

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

# LABOR ACTION

JANUARY 24, 1949

A PAPER IN THE INTEREST OF SOCIALISM

FIVE CENTS

## Trial of 12 CP Leaders Opens in N.Y.

By WYATT LEE

The Federal government unlimbered a new weapon in the home-front campaign against its imperialist rival, Russia, when the trial of eleven U. S. Communist Party leaders opened last week in a courtroom jammed with reporters and photographers and guarded by 400 New York policemen. Trial of the twelfth, William Z. Foster, may be held separately on motion of U. S. attorney John F. X. McGohey, because of the defendant's ill health.

After two years of legal harassment, the Department of Justice for the second time invoked the infamous Smith Act to charge the defendants, all members of the CP central committee, with teaching and advocating overthrow of the government. This Act, under which 18 members of the Socialist Workers Party were convicted in Minneapolis in 1941, is a legislative evasion of the constitutional right that previously forbade conviction except on proof of an overt act.

### "LOYALTY" CAMPAIGN

The trial marks a new step in the government's postwar activities against U. S. agents of its erstwhile allies in the Kremlin. By openly challenging the right of political existence for the CP the Federal authorities go beyond the legal subterfuges used in the immediate past and pose civil rights questions of prime importance to all minority parties.

Until now postwar efforts to suppress the CP and other minority parties have taken the form of intimidation through specific legal charges. Numerous CP members have been picked up by immigration officials on charges of illegal entry, false statements and other technicalities.

Others, either members or fellow travelers, have been convicted of contempt for refusal to answer questions put to them by Congressional and state investigating committees. Widest in scope is the "loyalty" check on 2,350,097 Federal employes and applicants conducted by the FBI on orders of President Truman. This purge, according to an FBI report recently released, resulted in the intensive investigation of some 7,000 cases with

## Rank and File Completes Win In UE Local 601

EAST PITTSBURGH, Jan. 8—Following the sweep of rank and file candidates for top office in Westinghouse Local 601 of the United Electrical Workers last week, the victory over the Stalinists was made complete when 11 out of 14 Division Stewards were elected on the Rank and File slate.

Division stewards, together with the union officers, comprise the executive board which now has 17 Rank and File members out of 20 posts.

Still to be elected this week is the chief steward who will be the twenty-first member of the board.

Thus far two candidates for the position are Division Steward Mike Fitzpatrick who was recently elected on the Rank and File slate, and his brother Tom Fitzpatrick who was defeated for President of the Local on the Stalinist "Progressive" ticket.

The vote will be held by approximately 400 elected stewards.

If Mike Fitzpatrick wins there will have to be a re-election in his division for the position he will have to give up.

Rumor that William Harper, a defeated Progressive candidate, might break from the Stalinist ticket and run independently for the post seems well founded.

If so, it will begin the break up of the once unshakable Stalinist caucus.

## As Legislative Machinery Begins to Grind:

## Lobbies Grease Congress Wheels

By SUSAN GREEN

The legislative machinery of the country is in place, is oiled up, and is ready for production. The messages from the White House have been delivered. All Congressional committees have been constituted. The wheels of legislative production are turning.

Already a number of bills have been introduced. Public hearings are being arranged. Witnesses have been summoned or have asked to appear.

All this is the visible equipment used in making the laws by which we live. This 81st Congress will be legislating on matters of war or peace, of housing, of social security, of health, of civil rights, of unemployment or employment for the workers.

### UNDER THE SURFACE

This visible equipment that we have seen going into action in these first weeks of January is, however, only part of the mechanics of legislating. It is only the part that shows. Government is very like an iceberg—there is more, much more under the surface than above.

Under the surface is, for example, general ideology of the men and women who will be making the laws for us. Both Democrats and Republicans, liberals and conservatives, are men and women limited in their conceptions and in their actions by the boundaries set by capitalism. In legislating on domestic issues they will be basically loyal to private enterprise and the profit system. In legislating on foreign issues they will be subtly motivated by the ingrained desire to further the interests and power of American capitalism. This is the fundamental ideological coloration of the Congress.

The "liberalism" that was voted in to office last November may change the shade slightly but hardly the color of the Congress. It is a "liberalism" stemming primarily from the desire of politicians to save capitalism from communism by making the former more acceptable to the people. No small consideration is the growing conviction of politicians that these days "liberalism" pays off in votes. The "liberalism" in the 81st Congress cannot be identified with the will of the people to struggle for a better and freer life.

Concretely, the Congress is made up of lawyers, businessmen, brokers, college professors, local politicians risen to higher estate. Some are definitely pledged to private interests whom they will represent on the floors of Congress.

How many true representatives of the people are there? How many steel, auto, textile workers sit in Congress? How many housewives?

So this is some of the sub-surface substance of the Congress that will be legislating for the people. But this is not all. Congress will be beset by the swarm of lobbyists that have already descended upon Washington for their sub-surface participation in the making of the laws. The lobbyists have another function too—they influence the distribution of government contracts. Today Washington is the biggest business center on earth.

### LOBBIES AT WORK

Lobbyists' methods are devious. There is the social touch; cocktail parties, dinners, dances, to which the right people are invited. Sometimes they are given by women in the social register who seemingly have nothing to do with the dirty business of politics. Robert Allen, broadcasting from Washington on January 9, told of the massing of this army of lobbyists, and he reported on one of the first social functions of the season attended by some 200 incorruptible legislators. The cost of such shindigs should not be mentioned to housewives waiting at the meat counters, or they might get mad.

