaction. Thus, it made a significant contribution to the fight for peace and democracy.

On the other hand the low registration for the election reflected the failure of the anti-Dewey camp to mount the type of campaign on issues which would arouse labor, the Negro people and democratic masses generally.

There was an understandable element of reserve and a "no blank check" attitude towards Wagner. In fact, the commitments by Wagner for a return to a New Deal outlook took place after the registration period. The lack of enthusiasm for Wagner also resulted from the fact that the Wagner campaign was heavily weighted by Tammany forces. The campaign developed within the framework of the Truman Fair Deal program and its adherence to the cold war, as contrasted to the Roosevelt New Deal program, which was based on a program of peace and anti-fascist unity.

Only after the defeat of Impellitteri, and too late to affect the registration, did organized labor begin to rally its membership to participate in the campaign. The Left forces were also entirely too passive in this important registration period and did not mobilize as in the past to

guarantee a turn-out.

The coalition emerging in this campaign will undoubtedly grow in scope and understanding as the labor movement advances on the path to *independence in political action*, even while operating principally through the Democratic Party. Sharper class struggles, finding their reflection on the electoral field, are inevitable, as the crisis in the policies of U.S. imperialism deepens and as the economic crisis at home matures. Our task is to be in the thick of the struggle, influencing it, giving it leadership, and working to bring forward and guarantee labor's leadership. Only in this way will the basic class realignment, historically inevitable in our country, take shape.

THE ROLE OF THE LABOR MOVEMENT

Organized labor emerged from the elections a stronger force in New York political life. This reflected changes growing out of the Eisenhower victory and the Dewey-Impellitteri assault on the workers' living standards.

There is a tendency to underestimate the significance of labor's role in the elections. This position tends to measure the present level of labor's participation on the electoral front in terms of our long-range objective, namely, that labor be the leader of the coalition, with an independent position. At the same time, it would be wrong to exaggerate the present level of labor's participation. How

to propel organized labor into a position of independence in its relations with the Democratic Party, so that it clearly affects program and selection of candidates, is the most important aspect of the fight for coalition.

At the beginning, labor took a hands-off position on naming candidates, reflecting the general passivity of the top labor leadership. The naming of Rudolph Halley by the Liberal Party did not change the situation much. Labor had little enthusiasm for Halley primarily because his candidacy was limited to the Liberal Party, while the overwhelming bulk of the labor movement in New York City is associated with the Democratic Party. However, after the rent and fare increases, the anti-Impellitteri stirrings among the workers were too strong to be ignored.

Thus, the C.I.O. had an important voice in the naming of Wagner as a New Deal opponent to Mayor Impellitteri, choice of the Farley forces and the majority of the county bosses. The entrance of labor into the primary struggle proved decisive. Such forces as Lehman, F.D.R. Jr., Harri-man, would not have been sufficient to arouse mass support for Wagner without the intercession of labor.

After the primary, labor activity was tremendously increased, with the A. F. of L. joining in support of Wagner. Wagner and his representatives spoke at many union meetings and conventions (includ-

ing the important State C.I.O. convention), making many commitments on labor's and the people's needs. A number of unions, under the impact of progressive influence, sent delegations asking for further commitments, including those against McCarthyism. In fact, it was one such delegation that got Wagner to promise to go to Washington and fight for Taft-Hartley repeal. True, this activity was limited, particularly because it was mainly done through top negotiations, *but important ties and beginnings were made.*

Left and progressive forces in the Right-led trade unions, even though in an uneven way, played an important role in pressing labor's program on all candidates and parties. In some unions, militants succeeded in mobilizing the whole organization for its demands. The Left and progressives pressed successfully in some cases for labor independent political activity. As a result, they strengthened their ties with rank-and-file workers and many leaders in Right-led unions.

These new openings were made possible because the Left and progressive forces were no longer boxed in by a rigid third-party position. They associated themselves with the powerful anti-Dewey, anti-Impellitteri currents among the masses. This enabled Left and progressive forces to influence these movements. Certain errors were made by some Left and progressive leaders in simply merging with these trends. In the

main, however, the major problem was that in many unions militant forces were slow to start, lacked tactical know-how and boldness, and failed to overcome sectarian attitudes leading to isolation and paralysis.

The incoming Wagner Administration is under great pressure to make concessions to the Right. Unless every effort is made to rally the workers in the shops and in the unions Wagner's commitments to labor will not be fulfilled. Wagner will undoubtedly reflect the present level of the coalition and its contradictory nature, its weakness as well as its strength. This has already been evident in his appointments (especially Peter Campbell Brown). Hence, everything depends on the continuing effort to strengthen labor's independent role and its pressure on the administration.

This makes it all the more important now and for the future to stimulate the activity of the L.L.P.E. and C.I.O.-P.A.C. and revive the tradition of mass lobbies by labor and its allies. Unions such as N.M.U. and others which have not in the recent past been politically active, are now exhibiting new interest for P.A.C., etc. Thus the labor movement itself has emerged more convinced and ready for participation on the electoral front.

ROLE OF THE NEGRO PEOPLE

The election of Hulan Jack as

Borough President of Manhattan, of Judge Lewis Flagg in Brooklyn, of Assemblyman Walter Gladwin in the Bronx, and the fine struggles around Dr. Alphonse Henningsburg in Queens represent the highest point yet reached in New York City in the struggle for Negro representation. It expressed the growing unity of the Negro people and the higher level of Negro-white unity and strengthened the labor-Negro alliance.

Considerable credit belongs to the Communist Party, which pioneered in this struggle, as well as to the A.L.P., which fought for Negro representation for many years (in 1949 running Ewart Guinier on its ticket for Borough President of Manhattan) and, in this election, to the Harlem Affairs Committee, which spearheaded the struggle for a Negro Borough President.

This historic advance, while long over-due, did not represent any spontaneous movement by the machine-parties to overcome their past neglect. At the beginning of the year no major political party would even consider the naming of a Negro for Borough President of Manhattan. The Liberal Party played no role in this struggle and very belatedly decided to nominate Reverend James H. Robinson.

These new advances in the fight for Negro representation reflect also the results of a correct application of the fight for coalition in relation to the Negro people's movement.

For some years the Left, while pioneering on the issue, was limited by a narrow approach. There were many struggles for Negro representation but few victories. While past struggles represented progress, the Left often made inflated estimates of the class forces and of the ability of the Left to win victories single-handedly. However, when the struggles for Negro representation were based on the actual relationship of forces among the Negro people (without making adherence to the more advanced program and organization of the Left the precondition for such struggles) advances were made. This was done last year in the election of State Senator Julius Archibald from Harlem, after a struggle within the Democratic Party. The Flagg victory in Brooklyn represented an additional advance along these lines, while in the situation around the Manhattan Borough President and in the case of Gladwin from the Bronx, action was forced from the leadership of the major parties.

The task now is to reach even higher levels in 1954 on a state and national basis. Essentially, the problem is both to extend the fight for Negro representation and, as the coalition advances, to deepen the fight for program. The task of Negro labor is to assume leadership of these struggles for democratic rights, which today are led mainly by the Negro middle class and professional forces. The key to drawing in the

Negro workers is through the struggle around the issues, above all, the fight for jobs, F.E.P.C., etc.

The support by white workers and white voters shown in this fight for Negro representation (no white candidate was able to qualify as an "independent" candidate for Borough President of Manhattan, despite repeated efforts) shows that other issues will win even greater support, thus further strengthening the labor-Negro alliance and Negro-white unity.

With a few notable exceptions, the labor movement did not take an active part in the fight for a Negro for Borough President. The main area in which the labor-Negro alliance was expressed was in general support for the Wagner ticket. A vigorous fight by the labor movement to implement the New York State Ives-Quinn law (S.C.A.D.), for a city F.E.P.C. and to break down jim-crow in railroad and other industries will strengthen the whole movement for unity and guarantee new victories in the future.

THE PUERTO RICAN PEOPLE IN THE ELECTIONS

The rising political influence of the Puerto Rican people's movement was demonstrated in the historic election of Felipe H. Torres as Assemblyman from the Bronx and the commitments made for increased Puerto Rican representation in the 1954 elections in Manhattan. This

fight must be pressed forward at every level, within the Wagner City Administration and in the legislative and congressional struggles of 1954. That such an advance was achieved is due to the growth and militancy of the Puerto Rican people as well as the efforts of our Party and the progressive movement. From 78,000 in the City in 1940, the Puerto Rican population has increased, mainly through immigration, to 400,000.

