

REVOLT

Vol. I, No. 7

Published by the Central Committee of the Revolutionary
Workers League, U. S. 28 E. 14th St. N.Y.C.

June 25, 1938

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New Deal To "Deport" Unemployed

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ABC of Marxism Study Course

Lesson Seven: Imperialism



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REVOLT GROWS

REVOLT is growing. Here is the proof:

From Los Angeles a comrade writes: "Can you spare five more copies of the current issue of REVOLT? The magazine is the best example I've ever seen of the principle of concentration".

The organizer of the Chicago unit writes: "Sales total 120 in one week's time. Will sell out this issue complete. Reports of where they were sold are in the unit's minutes".

The minutes of the Detroit unit record the following: "Motion- order fifty more of present issue and 225 of next issue. Carried."

In addition the Detroit comrades write: "It will be a great asset in our work to do the best we can to deliver such punches as we delivered in this last issue. To keep REVOLT coming out on time without missing an issue, to double, to treble, to quadruple the number of REVOLTS is to lay the basis for the growth of our organization. In a word, REVOLT will be the main organizer of the Marxian party in the U.S."

"I stood before the District Council U.A.W. special meeting Sunday, with C. and yelled out 'Read all about the Trotskyites. Stalin shoots them in the Soviet Union. Martin buys their services in the United States.' They were selling the Socialist Appeal, but only a few to their own members. This is the hottest issue we have ever gotten out and I want to congratulate everybody who had anything to do with it. I sold 26 copies at this meeting and there were only 126 present."

Comrade Becket writes in from Chicago asking that he be credited with the three subscriptions that he got. Right!

This issue of REVOLT is larger than the last. The next one will be larger than this one. REVOLT is growing. Order a bundle today at three cents a copy for bundles of five or more.

Subscribe to REVOLT- 26 issues for one dollar (one year).

BECOME AN AGENT OF R E V O L T!

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66 WAR BY GAS MOST HUMANE 99 - GIBSON

ARMY OFFICER PLEADS FOR CHEMICAL WARFARE

"The use of gas in war is a 'relatively humane method of combat' Colonel Adelno Gibson, chemical officer of the Second Corps Area, said yesterday in an address before the New York section of the American Chemical Society" said the New York Times on June 12th.

"Chemical warfare, as evidenced by the World War statistics, is the most effective method of using force yet devised by man, with relatively slight destruction of life and property and the minimum of human suffering and after effects." According to Gibson mustard gas, which was used in the last war will be used extensively again "by reason of the abundance of the raw material for its manufacture."

"The United States is the only country in the world that by reason of its industrial development and natural resources has all the manufacturing capacities and all the raw materials (or substitutes therefor) for carrying on any type of chemical warfare" Colonel Gibson said.

In closing his speech Gibson said: "The popular fear of chemical warfare and prejudice against its use to the advantage of more destructive means and methods is based on war propaganda. It is also based in fear of the unknown and the fact that through the ages men have grown used to the idea of destruction by cutting weapons and metal missiles but they shudder at the thought of injury by molecules of gas". Such as mustard gas or even tear gas with which more and more workers are becoming familiar at the hands of the police.

Could any man have painted a sharper indictment of capitalist society? Gibson tells us in simple language that the great producing plant of this country and its unmatched resources equip it best for what? Progress? Happiness? The satisfaction of material and cultural needs? No. For the destruction of man and the civilization he has built by countless generations of toil and suffering.

There are at least fifteen million unemployed in the United States. The problem before the working class is how to use the productive plant of this country to satisfy the most elementary needs of social existence. The Gibsons have a solution: humane warfare, the application of chemical science to the wholesale destruction of human life.

The Gibsons are respected and honored, given the power of life and death over millions of human beings.

What madness! Is there no way to change this state of affairs? There is. If we get rid of the capitalist class we can turn this productive plant to its proper business: the satisfaction of human wants and needs. We won't have any need for trying to make war humane because there won't be any need for imperialist war, at all.

WAGES AND HOURS BILL A FRAUD

ROOSEVELT GOVERNMENT AIMS TO DELUDE WORKERS

The Wages and Hours Bill passed by Congress establishes a minimum wage of twenty-five cents an hour for a forty-four hour week or eleven dollars a week. The same law provides that the President shall appoint an administrator of the Wage and Hour Division of the Department of Labor at \$10,000.00 a year.

This bill has been hailed as second in significance to the Social Security Act which provides for a benefit to old workers so small it guarantees their starvation. Does the Wages and Hours Bill represent an improvement in labor's conditions? Can it do so? Is the Roosevelt government a friend of labor?

To all these questions the answer is no.

The Social Security Board estimated that 20,000,000 persons in the United States "received some form of public aid" in April. One out of six \$242,000,000 was spent by numerous agencies to dole out this relief. "the Board emphasized that the total showed only the amount of aid given, and not necessarily the amount needed". We may, therefore, safely take the one-out-of-six figure as a conservative, minimum estimate. The true figure will be somewhere nearer to one out of four.

UNEMPLOYMENT GROWING

And that figure will be even worse as the months roll by because unemployment is increasing. Hundreds of thousands of workers who are now working and nominally are covered by the provisions of the bill will be out of work in the coming months and will be outside the bill's provisions.