Lobbyists also generously supply technical information to legislators drafting laws — information guaranteed to be strictly unfiltered. They get themselves to testify before legislative committees, presenting the views they sponsor. Mainly and above all, they try to win over key congressmen.

Expert lobbyists "earn" as much as \$25,000 a year plus elaborate expense accounts. In 1947 a real estate lobbyist received a fee of \$250 a day plus an expense account. Back of the important lobbyists are large staffs of researchers. While the law requires lobbyists to register, many conceal the identity of their clients by registering as employed by law firms, and up to date the registration requirement has meant nothing at all.

In 1947, out of 676 registered lobbyists, 317 represented business. The number of lobbyists does not by any means determine their strength. It is the money behind them that counts; needless to say, business supplies its lobbyists with the wherewithal.

There is, of course, the powerful NAM lobby representing all business. At its recent convention NAM pledged itself and its money to fight to retain the Taft-Hartley law or to preserve the main provisions in other legislation. Under the surface, NAM is going to have a lot to do with what happens to the Taft-Hartley law.

Another powerful lobby that will be working overtime ON Congress is the real estate fraternity. If they can't prevent a rent control law, they want at least to tone it down to suit real estate interests. Another thing this lobby is out to do is to kill public housing. The building business does not find a housing shortage bad for profits, and objects to government interference. Under the surface, the landlords and the real estate interests will also be legislators.

### LABOR'S INTERVENTION

With this fuller view of the mechanics of producing legislation, one must fear for the future.

(Continued on page 2)

## What Will Stalinist China Victory Mean?

By JACK BRAD

Stalinist armies continued to mop up in North China with great strides this past week as Central Government troops pulled back to the Yangtze River as the next defense line. The biggest gains for the CP were in the easy and bloodless conquest of Tientsin and Tangku, its port. Only Peiping still stands, but it is only a matter of time before it too surrenders.

Tientsin is a city of two million people, the main port of North China, and contains one third of the textile industry of all China. Because for years it was the center of international concessions for the North, it is a relatively modern city with good port facilities and rail connections. Its fall is a great blow to the position of the government in international commerce, as well as militarily.

The most interesting aspect of

## "Peace" Moves Begin as China Regime Totters

The political picture in China began to balance itself this week to comply with stern military reality. Following hard on the heels of the final collapse of all KMT (Kuomintang) power north of the Yangtse came two major developments:

1. The Central Government's Executive Yuan decided to send a mission to CP headquarters to negotiate peace terms.

2. In cautious ambiguities, Nanking announced its intention of removing the government to Canton in the South, putting several hundred miles between itself and the Stalinist armies. In all probability Canton will become the political capital while Formosa is utilized as a military training and regroupment base.

The decision of the Executive Yuan, while a very important

indication of political trends, is not decisive in its peace aims, for Chiang has not indicated where he stands on the new proposal although his general position is clearly opposed to serious peace proposals to the "bandits."

It may be that he has not indicated his position, out of cautious discretion. But it is a fact that he alone is the decisive power in the KMT. As the base of support has narrowed, disintegration spread and localism become dominant, Chiang at the apex of the enfeebled hierarchy has become even more the absolute ruler. If Chiang bars the way the "peace" factions may first have to find ways of removing him and in such a struggle the fate of the entire regime would be in question.

Even if the Yuan's committee has been given the necessary authority, it is still doubtful if the CP will deal with these emissaries. In recent weeks Stalinist headquarters have been busy arranging alliances with all kinds of political groups in South China in order to ease its conquest of this area. Marshall Li, of the anti-Nanking KMT "Revolutionary Committee," has played a prominent role in bringing together CP leaders with the warlords of Yunnan and other South China provinces. These tactics indicate the determination of the CP to by-pass Nanking entirely for the present.

(Continued on page 4)

## 21 Lists Make Bid in Israel Election

Discusses Party Alignments; Sees Immigrants Big Unknown in Forecasting Outcome of Election

By AL FINDLEY

The first elections in Israel will take place on January 25 to elect 120 members of a Constituent Assembly which will adopt a constitution. Voting is by the list method of proportional representation. Only 250 signatures are necessary to validate a national list.

There are 21 lists being presented to the voters, including three Arab lists. These 21 lists actually represent nine major blocs, with the remainder being representatives of special groups such as the Sephardic (Oriental) Jews, Yemenites, women, two personal lists and splinter tendencies of the religious bloc.

### MAJOR PARTIES

The MAPAI—Palestinian Labor Party—is considered the largest single party despite the fact that it received fewer votes than the component parts of Mapam. It is a social-democratic party adhering to the Second International. It has the overwhelming support of the city workers and sizable strength in the agricultural colonies. It polled about 54 per cent of the Histadruth vote. It takes for itself major credit for the establishment of the Jewish state by partition. Its program stresses colonization,

social legislation and cooperatives. The Mapai also demands changing the boundaries of the original partition and calls for the annexation of Western Galilee, Jaffa and Jerusalem by Israel. As to the Arabs, the Mapai is against their return but proposes to help resettle Arab refugees in other Arab states.