The work of our Party, however, has not kept pace with new developments in the Puerto Rican community. Important shifts have occurred in their political ties. The main attachment of the Puerto Rican people—similar to New York workers generally—is to the Democratic Party. This is true even in Lower Harlem (14th A.D. Manhattan) which only a few years ago registered a heavy majority for the A.L.P. At the same time this shift has not been accompanied by antagonism to the program or leaders of the A.L.P. or the Communist Party. On the contrary, there is deep sympathy for the aims of the progressive movement. Hence, there are new opportunities, on a different basis, of course, to embrace the Puerto Rican masses in the people's coalition. In addition to the continuing struggles in the community around jobs, housing, schools, discrimination, police brutality, etc., the great increase of Puerto Rican workers in industry poses as a major task the need to develop a program in the unions

that will advance the economic, social and national interests of the Puerto Rican people.

THE ROLE OF THE LIBERAL PARTY

The vote for Halley—429,000 on the Liberal Party line and 38,000 on an independent line—was a substantial one. His vote also reflected support of sections of labor and the middle classes for a general anti-Dewey, anti-Farley program. His program, with its heavy emphasis on municipal corruption, was less geared to labor's specific demands than that of Wagner. That his vote was registered through the Liberal Party has special significance — indicating a somewhat sharper break with the political machines—but it cannot be considered in the main an anti-Wagner vote. (Nor was the bulk of the Wagner vote an anti-Halley vote or an endorsement of the machines.) Basically, both Wagner and Halley had more similarities than differences on program.

The only official sector of the labor movement supporting Halley was the Social-Democratic-led International Ladies Garment Workers Union, the Hatters and certain Butchers' locals. Thus, despite considerable rank-and-file support, Halley's lack of support by organized labor (which went to Wagner almost unitedly after Primary Day) changed the situation which had made him the leading contender prior to the

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While the Halley vote was not, in the main, anti-Wagner, sections of the Liberal Party leadership conducted the campaign in a divisive manner, increasingly directing the main fire at Wagner and his running mates in the closing days of the campaign, instead of against Riegelman. The membership of the Liberal Party and Americans for Democratic Action sensed the dangers of this policy and there were many questions and struggles against it within these organizations. The A.D.A. finally declared its neutrality as between Halley and Wagner, while endorsing Rev. Robinson, Liberal Party candidate for Manhattan Borough President.

The struggle first emerged against Dubinsky's and Berle's effort to achieve a Republican-Liberal "fusion" candidacy. The purpose of these negotiations was not only to win office and patronage. Its deeper purpose was to head off developing popular resistance to the Eisenhower Administration's foreign and domestic policies. Only the sharpest pressures of the membership defeated such a maneuver. In the later period, the Right-wing Social-Democrats attempted to follow a tactic of not differentiating between Impellitteri and Wagner. In the garment industry and elsewhere, however, this policy was rejected and a demand raised that Wagner be backed in the primaries even though Halley might be supported on Elec-

tion Day. There is no doubt that the position of the Left and progressive forces had some effect in preventing the Right-wing Social-Democratic leaders from aiding the Impellitteri drive.

In addition, many workers under the influence of the Liberal Party had questions about the failure of the Liberal Party to fight for labor unity behind a single candidate. The Liberal Party was held responsible for the victory of the Roe machine in Queens by many Liberal supporters.

The election campaign has borne out the correctness of differentiating between the Social-Democratic Liberal Party leaders and the tens of thousands of Liberal Party voters. It is necessary to increase efforts for unity with the Liberal Party and Halley supporters on the basis of issues, while criticizing vigorously the splitting policies followed by the Dubinskys and Berles.

ROLE OF THE AMERICAN LABOR PARTY

The A.L.P. got 2½% of the total vote. McAvoy received 54,000 and Schutzer 62,000. While the percentage and total vote did not fall below the Hallinan vote, it was below Lamont's 1952 New York City total of 92,000.

The A.L.P. was in objective fact a part of the loose coalition and in the anti-Dewey, anti-Impellitteri camp. Its program went beyond that of Halley and Wagner, not only in

greater clarity on municipal issues but in its forthright projection of the struggle for peace and against McCarthyism. In its struggle around issues it played a most positive role and influenced the character of the programs offered by the other candidates. It would be wrong to attempt to measure the value of the A.L.P. by the size of the vote. Its role must be measured by how it influenced the fighting capacity and programmatic content of the coalition as a whole. Thus, those who gauge its role only by its votes on Election Day are limiting and underestimating that role.

What are the major reasons for the decline in the votes of the A.L.P.? This decline is not of recent origin, but has taken place steadily since 1948. It should be noted that this decline took place in 1952 despite the fact that the most strenuous efforts were made for a maximum vote.

The main reason for the decline is the absence of a labor base. The fact is that the main organizations of labor and the Negro people still express themselves politically through the Democratic Party. Until 1948 the A.L.P. was generally associated with the candidates of the Democratic Party on the major offices, while running candidates of its own in only a few areas. The attacks of reaction—the operation of the Wilson-Pakula law which makes coalitions with the A.L.P. impossible except on the basis of formal acceptance by major party committees, the expulsion of

the Left-led trade unions from the C.I.O.—all these led to a situation where the A.L.P. was forced out of its traditional coalition relations. This process has been going on for five years and is the main reason for the decline in votes.

In addition, its own anti-coalition, go-it-alone trends added to its isolation. How to maintain ties with labor, the Negro people and the mass of voters is never a simple matter, but it is especially complex under current conditions. It requires the most skillful and effective work for the A.L.P. to advance the fight against war and reaction, with the struggle for unity around specific issues the key. It requires the most careful selection of those places where candidates should be run in order to guarantee for the A.L.P. the maximum vote possible under these conditions.

It was with these considerations in mind that at the beginning of the year many forces within the A.L.P. advanced a policy of placing it in the most favorable position in relation to the developing coalition, *not at the expense of, but in order to add to the A.L.P. vote*. Thus, for example, while stressing the need for maximum activity of the A.L.P. on the issues and for a ticket which could register votes, they proposed that the line for mayor be left blank. This, it was believed, would enable the A.L.P. to present the issues and get a larger vote for other candidates, by not running into head-on

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collision with the sentiments of the workers. It in no way implied endorsement by the A.L.P. for the candidates who might emerge, any more than the blank line left for U.S. Senator in 1949 represented endorsement by the A.L.P. for Herbert Lehman at that time. (That was the year when Vito Marcantonio was running for Mayor, and this tactic was helpful in securing his 356,000 votes.) Unfortunately, this tactic was rejected.

Thus, the advanced program of the A.L.P. and the excellent activities which were conducted around the State Legislature and the budget in the spring, were to a great degree offset by its anti-coalition policy in the elections. It failed to take into account the fact that *many features of its program had been adopted by the people, who were fighting for it in their unions, organizations and in the elections through the Democratic Party.*

Especially, the failure to distinguish between candidates backed by labor and candidates backed by reaction (which in practice oftentimes led to singling out Wagner and Halley as chief targets) created confusion within the ranks of the A.L.P. and increased its isolation from the main bodies of workers and Negro people, who correctly aimed their main fire at Dewey and Impellitteri.

However, while it was correct to oppose the rigid third-party tactics of the A.L.P., we permitted the polemics to obscure the role of the A.L.P.

as a vital element in the growing people's coalition. Many supporters of the A.L.P. mistakenly construed criticism of its tactics as a negative estimate of the organization itself. As a result, its activities did not receive the support they merited.

However, neither the losses suffered by the A.L.P. since 1948, nor questions about the tactics it pursued in 1953 should be permitted to place its future role in doubt. The A.L.P. has a vital role to play in the coming period as an independent political party. The very emergence of forces making for a new political alignment is a powerful argument for its continued existence and not for its disappearance. The fight to build a people's coalition must be conducted from *within* the Democratic Party to which the working masses are attached, particularly in the unions; and it must also be conducted from *without*.

The very fact that the rising coalition movement is under reformist and Right-wing leadership with varying degrees of support to the cold-war program, makes it imperative that a political party like the A.L.P. that bases itself on a consistent fight for peace, play an *independent* role in the struggles of the people.