In foreign affairs, the Mapai is the main advocate of neutrality between the Western and Eastern imperialist blocs. Opponents accuse the Mapai, and not without reason, of TENDING toward a Western or American direction. While preferring a weak, independent Arab state in Eastern Palestine, it is not opposed to allowing Abdullah and Egypt to divide Arab Palestine.

The Mapai has made the question of immediate peace versus continued war one of its main election issues. Should the negotiations at Rhodes succeed, the Mapai would be greatly strengthened.

The MAPAM—United Labor Party—a fusion of Hashomer Hatzair, Achduth Avodah and Left Poale Zion—is the rival of the Mapai for working class votes. Neither the Mapai nor Mapam propose a socialist economy. Both propose a "mixed and controlled economy." The Mapam accuses the

Mapai of not giving predominance to the cooperative sections of the economy. This writer has seen little substantiation of that charge. The Mapam, like the Mapai, is willing to form a coalition government. Here again the difference between Mapai and Mapam seems more verbal than real.

The Mapam wants to retain as much independence for the workers' institutions as possible, that is, social legislation paid for by the government but administered by workers.

The Mapam continues the anti-clericalist tradition of the socialist movement and advocates separation of religion and state, while the Mapai is willing to compromise.

The real differences, however, are in the field of foreign affairs. The Mapam wants to continue the war, insists on an independent Arab state and proposes the Arab Stalinists as the rulers of this state. In substance this also means the giving up of Western Galilee. The Mapam demands (Continued on page 3)

## Dutch Victories Bring No Peace in Indonesia

Tanmalaka Reported Leading Guerrillas in Republican Areas; Underground Government Formed

By S. PITT

First news of the whereabouts of Tanmalaka, so-called "Trotskyist" leader in Indonesia, and consistent fighter for national independence under working class leadership in Indonesia, was received this week. The New York Times reports a Reuters dispatch that Tanmalaka is one of the leaders of the Republican guerrilla armies on West Java. This area has been one of the primary strongholds of the Republic since its inception. (See article on Tanmalaka by Jack Brad in last week's LABOR ACTION. It is the first extensive account of Tanmalaka's activity to be published in this country.—Ed.)

Throughout Indonesia guerrilla warfare has increased, become coordinated and organized under the leadership of a temporary Republican regime established on Sumatra. If there were any doubts before, it is now abundantly clear that the Republic will continue to struggle.

As a matter of fact, even the Indonesian puppet governments established by the Dutch are proving recalcitrant. Several of the governments resigned as protests against the Dutch action. The puppets feel that

now is the time for the extraction of greater concessions from the Dutch. In this they are taking advantage of the struggle of the Republic. It begins to appear that the Dutch will be unable to reestablish the pre-war status even in those areas where their military victory has been topped with a political structure of native feudalism, such as in some parts of Sumatra and the Sunda Islands.

### WIDE REPERCUSSIONS

On the contrary, like the French in Indo-China, the Dutch are becoming increasingly involved in a long war which threatens the diplomatic and economic position not only of the colonies, but also of Holland itself. It is estimated that the Dutch are now spending at the rate of close to a half billion dollars annually on the Indonesian war. This amount is about equal to the total annual ERP allotments to Holland.

The international repercussions continue to spread. The United States, motivated by the fear of collapse of the entire position of imperialism in Asia, which is caught between the reactionary Dutch and the Chinese Stalinists, is utilizing the United Nations and its "Good Offices Commit-

### WORKERS PASSIVE

The working class has played no role in the civil war so far and it is unlikely that it will in the immediate military events to come. The workers do not rise to greet the Stalinist armies, nor do they play a role in the "peace movements."

The CP has been alienated from the cities for twenty years. In August, 1948, it held its first national labor conference in Harbin at which it launched a new Chinese Labor Federation under its own auspices in an attempt to gain control of the urban working class. However, at this conference the CP advised the workers that their main task was "to prepare themselves for the arrival of the lib-

(Continued on page 4)

### In Next Week's Labor Action:

In the month of January falls the anniversary of the death of three of the socialist movement's greatest leaders.

**Lenin**  
**Liebknecht**  
**Luxemburg**

Next week's LABOR ACTION will carry an article on the "Three Ls" and on what their struggle for socialism means for American socialists today.

NEWS AND VIEWS FROM THE LABOR FRONT

Politics Keys Ohio CIO Convention

CLEVELAND, Jan. 15—Holding the spotlight in Cleveland labor circles this week-end is the state convention of the CIO, which has drawn 1,200 delegates, representing some 400,000 members of affiliated unions all over the state.

will be accomplished. As was to be expected, the Stalinists fought bitterly against any support of the Marshall Plan but it was voted anyway. One important result of the convention, though this will not be accomplished immediately, will be a switch in control of the Cleveland Industrial Union Council.

LEANS TO POLITICS

In opening the convention with a "keynote" address, the chairman, Jack Kröll, expressed confidence that President Truman, and Ohio's new Governor, Frank Lausche, would follow through on campaign promises to labor unions and the electorate. He also told the convention that the CIO Political Action Committee, of which he is the national director, had pledged itself to secure the defeat of Senator Robert A. Taft if Taft runs for reelection in 1950.

MARKED FOR DEFEAT



ROBERT A. TAFT

importance of "remaining vigilant to see that no restrictive legislation aimed at labor unions is passed in Ohio."

KRÖLL BANS RESOLUTION

The Stalinists submitted, among others, a resolution directed chiefly at Philip Murray, national CIO head, but the convention chairman, Jack Kröll, would not permit it to come before the body. He ruled, "It does not come under the jurisdiction of any state council to act on a resolution condemning national CIO policy."

A number of resolutions were adopted calling for price controls, guaranteed annual wages, increase in state unemployment compensation from \$21 a week maximum to \$30, repeal of the Ferguson Act, which bans strikes by public employees, and adoption of a state FEPC law patterned after New York and Connecticut laws, and also several changes in the Ohio tax set-up.

The Murray wing will move to oust four vice-presidents when election for officers is held on January 15. In view of the convention decisions so far, there seems little doubt that this

The convention leans heavily to politics, a result of the Truman victory last November. Along with this honeymoon celebration goes the almost complete discreditment of the Stalinists. But the methods used are not always commendable. There is too much of machine control about them; the dictatorship of the Stalinists being displaced by a dictatorship of the Murrayites.

Also, the question of whether or not Truman and Lausche will carry out their campaign promises is something that remains to be seen. Anything in the way of jubilation might be premature. But for the present politics is the theme of most of the discussion.

UAW Wins Poll

In a recent poll conducted by the National Labor Relations Board at the big plant of the Aluminum Co. of America, the Die Casting division of the CIO United Auto Workers won a 3 to 1 victory over the CIO Mine, Mill & Smelter Workers Union, receiving 1,047 of the 1,418 ballots cast. This was partly due to the failure of the MM&SW to file the non-communist affidavits, but was also due to the awakening of the rank and file to the harmful and dictatorial tactics of the Stalinists.

Back to Work

A back-to-work movement has been started at the S. K. Wellman plant on E. 51 Street where 250 members of the Mechanics Educational Society of America have been on strike since November 17. The company said that 25 workers had returned to work but the union disputed this saying only 10 had gone back. Neutral observers said 15 had gone back, together with a number of foremen who did not go out on strike at all.

This outcome of the struggle is not surprising when we remember the following facts: since last week a court order has limited the union to two pickets at each gate; the AFL building trades have sent numerous workers through the picket lines to install new machinery; the Teamsters Union has permitted its members to pass through the picket lines to deliver the new machinery. How could a strike succeed under such conditions?

Midland Steel

At the Midland Steel Products Co., 1800 members of Local 486 of the UAW are out in a dispute over safety measures in the plant. The company had sent home 125 workers who objected to removal of certain safety precautions on the production line. The union officers were discharged on January 11, after the workers had started a complete work stoppage. The company has now offered to reduce the discharges to 30 day suspensions if the strike is called off. Negotiations will be resumed on January 17.

Strike Still On

The strike of 1,800 members of the International Association of Machinists against the Warner & Swasey Co., which started December 27, is still going on. C. Russell Turner of the Federal Conciliation and Mediation Service is trying for a settlement, so far without success. The dispute is over wage increases, and is the first in this plant for many years.

By Leon Trotsky: Living Thoughts of Karl Marx... \$1.50 Stalin (a biography)... 5.00 Cash with orders—We pay postage. Send for our complete list! LABOR ACTION BOOK SERVICE

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

With the Workers Party

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

- AKRON: Write to Box 221. BALTIMORE: International Fellowship House, 21 West Preston St. 2nd floor. Public forums every second Friday of each month. Discussion group on remaining Friday evenings. BUFFALO: 639 Main St., 2nd floor. Office hours, 11 a.m.-2 p.m., Monday through Friday. Open meetings Sunday evenings. Discussion groups Thursday evenings. CHICAGO: 800 West North Ave. Tel: Michigan 9002. Office hours: Wednesday after 4:00 p.m. Meetings: Every Wednesday at 8:30 p.m. CLEVELAND: WP Branch meets Sundays, 8:00 p.m., in the Croatian Home Association (4314 St. Clair Ave. Write to Bernard Douglas, Box 1130, Cleveland 3, Ohio. DETROIT: 9016 12th St. Meetings Fridays: 8:15 p.m. LOS ANGELES: 3314 So. Grand, Los Angeles 7. Tel: Richmond 7-3220 (if no answer, phone AX 2-9067). Office hours, 2 to 5 p.m., daily. NEWARK: 248 Market St., Newark 2. Open house Friday evenings. NEW YORK CITY: CITY CENTER: 114 West 14th St., 3rd floor. Open every day from 10 a.m. to 7 p.m. Wednesday and Thursday until 10:30 p.m. Tel.: WATKINS 4-4222. CENTRAL BRANCH: Wednesday, 8:15 p.m., at the City Center, 114 West 14th St., 3rd floor. CHELSEA BRANCH: Thursday, 8:15

Discuss "Civil Rights and the Loyalty Purge" at Philadelphia Labor Action Forum

PHILADELPHIA, Jan. 9—The Labor Action Forum on "Civil Rights and the Loyalty Purge" featured two invited speakers on special phases of the general topic. Irving Orchant, a member of the James Kutcher Civil Rights Committee, spoke on the firing of James Kutcher, a legless veteran, from his Veterans Administration clerk job and Frank Carner, "poor security risk" from Local 107, UE-CIO, discussed a "New Industrial Blacklist."