No conflict exists between the independent role of the A.L.P. and the fight for coalition. On the contrary. The people's coalition needs the A.L.P.; and the A.L.P. will grow in influence as it pursues a coalition

policy. In fact, the A.L.P. has a splendid opportunity in the post-election period to stimulate a whole series of activities around the issues fought out in 1953—rents, fares, taxes, F.E.P.C., etc. A consistent, militant, united-front approach on these issues will help generate big struggles inside the labor movement, in the Negro people's movement and in all working-class communities. These struggles will lay the basis for united front electoral tactics in 1954 which will help elect a bloc of pro-peace, anti-McCarthy congressmen from New York, defeat Dewey and protect the position of the A.L.P.

The resignation of Vito Marcantonio as the A.L.P. State Chairman was a serious loss to the American Labor Party. On his record, he is a militant anti-fascist with an unparalleled history in Congress on labor, the Negro and Puerto Rican peoples, and general people's needs and, above all, the fight for peace and democracy. Despite his regrettable decision to leave, his desire to return to Congress—based, of course, on continuation of a militant program—certainly merits support from labor and its allies.

THE STAGES OF THE ELECTION CAMPAIGN

In formulating our 1953 policy, the State Committee started off with the criticism of the 1952 elections in the National Resolution, namely:

that the Party failed to direct its sharpest fire at the reactionaries, failed to struggle for the broadest coalition and to overcome rigid third-party tactics.

The State leadership estimated that Dewey was unleashing in New York State the equivalent of the national give-away, take-away program of the Eisenhower Administration; that these attacks on the masses would create the possibilities for new broad fronts of resistance, and that this resistance could be crystallized into a loose people's coalition that could defeat reaction.

The campaign went through a complex series of stages. The first stage was the struggle against the Dewey legislative "package." During this stage, roughly the first six months of the year, the Party had the problem of overcoming widespread reservations regarding our policy. Much good practical work was done in helping the labor movement to mobilize protest against the Dewey package in Albany at legislative hearings and in New York around the budget.

In the second stage, the Republicans and part of the Liberal Party leadership sought a "fusion" ticket with demagogic appeal which would guarantee Republican control. It was at this stage that Halley emerged as a leading spokesman against Dewey's package.

Our line to defeat this maneuver of Dewey's was hindered by reservations and even resistance to such

an approach. Due to our isolation, we were largely unable to influence events in the Liberal Party. In addition, many comrades thought the Dewey maneuver was of no concern to us. However, the few who were not isolated did help to influence the struggle.

It was at this stage that the tendency to embrace Halley arose. This was reflected in the *Daily Worker* and only lasted a few days. It was incorrect and was quickly changed. However, this was not the main line of the *Daily Worker*, which played a splendid over-all role in projecting a coalition line for the labor and people's movement in general and in opposing the Republican-Liberal Party maneuvers in particular.

The third stage opened with the primary campaign in the Democratic Party. The Party urged the unity of all anti-Dewey forces to defeat Impellitteri and advance the struggle against reaction in the Democratic Party.

The problem, again, was sectarian resistance and isolation. Those who did intervene, and very successfully, were our trade-union comrades, and comrades in Right-led mass organizations. *

The fourth stage came when Impellitteri re-entered the race. This created a dangerous situation for the anti-Dewey camp. At this point our Party called for a policy of unity of labor and the people's movement behind one candidate to defeat reac-

tion, now threatened by Riegelman and Impellitteri. This was a swift-moving period.

It was at this period that mistaken tactical judgments were made by some comrades in respect to Wagner. These stemmed from an overestimation of reactionary attacks and of the threat of Impellitteri at this point. But the comrades who did make this mistake, quickly corrected it, and in the main for the entire period correctly and aggressively fought for the Party's broad line in an exceedingly difficult situation.

When Impellitteri was thrown off the ballot and when in effect a broad coalition clearly crystallized around Wagner, led by labor and the liberal Democrats, the final stage of the campaign began. At this point, the Party sought to guarantee the resounding defeat of reaction, a maximum degree of pressure on Wagner, and on Halley, and the highest possible support for the A.L.P.

The central weakness throughout the campaign was a Left-sectarian resistance and inability to participate in the coalition struggles. This, together with the Party's weaknesses in bringing our tactical line to the membership, accounted for the relatively low mobilization and activities in the coalition struggles.

PROBLEMS OF COALITION

The loose coalition which emerged challenged all dogmatic notions of how labor and the people will move

to greater unity and independence on the electoral front. Characteristic of the present stage of its development is the fact that there was common agreement on municipal issues but no crystallized formal unity on the electoral means of achieving this program.

The bulk of the labor and people's movement all grouped themselves around Wagner and the Democratic Party. Some sectors supported Halley and the Liberal Party. The third and most advanced sector grouped around the A.L.P. and its mayoralty candidate, Clifford T. McAvoy.

Unlike the recent past, based on the lessons of the 1952 elections and the policy outlined in the National Resolution, the New York State Communist Party saw the coalition movement *as a whole* and urged active participation of progressives in *all three sectors*. This was the key element of our policy.

To see only the A.L.P. as the coalition or as its central element, as happened in many places, leads to a Left-sectarian mistake. To see either the movement around Wagner or Halley or both, as the totality of the coalition, leads to another kind of mistake—a Right-opportunist mistake.

These two deviations were present from the beginning of the campaign, but not in the same degree, or necessarily at the same time, nor did they come from the same quarters. Right-opportunist tendencies were manifested. These included a mini-

mizing of the role of the A.L.P., instances of Left-wing forces supporting Wagner without, at the same time, asserting an independent, critical position, and without fighting vigorously for their program. Similarly, the struggle for peace was underplayed, even within the limits of a municipal campaign. All this seriously hampered the election fight itself; moreover, they reflect continuing tendencies, under the impact of reaction's drive, towards weakening and even liquidating the vital role of the Left.

However, the main struggle for the Party policy in the 1953 elections had to be directed against Left-sectarianism and isolation. Why?

First, the Party's electoral mistakes from 1948 to 1952 left a legacy of over-estimating the radicalization of the masses, over-estimating the speed of the developing economic crisis, of rigid third-party forms, of theories of organizations that only required their establishment to have millions flock to them. These Leftist theories are not easily overcome or quickly understood by the Party leadership and membership. These theories are deeply ingrained and require the sharpest kind of struggle to root out.*

Second, most of our leading forces and membership are not in the Right-led labor and people's organizations, are isolated from them, and therefore do not easily grasp our policy of being with labor, with the mainstream—and leading it from within.

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Such comrades easily slip into sectarian habits and thoughts. Even those who make the first step and join these Right-led organizations sometimes bring with them sectarian ideas and impatience, and quickly become isolated.

Third, historically, in a period of reaction, a tendency develops to retire within the Left organizations, to seek safety, not only by desertion and accommodation, but by seclusion within an advanced Left fortress, holding high the banner of "radicalism." This is a big phenomenon today. Many of our problems in electoral work stem from this *middle-class radicalism*—which is a special problem in our New York Party organization. A go-it-alone policy may be militant in words; in reality it is a defeatist policy. It reflects lack of confidence in the working class and the people generally, as well as in the ability of the vanguard to influence the masses, with all their illusions and prejudices. It reflects a lack of confidence in the united front which is the key to a successful struggle against fascism.

That is why it is no accident that our broad *proletarian* line and policy in the elections developed in the main against Left-sectarianism. This part of the National Resolution was not fully grasped by our Party. The questions some comrades raise, however, reflect serious efforts to grapple with mass problems. The Party leadership, therefore, must firmly and patiently explain our policy. It would

be naive to think that we can move from one tactical line to another in the present crucial period without confusion, strain and difficulty.

Under today's circumstances this process of discussion and clarification is not easy. Nonetheless, ways and means must at all times be found. The leadership did not sufficiently find the ways and means during the campaign.

A central point that appeared repeatedly in various forms was the following argument:

"There aren't two groupings in the Democratic Party. There are no differences between them in program and policy. There are only reactionaries and demagogues."

But there *are* different groupings in the Democratic Party. Facts are stubborn things. Is there no difference between a McCarran or a Farley on the one hand and a Lehman on the other? Is there no difference between the former who are among or allied with the most reactionary McCarthyite forces in the country and the latter who, even if inconsistently, do conduct a struggle against McCarthyism? These different groupings have points of view in common, stemming from their support of the general objective of American imperialism; but to ignore the real differences that exist on a whole number of urgent questions is to fly in the face of reality. It is to lose a great opportunity of broadening the *mass base* of resistance to

reaction. It is to view the attack of Eisenhower, Brownell and McCarthy against Truman and the Democratic Party as a sham battle between demagogues that has no importance for the anti-fascist movement. Such an approach could only lead to complete isolation.