Chairman Joseph Arnold, in his introductory remarks, cited the growing list of civil rights violations in the few years since the end of the war fought allegedly for the Four Freedoms. The chairman continued by stating that the main target of this attack has been the radical political groups and that thousands of individuals in federal and private employment have been discriminated against through use of the concept of "guilt by association" with organizations placed on Attorney General Clark's subversive list.

The speaker for the Kutcher Committee related the details of this

WORKERS PARTY BULLETIN

Three more issues of the Workers Party Bulletin are now out, containing documents and discussion articles in preparation for the coming national convention of the party. These are: No. 6: Minority amendments to the draft International Resolution, and discussion articles on the same resolution; documents of the Jewish Bund movement (presented for information) on the Jewish question. No. 7: Draft resolution on the Situation in the United States and Our Next Tasks. No. 8: Statement of Ernest Erber giving his reasons for resignation. (Reply by Max Shachtman to follow.) As announced in LABOR ACTION before, the first five of these convention discussion bulletins are also available. Bulletins are fifteen cents each, or you can subscribe to all (beginning with No. 1) at \$1.50 for ten issues. Order directly from Workers Party, 4 Court Square, Long Island City 1, N. Y.

Have You Read This? A Basic Primer in the Principles and Program of the Workers Party 116 Pages \$1.00 Order from: WORKERS PARTY PUBLICATIONS 4 COURT SQUARE, LONG ISLAND CITY 1, N. Y.

YOUTH and Student CORNER

By JULIUS FALK and JACK MAXWELL

Tracking the AYD

This is the way the AYD ends, This is the way the AYD ends, This is the way the AYD ends, Not with a bang but a whimper. Our apologies for this profane revision of T. S. Eliot, but we can think of no more fitting epitaph to the unlamented self-dissolution of the American Youth for Democracy (AYD). This Stalinist front youth organization, initiated with much pomp and bombast in 1943, has quietly passed away; its unobtrusive end standing in marked contrast to all the noisy and expensive efforts of the Communist Party to build it into an impressive mass youth front. This organization, which received enough publicity in its five years to fill many issues of the Sunday papers, has passed off the American scene so quietly that neither the press nor many AYD members were aware of it. In true bureaucratic fashion the AYD was dissolved from above, without serious discussion among its rank and file, leaving many of its members unaware of the fact that their organization was no longer among the living.

The first we heard of the AYD's demise was a leaflet distributed by its former chapter at the City College of New York (CCNY). The leaflet announced the end of AYD as a national organization, but informed the students that some local chapters would continue to function.

We attempted to check on the story by calling up the local and national offices of AYD, thinking that they might have been kept open for a few weeks. But, no luck; their phones were disconnected. We then called up the Stalinist Jefferson School. But they claimed complete ignorance. The Daily Worker was next. We asked them if they had a recent story on the disappearance of the AYD. The Daily Worker librarian told us that they never heard of such a thing and referred us to the New York County Committee of the Communist Party! We dutifully called up the Communist Party. The response from this quarter was likewise a disavowal of all knowledge about the AYD's sorrowful end and an indignant query as to why the Daily Worker should have referred us to them in the first place!

Can ANYONE send us a few details about the AYD before we go into mourning? The dissolution of the AYD, increasing the political vacuum on the American campus, brightens the prospects for the growth of a socialist student movement. Many AYDers will be repelled by the Stalinists' manipulation of CP-inspired organizations. From this experience with Stalinism, it can be expected that non-Stalinist AYDers will be more receptive than heretofore to genuine progressive organizations.

SHAKE-UP COMING? A promise of the AYD's burial was indicated during the last convention of its founding fathers, the Communist Party. At that time, the Communist Party, dissatisfied with the inability of the AYD to grow, decided on two courses of action with regard to youth work: one was to build a new mass youth front out of the remnants of AYD and an anticipated large youth section of the Wallace party; the second line of attack was to build a new Young Communist League which would draw members out of those sucked into the new front organization.

This, however, was before the Wallace debacle at the recent national elections. Following its defeat at the

polls, the bottom fell out of the Wallace movement, dubbed the Progressive Party. The Young Progressive Party on campus, which looked so promising to the Stalinists before the elections, virtually collapsed. It has scarcely been heard from since then. With the now fading prospects for a significant Young Progressive Party and the total collapse of AYD, the Communist Party's chances for a large youth affiliate have gone by the board.

This defeat for the Stalinists may have a larger meaning. The Communist Party not only looked toward the Progressive Party and its youth section as a fruitful arena for recruiting to a new Young Communist League, but as a powerful instrument in the labor movement and source of new members for the Communist Party itself. The failure of the Wallace movement may well presage a shake-up in the Communist Party. In all totalitarian parties mistakes must be punished. Therefore, it is not out of the question that the William Z. Foster (national chairman of the Communist Party) leadership which pressed most persistently for building up the Wallace movement, will be challenged for leadership. The expenditure of time and energy by the Stalinists on the Wallace organization resulted in a weakening of the Communist Party, a loss of membership, without a compensatory mass Wallace movement from which to recoup its losses and expand.