The recognition of these differences does not mean that we have illusions about the liberal groupings in the Democratic Party, or that we can place reliance on these forces to conduct a consistent struggle against reaction. Far from it.

The American labor movement has not yet emerged on the political scene as an independent class force in its own right. At the present stage, it operates primarily from within the Democratic Party and pressures it for its demands—which the liberal wing reflects. This is an important fact which we cannot belittle or deny. Otherwise we will be skipping stages in the process of the working class emerging as an independent class force. The penalty for skipping stages is isolation.

Another standard question these days is: "But isn't this coalition policy the 'lesser evil' tactic?"

The answer is clearly, No. If we advocated that labor stand by helplessly while the two major party leaderships selected candidates and then urged labor to pick the least obnoxious of these two candidates, we would indeed be following a "lesser evil" tactic. That, essentially was the tactic of the German Social-

Democrats in the historic 1932 elections when they rejected the united front with the Communists and urged labor to support Gen. Hindenburg as the "lesser evil" to Hitler, the Nazi candidate. Of course, under those circumstances the German people got not only Hindenburg but also Hitler.

Our coalition line is diametrically opposed to such a policy. We call on labor *not* to stand idly by while programs and candidates are being selected. We urge: 1) unity of the workers and the common people on struggle around the burning issues of the day; 2) intervention by labor and the Negro people as *independent* forces, particularly through C.I.O.-P.A.C. and the L.L.P.E., precisely to affect the choice of program and candidacies within the major parties, especially the Democratic Party; 3) building of independent political instrumentalities like the American Labor Party.

The "lesser evil" concept preaches reliance on one or another "great man" in the old parties. Our coalition policy is a line of struggle and furthers independent political action by labor.

It was also argued that the Left can only participate in those coalitions in which it is formally a part. This point of view refuses to take heed of the existing relation of forces in the labor and people's movement. The dominant sectors of the labor movement are under Social-Democratic and reformist leadership. Will

the advocates of such a "coalition theory," that demands the inclusion of the Left as a pre-condition, contend that the present Right-wing leadership of the labor movement must be replaced by a Left-wing leadership before a coalition can come into existence? Some people may comfort themselves that the masses will *eventually* move to the Left. But such a *belief* offers no guarantee that a mass movement will arrive in time to achieve the defeat of fascism.

No, we cannot wait for such eventualities. The struggle to build a coalition must proceed *now*. In fact, this process is already unfolding in the labor movement and in the people's organizations. We must reject such "purist" ideas and, on the contrary, multiply our efforts to influence these movements, with all their impurities and contradictions. This is the path by which to achieve unity and increasing popular support for the full and formal participation of the Left.

There is already a rich body of experience on electoral coalitions, of the formal and the informal type. The A.L.P., for example, was not seen on the ballot as a formal part of the coalition that elected the first Negro municipal court judge in Brooklyn history, Judge Flagg, but it was an indispensable part of the coalition nonetheless — and widely recognized as such in Judge Flagg's district.

Not the *form* of the coalition but its *content*—that is the issue. Wheth-

er the coalition is formal or informal—and we, of course, prefer a coalition in which the Left is an officially recognized part—is not decisive. What is decisive is this: does the coalition movement advance the struggle of the people for their needs; above all, does it help block war and fascism?

Then there is the argument that "maybe we went too far too fast." The proponents of this position expressed *general* agreement with the coalition policy of the Party but stipulated that its *concrete* application in the elections required its prior acceptance by the whole Left, including the A.L.P. In view of the fact that the A.L.P. rejected this policy, we were duty bound, they said, to forego the vague promises of a broader coalition in the future.

It is true that unity of the Left is vital. The unity of the Left however, cannot be viewed in isolation from the factors that contribute to the unity of the mass movement. The unity of the Left will be strengthened if it is in accord with the mass movement and pushes it, not if it is in conflict with it. Had we subordinated the real needs of the coalition for the sake of maintaining formal unity of the Left we would have sacrificed both. Furthermore these differences cannot be resolved primarily by debate; they will be resolved by concrete experience in struggle.

We were duty bound to base our policy on the needs of the working class, while making every effort at the same time to overcome differen-

ces in the Left.

Our firm struggle for a coalition policy during the elections provides some guarantee that the unity of the Left in the coming period will be based on a sound mass policy.

PERSPECTIVES FOR 1954

The year 1954 offers a great challenge to our Party and the progressive movement. The elections in New York, New Jersey, Wisconsin, Ohio, and elsewhere reflected the new political currents of opposition to the Eisenhower-Big Business program arising in the country. The Administration fears that the *set-backs* it suffered in 1953 can be extended into a major defeat in 1954. This accounts for the Administration's embrace of McCarthyism. Its general aim is to speed the tempo of fascism because the ruling class fears the growing popular resistance to its policies. Its specific aim is to stem the new alignment which is developing within the Democratic Party and to disperse it.

The struggle has sharpened. The Administration's attack on Truman, stemming from the 1953 elections, poses new dangers. Conversely, the results of 1953 present new opportunities, anticipated in the Party Resolution, to build an effective movement that can defeat reaction and advance the struggle for peace in the coming session of Congress and the '54 elections.

The outline of a broad people's program has already emerged that can unite labor and its allies in the

period ahead. This program is a program for democracy and peace and against McCarthyism.

Our aim must be to help develop mass movements of struggle in the labor movement and the people's organizations. Our main concern must be to guarantee that the labor movement will independently develop an aggressive campaign in cooperation with other people's organizations.

The growth of these movements, especially in the Right-led organizations, is decisive in the effort to consolidate, extend and deepen the loosely-formed coalition in 1953. They are the pre-condition for the formation of a coalition movement in 1954 that can defeat the Dewey-Farley forces in the state elections and help elect a powerful bloc of congressmen from New York pledged to fight for peace and against McCarthyism.

Our Party has been considerably enriched by the experiences of the past year. We have taken a bold step in the manner in which the general line of the Resolution was applied to the concrete situation in the 1953 elections. Mistakes were made, such as those noted above. But the results of the elections and the events since have confirmed the fundamental validity of the line. More, they have provided evidence that as we move into the mainstream, we can, in spite of our small numbers, in spite of the attacks against us, exert a great influence on the people's movement.

Big Business Re-Writes American History, II

By Herbert Aptheker

(This article's first installment appeared in the December, 1953, issue.)

The pioneer Big-Business historian is N. S. B. Gras, professor of "Business History" at Wall Street's academic extension—Harvard's Graduate School of Business Administration. This approach was institutionalized, in the halcyon twenties, with the establishment of the Business Historical Society, Inc., located at Harvard and under Professor Gras' functioning leadership. For almost thirty years this Society has been publishing a monthly *Bulletin* promoting and recording the development of a Big-Business historiography.

The Society, an affiliate of the American Historical Association—leading national organization of historians—has been sponsoring, since the close of World War II, Fellowship Awards aimed at graduate students and young teachers. Each award carries with it a grant of \$2,500 and twelve months' study at the above-mentioned School, the object being, in the words of the award, "to help prepare mature students for teaching American business history."

Also since the start of the Cold War, the Business Historical Society has been participating actively in the

annual meetings of the American Historical Association—gatherings of great influence upon writers and teachers of history in this country. Typical of this development was the 62nd Annual Meeting (December, 1947) of the Association, where four of the sessions dealt with "business history," and where the Society sponsored, jointly with the Association, two meetings on "Problems in the Writing of the History of Large Business Units." Prof. Gras presided at one; Charles W. Moore, head of the S.K.F. industries, at the other. Professor Henrietta M. Larson—a protégé of Gras', editor of the *Bulletin* of the Business Historical Society, and a teacher of Business History at Harvard—struck the keynote:

It is exciting to think that before our very eyes the gulf between the scholar and the business man is narrowing and close cooperation between them is developing on a high professional level.¹

Further, under the aegis of this Business Historical Society, the Harvard University Press has published about twenty volumes (the *Harvard Studies in Business History*) immortalizing the contributions of John

Jacob Astor, Jay Cooke, Macy's Department Store, and other creators of the American Way of Life.

With the end of World War II, New York University got into the act. It established, in 1945, the New York Committee on Business Records, with one of its history professors, Thomas C. Cochran, as executive secretary. Prof. Cochran, in a pamphlet entitled, *Why Corporations Should Open Their Records to Scholars*, stated his creed as follows: 1) "the individual firm is the real maker of economic history"; 2) most of the material now available "is biased, coming as it does from government indictments and investigations"; 3) "every business has had labor troubles at times. . . . The public knows little about labor from management's point of view."

With this objective viewpoint the Press of New York University launched in 1948, its "Business History Series," Professor Cochran the editor. He, too, authored the series' first volume, *The Pabst Brewing Company*. After Pabst Beer, the Series promises us, early in 1954, a history of the Norfolk and Western Railway. Thrilling and endless is the vista!

The most influential volume yet produced, however, by these professional "business historians," was one which appeared in 1939. It was written by Professors Gras and Larson, and was entitled *Casebook in American Business History* (Crofts & Co., N. Y.). The volume grew out of

the need for a text to service the courses in "business history" then being given at Harvard—and only at Harvard. But with the onset of the Cold War, university after university added a course in business history (frequently dropping conventional economic history courses in the process).

In almost all of these courses, and in certain others, attended each semester by as many as 250 freshmen, and given in universities throughout the country, the Gras-Larson book is the text. The volume, in propounding the glories of Big Business, is basically fascist in its viewpoint. Its theme is the glory of monopolization of the means of production and the necessity of what it calls "national capitalism," which it identifies, explicitly, with fascism (p. 13). Its hero is Benito Mussolini. Mussolini had "the revolutionary labor leaders" put "in exile or otherwise taken care of" [!] (p. 13) and he, in fact, "gave new life to Italy." Italy's masses "seem enthusiastic," even if war preparations have lowered their "planes of living." "Investors are protected, and industrialists, large and small, are encouraged to produce" while—under Hitler as under Mussolini—labor occupies "a position of honorable subordination." This arrangement "is the most that can be expected under" present conditions (pp. 13, 15, 756). It is true, says the Gras-Larson textbook, that "Big Businessmen, Jews, and international bankers hold to a price economics"

rather than "national capitalism," but this is sheer backwardness (p. 763). Finally, if Big Business is not on top, what is the alternative? See it, and shudder: "In socialistic Russia the labor-consumer point of view prevails" (p. 764). In short—fascism or barbarism!

Such is the textbook now in use in New York University and Harvard, the University of Nebraska, and at least a dozen other universities, without raising an eyebrow among the Guardians of Loyalty on the Un-American Activities Committee!

Professor Gras has been a true bellwether for a Big-Business "coordinated" historiography to help prepare the way for a fascist America. In 1941 he announced:

The social philosophy that we need today is the one that has business in it. No nation more than America and no name more than Rockefeller could effectively assume that leadership.²

And, in 1949:

In the struggle which is at hand in the cold war and which threatens to break out in more violent form, there is still an opportunity which we should not miss. We can make private business capitalism into a religion comparable to its rival, Communism. That this would accentuate the degree of current irrationality is not to be denied . . .³

The crusade is on, and the accentuation of irrationality goes on apace.

Courageously leading the hosts onward is a triumvirate. One instructs in the philosophy of history at a bastion of Social Democracy, the New School for Social Research in New York. Another, in the "emotional thirties," called himself a Marxist—though he never went beyond Charles Beard—and even founded a short-lived periodical mistitled—invitingly for the period—*Marxist Quarterly*. Today, converted to Big Business idolatry, this one is Dean of the School of General Studies of Columbia University (an eminence achieved, through sheer coincidence, after the conversion). The last, Professor of American History at Columbia University, and two-time Pulitzer Prize Winner, possesses other momentous distinctions that will be mentioned in due course.

The first, Dr. Edward N. Saveth, announces in Big Business' own magazine, *Fortune* (April, 1952) the delightful news: "U.S. historians have begun a re-examination, long overdue, of the role they have traditionally assigned to business and the businessman."

This New School instructor finds that what "abuses in business practice" there may possibly have been, "were byproducts of the tremendous efforts by men who, with limited capital in a relatively poor [!] and vast country, performed miracles of material accomplishment." Saveth concludes by quoting his comrade-in-arms, the aforementioned Dean, Louis M. Hacker, who finds and

bravely announces: "Capitalism was a success." "It is," urges the New Schooler, "this point of view rather than the sour muckraker indictment, that should find increasing acceptance among historians."

The Dean, as his four words quoted above indicate, is zealously atoning for a somewhat exuberant youth. He now thoroughly appreciates, as he puts it, "the extraordinary picture of American enterprise" that the business elite produced. He understands them to be the backbone of "economic stability and progress," to be the "boldly venturesome and socially creative" personalities in American history.⁴

But it is the last of the three who is the prize show-piece, and leading showman, of the Big-Business devotees. This is Allan Nevins, possessor of a career as distinguished and successful as the current American society offers a non-fiction writer. Mr. Nevins was an editorial associate of the *N. Y. World*, the *N. Y. Sun*, the *N. Y. Post* and *The Nation*. He was a Professor of History at Cornell and for over twenty years has been Professor of American History at Columbia. He has taught at Oxford, too, and wrote, at the request of the American Ambassador in London, a brief history of the United States which serves as the text for courses in England and in West Germany. Since World War II he served two tours of duty in London for the State Department as Chief Public Affairs Officer.

Professor Nevins has authored, or co-authored, edited, or co-edited, perhaps thirty volumes of history and biography and has served as over-all editor of several influential series of books, especially two published by Yale, *The Chronicles of America* and *The Pageant of America*. In addition to winning the Pulitzer Prize twice, he has won the \$10,000 Scribner award recently for his *Ordeal of the Union*, a two-volume study of American history from 1847 to 1857. Each of Mr. Nevins' books has been influential, and some, like *The Pocket History of the United States* and *The Heritage of America* (both done in collaboration with Henry Steele Commager), have sold very widely. If one adds the fact that he writes with some regularity for the *N. Y. Times*, the *N. Y. Herald Tribune*, the *Saturday Review*, etc., and that he authors radio scripts occasionally, it becomes clear that no more influential historian exists in the United States than Allan Nevins.*

With these honors, this prestige, this influence, Prof. Nevins has now stepped forward as the leading advocate of the re-writing of American history in the image of monopoly capitalism. He has done this on certain extremely well-publicized occasions.

* Further evidence is his recent appointment as Director of the American Jewish History Center. The Chancellor of the Jewish Theological Seminary, in announcing the establishment of the Center, said that, "the future of American civilization depends on America's spiritual leadership of the world in our time." (*N. Y. Times*, Nov. 29, 1953). The Big-Business historian embodies this spiritual leadership.

In 1951, speaking at a Stanford University history conference to hundreds of college and high school teachers of American history, Mr. Nevins called for, in the words of the *New York Times* (Aug. 6, 1951), "a vast change in the historical interpretation of America's industrial revolution." Nevins told the teachers that "the Rockefellers, Carnegies, Hills and Morgans" were "the heroes of our material growth." Looked at soberly and conscientiously such men "stand forth in their true proportions as builders of an indispensable might." Yes, these were the builders of America. Any other view smacks of "feminine idealism," said the masculine realist. No longer must we speak or think or teach "of robber barons who were not robber barons at all." "A great injustice" has been done these heroes and we must eliminate "the apologetic attitude" so common in the New Deal days.

Presiding at the conference was Professor Edgar E. Robinson, director of Stanford's Institute of American History. Mr. Nevins' eloquent appeal for the mending of a great injustice touched this pious scholar and he exclaimed:

Thank God I live at a time when I can hear one of the leading American historians declare his faith in America. I hope we never have to go through another period known as debunking. It is bad for the disposition and highly dangerous for the nation.

That Professor Robinson should equate his indisposition with the nation's insecurity reflects, I fear, something other than the humility befitting so eminent a scholar. Apparently he over-excited himself. He did, however, get Nevins' point. The scholars composing the editorials of the *New York Daily News* were also profoundly touched. Being of a somewhat less elevated turn of mind than Professor Robinson, they did not attribute Mr. Nevins' vision to the Lord, but they did rejoice (Aug. 12, 1951) that the "creators and present-day trainers and improvers of the American industrial giant will soon be getting their just deserts from our writers and teachers of history." The *New York Times* (Aug. 7, 1951) also hailed Mr. Nevins' brilliance and was especially impressed with his repudiation of the idea that the Morgans and Rockefellers had been exploiters. Builders, not exploiters—yes, that was well put.