NEW YORK SYL CLASSES

The New York units of the Socialist Youth League have planned three study classes which will begin on January 31. There will be six weekly sessions of each class. The classes are as follows:

- I. The Principles of Leninism Classes will be held every Monday night beginning January 31 at 7:15 p.m. The instructor will be Hal Draper, editor of America's leading Marxist magazine, The New Internationalist. II. An Economic Analysis of Capitalism Classes will be held every Monday night beginning January 31 at 9:00 p.m. The instructor will be Abe Kimbaway, economist and lecturer. III. Readings in Marxism This class will be organized on a seminar basis with particular emphasis on student participation. Classes will be held every Tuesday night at 8:30 o'clock beginning February 1. The tuition fee will be 25 cents for each session and one dollar for a series ticket to six sessions of one class. For more information about the classes write to: Socialist Youth League, 114 West 14th St., New York 11, N. Y.

1947 BOUND VOLUMES OF LABOR ACTION \$3.00 Order from WORKERS PARTY PUBLICATIONS 4 Court Square Long Island City 1, N. Y.

Congress Machinery

(Continued from page 1) But, we are told, labor also maintains a powerful lobby in Washington. True, and an illuminating comment it is on the labor bureaucrats who find the methods of business most compatible with their own outlook. True, but the labor lobby was not powerful enough to prevent the passage of the Taft-Hartley law! However, when the CIO and AFL organized the voting power of the working people in the election, the pro-Taft-Hartley candidates of the NAM were thoroughly beaten. At the sub-surface game of lobbying, business will always have the edge on labor because labor's strength does not lie in such "business methods."

IN CHICAGO: A lecture by MAX SHACHTMAN Report on Europe Today An eyewitness account of the problems, conditions and movements in Western Europe—based on his extended stay there this past summer All readers of LABOR ACTION in Chicago are urged to attend Wednesday, January 26—8:15 P. M. Hamilton Hotel (Mirror Room), 20 S. Dearborn

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Alienated from City, Communist Party Leaders Develop Bureaucratic Economic Theory

# What Will Stalinist Victory in China Mean? --

(Continued from page 1)  
eration armies," but not to organize independent action or even actions coordinated with these armies. The CP prepared for its military victories over the cities by urging the workers to remain passive and to take no part until the Stalinist regime was established in the cities. Only under the new regime were the workers instructed to submit themselves to Stalinist organizations and control, and then the proper role would be assigned to them.

That is why the workers today are silent and defenseless, caught between Kuomintang terror and Stalinist manipulation. This is one of the most ominous developments in the Chinese civil war.

## DISINTEGRATING RULE

KMT China is disintegrating politically as well as militarily. The rally of generals which Chiang attempted to call to implement his determination to continue the war has failed. Generals from North, West, South and coastal areas failed to come to Nanking—clearly indicating their intention not to leave their fortunes in Chiang's hands. One of the major reasons for the ability of the local warlords to challenge implicitly Chiang's power is that the major forces of the Central Government were committed in the disastrous struggle for North China and now no longer exist. The remaining armies in the KMT (Kuomintang) areas are largely local armies organized, officered and paid by local warlords.

Chiang is left with several tens of thousands of personal elite troops. With these he can continue indefinitely to maintain the legal fiction of his regime as against his political enemies inside the KMT. But these troops cannot successfully defend him against the CP armies. There is

much rumor that Chiang intends to remove to Formosa. Since there remain several alternatives, this is not yet certain.

However, it should be noted that even Formosa is not a certain haven. For when in 1945 the KMT took over Formosa from the Japanese, the rapacity of its rule and its large-scale looting of the island's wealth forced the people to open revolt. In 1946 the island was torn with rebellion which was suppressed with the bloody methods characteristic of this doomed regime. It is said that to this day the prisons of Formosa are filled and the hills give shelter to thousands of guerrillas. The CP has not controlled these revolting elements to date.

## BUREAUCRATIC THEORY

Chinese Stalinism is now for the first time taking over large cities. This party, which has had no urban connections for two decades, whose leadership comes from the peasantry and is oriented toward it and which has developed the unique theory that

only the peasantry can make the Chinese revolution, now must face the more complex modern problems of urban society. The theory of the CP, as expounded by Mao and his theoretician second-in-command, Liu, is that the peculiar conditions of Asia require the organization of national revolution within an agrarian framework, with the CP substituting itself for the working class as the cohesive and leadership factor which no insurrectionary group in history has been able to create for itself. This bureaucratic and manipulative theory has been successful for the countryside. It has sharp limits for a Stalinist organization of the entire country.

There are extremely narrow limits to any agrarian program within an agrarian framework. In modern times the problems of agriculture cannot be seriously dealt with except from the cities, from industry, from the viewpoint of modern urban classes. Only a modern mentality can revolutionize the superstitions, the family system, the illiteracy and raise production per man and per acre, because all these things can be effected only if they are organized under the leadership of the cities.

A small example will illustrate. It is possible to increase the production of cotton and silk within the village, and by its own primitive means, on the basis of a change in the social structure such as abolition of landlordism and distribution of land to peasants. However, these agricultural products cannot be processed by modern industry unless a measure of uniform quality enters into them. In other words, the needs of industry require standardization of agricultural product in order to be able to utilize them. If industry needs are not placed prior to and in a determining relationship to this production, then the simple increase in agricultural output will not be of national benefit.