In 1953 Professor Nevins was asked to speak at the annual meeting of the Society of American Archivists. Here he made, in substance, the same speech he had delivered two years before in Stanford. This time he referred to Rockefeller, Carnegie, Hill and Ford, rather than Rockefeller, Carnegie, Hill and Morgan as men, who would "yet stand forth in their true stature as builders of a strength which civilization found indispensable," but the slight change in nomenclature may be ascribed to the scholar's pre-occupation with the de-

tails of his work—Mr. Nevins is now engaged in a two-volume history of the Ford Motor Company and has been given access to the Ford family papers.

New, too, was Mr. Nevins' finding that these American saviors of civilization created an industrial revolution at much less cost in human terms than was true in England, Germany or Japan, and, of course, "far less" than in the U.S.S.R. "Here," he said, "is a wide field for the re-writing of American history and for the re-education of the American people" (*N. Y. Times*, Sept. 20, 1953).

* * *

So much for a summary of the main thesis of the new Big-Business school of history-writing. We turn now to an analysis of its validity. We shall do this by an examination of its findings in certain key areas and aspects of American history. In this examination we shall use in great part the writings of Mr. Nevins, himself—the most eminent advocate of the Big-Business historiography. The content and methodology of this "new" viewpoint will be demonstrated in part by comparing and contrasting the pre-Big-Business Nevins with the current one.

It should first be mentioned that Mr. Nevins, both before and after his new vision, has not been averse to writing openly subsidized Big Business vanity histories. Thus, in 1934, the Bank of New York and Trust Company published its *His-*

tory, from Mr. Nevins' pen, and in 1946 the United States Lines engaged the same biographer. In each case, needless to say, the performance was rendered *con passione*.

We turn, however, to Mr. Nevins' academic, rather than commercial, writings.

Among these the first clear evidence of Mr. Nevins' turn was his two-volume biography of John D. Rockefeller published by Scribner's in 1940 and subtitled *The Heroic Age of American Enterprise*. The discerning Professor Gras, whose own views and values we have already described, wrote of this work:

In these two splendid volumes I think I see some cross-currents of opinion on the part of the author. There seems to be, for instance, a subtle conflict between the point of view of the petty capitalist and that of the industrial [*i.e.*, the monopoly] capitalist.⁸

Professor Gras' reading of the volumes convinced him that the author had resolved this conflict in his own mind in favor of the monopolist and hence concluded: "Prof. Nevins may have preceded the American people in working out a more considered attitude toward the great industrialists of the last century."

A reading of these volumes, published thirteen years ago, confirms the astuteness of Prof. Gras' judgment. In them Mr. Nevins saw Rockefeller as of "the guiding elite . . . of our industrial society." He admitted that "some of his [Rocke-

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feller's] methods were open to criticism; but then," he went on, "it must be remembered that he had to use the weapons and implements of his time." Rockefeller and his partners, the biographer was certain, had been devoid of greed or base motivations, but had rather been moved by the drives for "competitive achievement and self-expression." Nevins' close is a veritable panegyric. Rockefeller, he wrote:

by virtue of his organizing genius, his tenacity of purpose, his keenness of mind, and his firmness of character, looms up as one of the most impressive figures of the century which his lifetime spanned (II, p. 714).

In these 1940 volumes, too, Nevins was already sharply critical of what Dr. Saveth a dozen years later was to call "the sour muckraker indictment." He especially attacked one of the most penetrating and influential of the muckrakers, Henry Demarest Lloyd, whose historic *Wealth Against Commonwealth* (1894) had pioneered in analyzing critically the activities of monopolies, including Rockefeller's.

Of Lloyd's volume, the pre-Rockefeller Nevins had written:

Wealth against Commonwealth was a searching exposure, amply buttressed by detail, of the iniquities of the trusts and of big business in general. Nothing escaped Lloyd's keen eye. . . . The combination of the beef-packers to increase prices . . . above all, the history of the Standard Oil Company, and its sordid record of business piracy—all this was

laid bare in more than five hundred calm, unemotional pages (*Grover Cleveland* (N. Y., 1932) p. 607).⁹

But of the same book the Rockefeller Nevins (1940 vintage—as we shall see there is a 1953 brand) had written:

As a polemic for the times it was magnificent; as a piece of industrial history it was almost utterly worthless. . . . It created a stage Rockefeller as unreal as the stage Irishman . . . any critical scrutiny of the book in the light of present day knowledge of business history and economic principles shows that it was full of prejudice, distortion, and misrepresentation (II, p. 334).

The reader will recall, however, that Professor Gras, in writing of the 1940 biography of Rockefeller, was troubled by the existence of "some cross-currents of opinion" on Nevins' part; Gras reported that he saw still remaining in Nevins some petty-bourgeois conceptions, something still short of an uninhibited embrace of "the great industrialists."

What remnants troubled the Dean of "business-historians?" It is especially illuminating to examine this because Mr. Nevins has published, in 1953, again through Scribner's, another two-volume biography of John D. Rockefeller, this one subtitled: *Industrialist and Philanthropist*. In the preface Mr. Nevins feels compelled to assure the reader that he is a "truthseeker." From a modern Diogenes he is confident "business need fear no misrepresentation;

and the critical public need apprehend no deception." Then, in the manner made famous by yet another modern Diogenes — Vice-President Nixon, himself — Mr. Nevins includes in his preface a telescoped financial statement. He writes: "I have scrupulously kept myself free from financial obligation and have in fact accepted heavy penalties in devoting so much time and toil to a book whose royalties can hardly meet my personal costs of research." Thus, we see that Rockefeller's life has become Mr. Nevins' income-tax deduction.

But this is not all. Mr. Nevins chronicles yet another—more subtle, perhaps, but also most tempting—snare which he is happy to have had the character to have avoided. He has disciplined himself to the point of foregoing the delights of "proving an artificial 'courage' by pelting wealth with moral objurgations."

What fortitude! What modesty!! But—more to the point: what scholarship?

* * *

Let us, then, compare the Big-Business historian-aspirant (the Rockefeller biographer of 1940) with the Big-Business historian-master (the Rockefeller biographer of 1953).

The most revealing, the most sensitive area of comparison clearly is that of labor. While it is a fact that the Big-Business historians, in their eagerness to present the monopolists as men who "performed miracles of material accomplishment," who

were the "socially creative" ones, "the heroes of our material growth," do write as though Rockefeller drilled wells, or Gould built railroads, or Guggenheim mined copper, and an amorphous mass, called the poor or the under-privileged or the unfortunates, lived in slums and afforded objects for the heroes' philanthropy—I say, while it is a fact that that is the way these Big-Business historians write, still, even for them, labor does exist, if only as a necessary evil!

To be blunt: Somebody must have *worked* for Rockefeller?! And perhaps in four volumes totaling two thousand pages, devoted to depicting the life and times of the head of a billion-dollar trust bestriding a basic industry—perhaps in such circumstances our Big-Business historian devotes some attention to the workers?*

Precious little, even for the Big-Business historian-aspirant; still less, and that differently, for the Big-Business historian-master.

Both editions devote appendices to what is called "The Standard's Labor Policy." The appendices are identical—with an exception, to be noted—and take up not quite one page (in the 1940 edition, II, p. 721; in the 1953 edition, II, p. 480). The reader is informed that "Rockefeller insisted upon good wages and kindly treatment." Still "unions were dis-

* It is important to note that the muckrakers, reflecting, their petty-bourgeois limitations, also ignored labor. For example, Ida M. Tarbell, in her two-volume *History of the Standard Oil Company* (1904), ignores the whole question of labor.

couraged." Again, Rockefeller "while generous in wage-policy, maintained a secret service department [whose] agents mingled with the workers and kept careful watch for labor agitators." So far, the historian-aspirant and historian-master are identical. But, the 1940 Nevins ends his Appendix with this sentence: "Nevertheless, the liberal activities of John D. Rockefeller, Jr., in promoting the industrial representation system in various of the former Standard companies, indicate that numerous employees became discontented with the paternalistic system." The 1953 Nevins extracts a different lesson from Junior's "liberal activities," and this shows the master's touch: "Nevertheless, the liberal activities of John D. Rockefeller, Jr., in promoting the industrial representation system in various of the former Standard companies, opened a new era in labor relations"! (italics added.)

This industrial representation system, liberally sponsored by John D., Jr., and marking "a new era in labor relations," to our sacrificial, truth-seeking historian of 1953, was described in the following terms, in 1915, by the United States Commission on Industrial Relations:

It embodies none of the principles of effectual collective bargaining and instead is a hypocritical pretense of granting what is in reality withheld. . . . The effectiveness of such a plan lies wholly in its tendency to deceive the public and lull criticism, while per-

mitting the Company to maintain its absolute power.

The "industrial representation system" was in fact the parent of company unionism. It was the tactical reply of the labor-hating, union-hating Rockefellers to the rising trade-union consciousness and militancy of the American working class in the first decade of the twentieth century. It was, specifically, the Rockefellers' propaganda response to the horror that swept the nation after the ruthless crushing of the sixteen-month long strike of 9,000 Colorado coal miners, culminating in the historic Ludlow Massacre of April 20, 1914. In that Massacre, gunmen hired and armed by the Rockefellers murdered 33 striking miners and their wives and children and shot or burned one hundred more.⁷

What about the Ludlow Massacre and historian Nevins, models 1940 and 1953? What does the Rockefeller biographer say?

In 1940 he finds it "a heart-rending incident." The origin of the shooting is uncertain, he says, but a footnote indicates the impression the author seeks to convey: "The strikers were accused of shooting at the militia from their tent colony, with fatal consequences to the women and children when the shots were returned." Still the 1940 Nevins finds that "the abuses were serious," and that—while the executives chosen by Rockefeller were "men of integrity, courage, and ability," and while the

miners "were not ill treated" from the owners' point of view (!), and while "the question of the closed shop or open shop had two sides," and while "the question of responsibility for the Ludlow affray" is still open—still (saying it as quickly and baldly as possible, but still saying it) "the strikers were in the right."

Not very much for a strike and its murderous suppression which showed monopolistic capitalism as its naked, characteristic, unrestrained self: wholesale corruption of politicians; fraud, terror, and racism to prevent workers' organization; complete violation of law; merciless exploitation through miserable wages, interminable hours, company-owned stores, doctors, morticians, police and ministers; cheating and stealing (especially from compensation claims of injured workers and pension claims of workers' families). And then to crush rebellion against all this capitalist exploitation, calling out the Colorado National Guard, whose units, said the United States Commission investigating the massacre, "degenerated into a force of professional gunmen and adventurers who were economically dependent on and subservient to the will of the coal operators."

No, the Nevins of 1940, in view of all this, did not say very much, but saying that "the abuses were serious" and that "the strikers were in the right" was enough to evoke the well-mannered sigh of concern from Professor Gras as to the persist-

ence of some distressing "cross-currents" in Nevins' work. Well, not so in the Nevins of 1953.

No, now the beam from our Diogenes' lantern reveals the full truth and so in the 1953 Rockefeller we find the Ludlow Massacre treated not in six pages but in five lines of type ensconced within a chapter nobly entitled "The Well-Being of Mankind" (II, p. 391). Here it is, in full:

In 1914 Rockefeller and his son became involved in the labor troubles of the Colorado Fuel and Iron Company, an unprofitable company in which they held a 40% interest. Since Rockefeller, then almost 75, had no active concern with the company, this story belongs to the biography of his son.⁸

"Since Rockefeller was almost 75!" But he died when he was 98, and he kept all his faculties to the end. And Nevins, in his 1940 volume (II, p. 686), states that Junior was not in charge of the Rockefeller empire until 1920. Moreover, Rockefeller's "benefactions" really begin after 1914 (it is after Ludlow and the consequent adverse publicity that Rockefeller hires Ivy Lee with the assignment to make him a "philanthropist"), and Mr. Nevins is careful not to exclude them from his biography.

No, Mr. Nevins should have offered no excuses at all and simply extinguished his feeble lantern when, in his 1953 incarnation, he got to Ludlow. For the reality of Ludlow ex-

poses the reality of Rockefeller—oppressive, cruel, insatiable—a true, a model Big Businessman. He who is laureate for such a monarch had best celebrate these, his greatest, victories—in becoming silence.

* * *

The prize Big-Business historian displays a racism and, in particular, a white chauvinism that befit his assignment. Here, one finds plentiful seeds in the pre-Rockefeller Nevins, but the time of full blooming once again is now.

There is nothing narrow about the racial prejudices revealed in Mr. Nevins, writings. Therein one finds aspersions cast against American Indians, Cubans, Irish, and, in the most recent writings, against, in fact, all non-English speaking peoples.⁹

White chauvinism infests all of Mr. Nevins' history-writing, as it does the work of American white bourgeois historians from George Bancroft to Charles Beard. Yet, in this regard, too, though the idea is found blatantly expressed by Nevins a generation ago, it has taken on a new role in his current Big-Business period. Let us first note and comment upon this aspect of the earlier Nevins.

In a work dealing with the history of the United States from 1865-1878—that is, from the end of the Civil War to the end of Reconstruction—Nevins succinctly stated his view: "While slaves, the Negroes had been cared for, in health and sickness, by their masters; now [with emancipa-

tion] they were left to their own ignorance and carelessness."¹⁰

The masters "cared for" the slaves! From the slaves' labor, the masters got everything they had, and they "cared for" the slaves! The masters produced nothing but misery and agony; the slaves produced everything—they felled the forests, harvested the crops, prepared the meals, built the houses, and created what music came out of slavery times—and the masters cared for the slaves! Yes, if the Rockefellers, Carnegies, Fords and Morgans were "the heroes of our material growth," then Calhoun, Davis, Stephens and Lee "cared for the slaves!"

Radical Reconstruction, Nevins felt, was an abomination. The constitutional conventions, marking its beginning, "drew up instruments guaranteeing all races entire equality, political and civil." Obviously, such dreadful proposals were supported only by "an ignorant, illiterate, emotional mass of freedmen" who were led like sheep by "the hated Carpetbaggers . . . and the still more detested Scalawags."¹¹ The instruments were implemented and State after State found itself "manacled by strict provisos to safeguard the place of the Negro in its civic and social life."¹²

Education-wise, too, said our professor, Radical Reconstruction unloosed "a flood of calamities," namely: state funds would go only to non-Jim Crow institutions, and Negroes were to be admitted to the ad-

ministration and classes of the universities.¹³

In brief, the Radical Reconstruction governments "were probably the worst that have ever been known in any English-speaking land."¹⁴ Yet, all was not lost. For, though "the fine principles and traditions of the South's aristocracy were engulfed,"¹⁵ still "little by little the self-respecting whites of the region gained the right of ruling themselves."¹⁶ They threw off "the intolerable yoke," in large part through the interesting activities of the "picturesque" Ku Klux Klan—a noble organization, resisting "grotesque tyranny."¹⁷

It is clear, then, that for the Nevins of the twenties, thirties and early forties, Negro slavery is an ingenious device assuring security for pitifully incapable chattels. And the Ku Klux Klan, in its armed struggle against the Southern State governments, epitomizes the noble against the ignoble, the redeeming against the defiling, the superior against the inferior, divine liberty against grotesque tyranny.

Can the militant and fully-conscious Big-Business devotee improve on that? He is in the process of doing so. While his right hand produces four volumes on John D. Rockefeller, his left hand produces four other volumes on American history from the end of the War against Mexico to the beginning of the Civil War.* (Now his right hand is sifting the Ford family papers; his left

hand is sorting out the notes for the Civil War and Reconstruction volumes.)

The "improvement" is only slightly evident in the handling of slavery. It remains an institution with, as he puts it, a "lighter" and a "darker" side, and as for the "darker" side, certain "facts" must be borne in mind, namely: "The childlike character of many slaves, the half-savage character of some others, their opportunities for evading labor or destroying property, their imitative propensities, and the impossibility of making rewards. . . ." (*Ordeal*, I, 442). In his very latest volume (*The Statesmanship of the Civil War*, p. 52), Nevins stresses what he finds to have been the "useful economic and social service" rendered by slavery. He finds that this "utility was nearing an end" by the time of the Civil War, but the end was not yet. This it was which was clear, at the time, to "most informed men" and they, therefore, wisely did not desire the abolition of the still "useful" slavery. Rather they wanted to "modify" it "soon" and to "relinquish" it "eventually." If only the masters had been left alone "to choose the hour and method" to begin slavery's "gradual extinction," all would have been well!

The "improvement" appears most clearly in two related areas: the treat-

* They are: *Ordeal of the Union* (2 vols., N. Y., 1947, Scribner's); *The Emergence of Lincoln* (2 vols., N. Y., 1950, Scribner's). There is also a small one-volume preview of his Civil War work—*The Statesmanship of the Civil War* (N. Y., 1953, Macmillan).

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ment of the Abolitionists, and the explanation for the coming of the Civil War itself.