This small example is meant to indicate that even in the simplest technical matters as well as in the larger

ones of increased production the leadership of the city is essential. Present Stalinist policy in China denies this. It denies the leadership of both the working class and the capitalist class. When this policy begins to fall on the shoals of failure, the Stalinists will be forced to reorient and such a change can only be carried out at the price of widespread distress. All China will be made to pay for the failure of the working class to take over the revolution. Working class leadership and proletarian orientation would place an entirely different face on the nature of the social transformation in China.

## ECONOMIC DISASTER

Stalinists are amazingly silent on Manchuria. The Iron Curtain has dropped. They do not invite delegations of newspapermen to visit the cities of Mukden, Harbin, Dairen and Changchung, where they have ruled for years, as they used to invite them when they were in Yenan. The only reporter to have made public news from Manchuria is the Stalinist publicity agent, Anna Louise Strong. Like the rest of the handouts

of the regime in Manchuria, she spoke glowingly about land distribution and the advances made by the petty bourgeoisie in tiny industries. She has not one word to say about the fate of the huge heavy industry which the Russians stripped in 1945. Are they producing? How much? What is the destination of their products? What is the extent of Russian control?

There are indications that the Russians have established tight control of Manchurian industry. This huge modern industrial complex, the greatest in Asia, was considered essential to Chinese recovery. Without it China must start from scratch. Fully 75 to 85 per cent of all industry in China was in Manchuria. The Chinese CP cannot fight the Russians on this crucial life and death question. The entire question of industrialization, then, assumes an extremely black aspect under the Stalinist victories, for which again all China will have to pay.

For the country as a whole, from the viewpoint of its potential as well as its need, the Stalinist victory is an economic disaster.

## Moving to Canton Won't Help Him



CHIANG KAI-SHEK

## No Hypocrite, He!

"If American business can justify to itself expenditures to defend, explain and promote the democratic economy in which it operates and prospers, why should it not go a step further and logically lend its financial support to privately endowed high education? If business wishes to preserve the system in which it has flowered, its leaders should think seriously about its responsibility."—Dr. Henry T. Heald, president of the Illinois School of Technology, in his annual report, December 1.

Two days after Dr. Heald made this report he set up a committee of 27 big business representatives to advise him on "curriculum, scholarships, fellowships, research, projects and job placement." The committee is headed by the vice-president of Swift & Co. and the vice-chairmen are top executives from General Foods, Armour, RCA, etc. So, it seems the old prey wasn't kidding. He really wants the capitalists right in there directing the classrooms.

## Should We Tell Him?

"By looking over the businessmen's role in America's past we hope to arrive at some ideas about what place the businessman will occupy in the nation's future."—Professor F. H. Buck, provost of the Graduate School of Business Administration, Harvard University.

## With the Deep Thinkers

"Our economic problems were neither solved nor licked by the election."—Trends, organ of the National Association of Manufacturers.

## The Democratic Army For the Brass Only

"Yesterday the Army announced restrictions forbidding marriage in Germany by enlisted soldiers under the rank of sergeant—except in special cases. Officers, civilians and sergeants are not much affected by the new rules. They can still marry Germans, but must wait six months."—Associated Press, January 17.

## In Coming Issues:

An analysis of the crisis in Greece.

The new pamphlet by Earl Browder ("Americus") and the latest developments in the American CP.

An interpretation of the election results in Israel.

The new labor legislation and the political role of the unions.

LA call to political action.

The New Delhi Conference of South Asia nations.

Discussion articles.

# "Peace" Moves --

(Continued from page 1)

The "peace" terms issued by the CP last week call for the removal of Chiang and Vice-President Li Tsung-jen, scrapping of the KMT constitution, punishment of CP-designated "war criminals" and establishment of a coalition under CP control. This program expresses the clear intention of the Stalinists not to deal with Nanking or any of its

factions. These proposals constitute a point-by-point rejection of Chiang's New Year's Day "peace proposals."

The Yuan's action is probably more of an attempt to assuage the defeatist groups in its own ranks than a serious effort, at least at this stage. However, great political changes are long overdue in KMT politics. The events of the next few weeks will undoubtedly move in that direction.

## NEW YORK LABOR ACTION FORUM:



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- HAROLD BROWN, Composer; music critic for Partisan Review.
- GUENTER REIMANN, Author of "The Vampire Economy," "Patents for Hitler," "Myth of the Total State," and other works.
- ALFRED KAZIN, Author of "On Native Grounds"; contributor to The New Yorker, The New Republic, Partisan Review and other journals; editor of "The Portable William Blake."
- IRVING HOWE, Literary Critic; Contributor to Commentary, Partisan Review, The Progressive.
- ISAAC ROSENFELD, Author of "Passage from Home," "The Colony"; Book Review Editor of the New Leader, 1947; Guggenheim fellow, creative writing 1948.
- JACK BRAD, Editorial Staff, Labor Action; Contributor to The New International.
- HENRY JUDD, Author of "India in Revolt," Contributor to The New International and Labor Action.
- A. KIMBAY, Contributor to The New International and Labor Action; spent thirteen years in the Orient.
- MAX SHACHTMAN, National Chairman of the Workers Party.

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# London Letter

—by GEORGE STONE, Editor, Socialist Leader—

## New Foreign Secretary for Britain?

On January 18, Parliament re-assembles, and it is expected that members will make Palestine an immediate issue for discussion. Despite the attempts of the press to magnify the incident of the shooting down of British Spitfires, there is undoubtedly a general feeling that Bevin is wrong and that the British Government is not so innocent as it tries to appear. Bevin will come in for severe criticism from members of his own party and he will have to moderate his Middle East policy considerably if he wants to quench his critics' thirst for his blood.