The Abolitionists are, in fact, the villains of American history. Nevins never lost any love for them, of course. Indeed, the editors of the series for which his 1927 book, *The Emergence of Modern America, 1865-1878*, was written (Professors A. M. Schlesinger and D. R. Fox) noted, with obvious gratification, that Nevins had written of the post-Civil War decade "without a single reference to either Charles Sumner or Thaddeus Stevens." (All three savants—author and editors—were too immersed in chauvinism to even comment on the absence of Frederick Douglass.)

But in his latest work, it is the Abolitionists (to Nevins they are all white men—he mentions in this connection Birney, Garrison, Phillips, Parker, Higginson) who bear "a fearful responsibility before history." They were "men of malicious temper," leaders of an "intemperate crusade" who "wanted to hurt the South," who "positively exulted in talk of disruption, battle and bloodshed." What is that "fearful responsibility?" Nothing less than major precipitators of the Civil War, or, at least, major stumbling blocks to the discovery and working out of some reasonable *modus vivendi* which would have spared this country four years of devastation.*

Nevins finds John Brown "ignorant, narrow-minded . . . a thoroughly selfish egotist . . . with a vein of hard cruelty"; in fact, insane and "fanatically prejudiced." (*Ordeal*, II, 473). And he labels cowardly the behavior of Brown's friends and associates—Samuel G. Howe, Frank Sanborn, Frederick Douglass (in charging cowardice Nevins does not forget Douglass!) (*Emergence*, II, 94).

It is fitting that the "new" history, the Big-Business history, whose heroes are Ford and Rockefeller, should spit on John Brown and defame Frederick Douglass. It is fitting that the racist laureate of the most chauvinist ruling class in history should find John Brown prejudiced, selfish and cruel, the John Brown who first among leading white figures in American history had consciously burned out of himself white supremacy, who fought for Negro emancipation side-by-side with Negroes, who died for Negro freedom side-by-side with Negroes. And of all the major statesmen in American history, the most courageous is Frederick Douglass, exactly the one called cowardly by the new Nevins.

But, what is the heart of Nevins' point that the Abolitionists bear a "fearful responsibility before history?" This point can be understood

can spare only one sentence in offering the indictment, and the sentence really absolves. It reads: "They were strongest where Negro population was densest; not so much because slavery was most profitable there as because the problem of race adjustment was most difficult and Negro subordination seemed most imperative"—*Emergence of Lincoln*, I, 345.

* Nevins also seems to indict "Southern extremists" as sharing this responsibility. But he

only in connection with his thesis as to the origin of the Civil War, and here we have another "advance" by the new Rockefeller-Nevins.

Allan Nevins, in his *Ordeal of the Union* and *The Emergence of Lincoln*, offers a racist interpretation of the Civil War's origin, and this pushes his racism—its role and function—well in advance of what it is in his earlier writings. This is the point: Nevins finds the Civil War to be the result of a failing of statesmanship. That is, the leadership of the nation could not resolve a central problem before it; therefore a forcible solution was undertaken.

What was this central problem, or, better, dilemma? Was it slavery? Not really; it was not slavery but rather "race adjustment." "The problem offered by the millions of Negroes far transcended slavery . . . the one really difficult problem was that of permanent race adjustment" (*Ordeal*, I, preface). Again: "The main root of the conflict (and there were minor roots) was the problem of slavery *with its complementary problem of race-adjustment*. . . . It was a war over slavery *and* the future position of the Negro race in North America" (*Emergence*, II, 468, 470; italics in original).

The reality of slavery in its economic exploitative, commercial essence; the ownership of slaves as basic to the nature and power of the slavocracy; the predominant grip of that oligarchy over the Southern people—Negro and white—and its domi-

nating hold over the national government; the increasing hatred for the Bourbon of the non-slaveholding Southern whites and the rising militancy of the slaves; the development of a Northern industrial bourgeoisie, working class, free farming population with interests antagonistic to those of the dominant slaveowners; the maturing, in quantity and quality, of the great Abolitionist movement; the internal contradictions of the slaveowners' economy forcing it to expand or die—all these inter-related forces which together, upon the election of Lincoln, decided the slave-owning class to seek to overthrow the Government of the United States by resort to force and violence rather than accept the peaceable, democratic election results, and so led that class to overt treason, to launching a civil war, all this is ignored.

No one, no class starts Mr. Nevins' Civil War. The war *comes*, and it comes not because the Negroes were slaves, but because they were slaves *and* Negroes, *i.e.*, "childlike and half-savage," because they were an inferior people and so could not be freed all at once—with no master to "care" for them—since this would make impossible "race adjustment."

The Abolitionists, fools and knaves, thought that, "The black man, once emancipated, would almost instantly become in all but color a white man" (*Emergence*, I, 344). To Nevins, what else can be desired? Surely, Douglass wanted to be a white man—an "English-speaking" white man

—like Nevins. Is a higher goal conceivable? Is it possible that the Negro people wanted not to be white, but to be free?!

When Nevins makes the K.K.K. his hero and Stevens his villain he makes perfectly clear what *he* means by "race-adjustment." When Nevins writes that after Reconstruction, "The Negroes, where well-behaved, were, except in rare instances, left unmolested, and their rights were far more fully recognized than ever before,"¹⁸ one knows what he means by "well-behaved" and understands where he gets the gall to speak of Negro people as children who must be "well-behaved" in his eyes. And when he speaks of "unmolested" he is not unmindful of the over 1750 Negroes *reported* as lynched from 1882 to 1900, and when he speaks of the recognition of rights he knows that the right to education, to vote, to hold office, to live without Jim Crow, to own land—all basic to terrible Reconstruction—were exactly the rights forcibly denied the Negro people after Reconstruction.

Nevins' racist interpretation of the Civil War's origin raises to a new operative level in the writing of American history (except for outright Southern apologists, like the late U. B. Phillips) the concept of white chauvinism—creature and bulwark of American imperialism.

* * *

In the concluding installment we

shall deal with a fundamental argument of the Big-Business historians: that the monopolists were in fact the builders of America's might, "the heroes of our material growth."

1. *Bulletin of the Business Historical Society*, Feb. 1948, XXII, p. 18. Hereafter cited as BBHS.
2. BBHS, Oct. 1941, XV, p. 50.
3. BBHS, March, 1949, XXIII, pp. 63-64.
4. Hacker, reviewing one of the recent flood of "business biographies"—R. G. Cleland's *History of Phelps Dodge*—in *N. Y. Times Book Review*, April 13, 1952.
5. BBHS, Oct. 1941, XV, p. 49.
6. For a defense of Lloyd's authenticity see Chester M. Destler's study in the *American Historical Review*, Oct. 1944. To this Nevins replied, in the April, 1945 issue, and Prof. Destler rebutted, fully, in separately issued mimeograph form, also in April, 1945. Of Lloyd, the 1953 Nevins is completely contemptuous. Lloyd's *Walsh Against Commonwealth*, he writes, "as a piece of business history . . . is ludicrous, as a contribution to biographical data upon Rockefeller it is at best misleading, at worst maliciously false" (*Rockefeller*, 1953, II, p. 350).
7. No thorough account of the Ludlow Massacre exists. Information of value is in Louis Adamic, *Dynamite* (N. Y., 1934), pp. 258-61; and in Samuel Yellen, *American Labor Struggles* (N. Y., 1936), chapter 7.
8. In a note, in the rear of the volume, Nevins refers the reader to his earlier biography and to the six pages therein for a fuller account of the "unwise policies" of the company's officers and of "the honest and enlightened efforts of John D. Rockefeller Jr., to find a solution."
9. Nevins, *The Emergence of Modern America*, 1865-1878, being Vol. VII of *A History of American Life*, edited by A. M. Schlesinger and D. R. Fox (Macmillan, N. Y., 1927), pp. 105, 381-82; Nevins, *Hamilton Fish: The Inner History of the Grant Administration* (Dodds, Mead, N. Y., 1936), p. 180; Nevins, *The Statesmanship of the Civil War* (Macmillan, N. Y., 1953), p. 4.
10. Nevins, *Emergence of Modern America*, p. 12.
11. As note 10, p. 26.
12. Nevins, *Hamilton Fish*, p. 293.
13. As note 10, p. 363.
14. Nevins and Commager, *Pocket History of the U.S.* (N. Y., 1942), p. 254.
15. As note 12, p. 638.
16. Nevins, *A Brief History of the U.S.* (Oxford Univ. Press, 1942), p. 104.
17. Nevins, *Emergence of Modern America*, pp. 350, 357.
18. As note 17, p. 357.

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