There is considerable speculation here as to whether Bevin will resign if Parliament does not endorse his actions, but it is my opinion that he will not. Why should he? One cannot believe that Bevin has made vital decisions on the subject of Palestine without prior consultation with members of the Cabinet, in particular, the Prime Minister, and, therefore, if Parliament rejected Bevin on this issue, it would be tantamount to a call for the resignation of the entire Government. The critics will undoubtedly give full vent to their feelings but the Government will continue to carry the confidence of the majority of members.

Apart from this immediate issue, however, it is known that Bevin's health has been causing him anxiety for some time and it is reasonable to assume that Mr. Attlee has given some consideration to the question of his successor. Hector McNeil, Bevin's second-in-command, has undertaken quite a lot of difficult jobs for the Foreign Office and has proved himself a capable administrator, but he doesn't measure up to the Foreign Secretaryship. If it were not for the fact that Morgan Phillips, secretary of the Labor Party, has proved to be such a capable manager of the party machine, I have a hunch that he would be given the post. Morgan Phillips has shown considerable interest in international matters and has been on nearly all the official missions of the Labor Party to other countries. Moreover, he is ambitious and will not be content to spend the rest of his life as a party functionary. My hunch about the Foreign Secretaryship may prove to be wrong but I am right on the target in stating that Phillips is hitching his wagon to other stars.

## Some Cabinet Changes Indicated

Whatever Mr. Attlee's intentions about the Foreign Secretaryship, there can be no doubt that he has already made up his mind on certain changes in other Ministerial fields. These have not yet been made public because it is intended that the announcement of the changes shall coincide with the publication of the report of the Lydney Tribunal. John Belcher, MP, one of the key witnesses at the investigation, has resigned his Ministerial position with the Board of Trade, and the necessity of appointing a successor has provided Mr. Attlee with the opportunity of making other changes. Whether these will be as sweeping as sections of the daily press infer, it is too early to say, but there seems to be general agreement that Mr. A. V. Alexander, Minister of Defense, will be deposed. Here again the prophets may be confounded, for Alexander's actions give the impression of being stamped with Cabinet approval.

## Report of Lydney Tribunal Coming

It is expected that the Tribunal report will be published within the next week or so and I will be commenting on it fairly fully in my next article. Meantime, my impression is that it will not be as sensational as at first expected. The investigation has revealed what many of us already knew, but it is hoped that these exposures of business conduct will impress upon the general public the necessity of cleaning up the world of commerce.

Of the several Labor men involved in the proceedings, George Gibson, former chairman of the Trade Union Council, Director of the Bank of England, and Chairman of the North-West Electricity Board, undoubtedly came off worst.

Indeed, the Attorney General in his final address to the Tribunal said: "The position of Mr. Gibson in this case will require, in my submission, very serious consideration by the Tribunal." He added: "You may well think fit that what Mr. Gibson said in answer to the questions put to him on this very matter gravely shakes your confidence in his liability."

Since the conclusion of the hearing, Gibson has resigned his directorship of the Bank of England but has stated that he does not intend to resign from the Chairmanship of the North-West Electricity Board. The salary of the latter position is 4,500 pounds sterling per annum, whilst that of the Bank of England was only 1,500 pounds sterling. Gibson has a five-year contract with the Electricity Board and it may well be that the terms of the contract are sufficient to prevent his removal from that Board, whatever the Tribunal may say of him in their report. Incidentally, Gibson would have probably been made a peer in the New Year's honors list had he not been involved in these proceedings.

## Crucial Year for Labor Party

During the Parliamentary recess there has been much activity at Labor Party headquarters. Several of the various committees have met and their reports, which are to be submitted to the National Executive at its February meeting, will form the basis of the next general election program.

It is reported that Mr. Herbert Morrison has been giving considerable attention to certain aspects of the program and it is reliably stated that he is in favor of making certain concessions to middle or professional classes. Morrison is an adroit politician and he is anxious not to lose the support of the middle-income group, but in his attempt to appease this section he may well alienate sections of the working class. By keeping to the middle of the road, the Labor Party is running the risk of losing support from those on the side; by swinging over heavily to a positive program of socialist planning it would, at least, carry the big majority of the workers at the polls. It is the growing doubt in the minds of many workers as to whether the Labor Party REALLY represents their interests, which is causing many of them to desert the labor cause.

However, there will soon be a by-election which should give a more or less true reflection of the attitude of the people. This is at South Hammer-smith, just on the outskirts of London, where the Labor member who has just died, had a majority of 8,458 at the general election.

In view of the landslide to Labor in 1945, this was not a particularly impressive majority. If this by-election can be confined to a straight fight between Labor and Tory it should provide a pointer to the general election.

In any event, this year is a crucial one for the Labor Party and it is certain that its attitude and program for the general election will be conditioned by the outcome of the various issues to which it has to face up during the next few months.

I shall, of course, be dealing with these various issues in subsequent articles. At the moment, I will merely say that, despite all its shortcomings, the defeat of the Labor Party at the general election would constitute a major tragedy for the British working class and would put reaction right back in the saddle.

## THE BRITISH POLITICAL SCENE IS PORTRAYED EACH WEEK

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