The main drive of the capitalists today is wage cutting to make the workers take the rap for the crisis which is cutting into profits. The bill does not contain any provisions against wage cutting. The New York Times, on June 16th, went into a dither over the possibility that one sentence in the next to the last section of the bill may be interpreted to mean "that all existing wages above the minimums now fixed and all existing hours below the maximums now existing must be frozen at their present levels--or that all existing wages can only move in one direction--upward. Such an interpretation it need hardly be said, would paralyze the American economy". Translated into simpler language what the Times is saying is that the law was not intended and should not be used as a weapon against the wage cutting campaign of the capitalists.

The Times is correct when it says that if wages moved only upward American economy would be paralyzed. It is even worse than that. If wages

moved only upward American CAPITALIST economy would be completely immobilized. Marx pointed out long ago that the fundamental tendency in capitalist economy is for a fall in the real wages of the workers. The worker receives in return for his labor the value of his labor power: the value of those commodities which he needs to reproduce his ability to work and his kind. The continuous rationalization of the productive process by the capitalists enables them to produce more cheaply with the result that the cost of the reproduction of the workers' labor power is lowered and his wages must fall.

Whenever the strong organizations of the workers and their militant struggles force the capitalists either to refrain from cutting wages or to increase them, the capitalists seek to accomplish their ends by manipulating the currency causing prices to rise which results in a lowering of the real wages of the workers. In France we have seen how the great strikes won wage increases which were subsequently washed out by devaluation of the franc and increases in prices.

NO ESCAPE UNDER CAPITALISM

There is no escape from this vicious circle under capitalism. That is why unions are important and necessary instruments for resistance to the fundamental tendency of capitalism to lower the standard of living of the workers; but it also is why unions are not enough and the workers need a political party which aims to eliminate the whole vicious circle by overthrowing the system and reorganizing production for use.

The Roosevelt government Wages and Hours Bill is demagogy to befuddle the workers into thinking that they need not adopt an attitude of hostility toward capitalism and organize the struggle against it. It sugar coats the capitalists' wage cutting campaign with the fake benefit of minimum wages which are set so low no one can live like a human being on them.

The way to win minimum wages is by strike action. The way to stop the capitalists from getting around the victories won by strike action is to fight them on all fields, particularly on the political field, with the aim of overthrowing the whole system by the revolutionary, mass action of millions of exploited and oppressed.

The capitalist press reports that the Mexican capitalist government is putting through policies which are lowering the standard of living of the Mexican oil workers and that the labor leaders are using dictatorial methods to hold the workers in line behind the government. As always under capitalism the workers are made to foot the bill for the difficulties of the capitalists.

Expropriation of the American and British capitalists oil fields was a step in the correct direction. But it does not solve the workers' problems. Expropriation of the Mexican capitalists by a workers' government would be a much better step toward a real solution.

To accomplish this task the Mexican workers, like the workers in this country, need a revolutionary leadership, organized into a Marxian party. Such a party would show the workers and peasants of Mexico the road to the reorganization of Mexican economy to eliminate the hunger for food, clothes and land which are at the bottom of the stormy events in that country.

NEW DEAL TO "DEPORT" UNEMPLOYED

WASHINGTON WORKERS TO BE SENT BACK TO NATIVE STATES TO STARVE

WASHINGTON, D.C., May 31.- The relief conditions here in Washington have been growing steadily worse. The Public Welfare Board announced two weeks ago that more than one third of the direct relief cases will be dropped by July 1st because of insufficient appropriations. This means that 1,600 cases will be dropped out of the 2,500 cases now being served. The Public Welfare Board also announced that the rules for relief eligibility will be more "stringent" and every person now receiving relief will have to apply all over again if he expects to continue on the rolls.

About three weeks before this announcement the District Budget Bureau made it known that a considerable part of the inadequate \$900,000 for direct relief will be spent in financing a W.P.A. project and for deporting a number of relief clients back to their native states.

One would expect that the reaction to this cut in relief rolls and deportation of unemployed workers would have been quick and militant. In the first place, there has been no reaction against the cut in relief; and in the second place, there has been only a weak protest against the threat of deportation.

The only unemployed organization is the Workers Alliance which is controlled by the Stalinists. Of the 7,000 W.P.A. project workers and the 10,000 on direct relief the Alliance has a membership of only 200. Most of these are inactive. The policy of the Stalinists has been to collaborate with the Citizens Committee on Relief, a popular front of liberal churches, civic organizations and the Alliance which lobbys in Congress for higher appropriations for the District. The leaders of this Committee are such people as Cannon Stokes and the wife of the publisher of the Washington Post. To use their own words: "A dignified appeal to Congress by responsible citizens backed up by facts is more effective than a mass meeting". Alfred Tanz, Stalinist organizer in the Alliance and its representative in the Citizens Committee, who has left Washington to "organize" the unemployed in California, stated openly that he would not organize the unemployed for whom there was no relief appropriation. This includes the large number of workers who cannot get on W.P.A. because the appropriation for projects is insufficient to take care of them, and who are not eligible for direct relief because they are capable of doing W.P.A. work. The exact number is not known. But it runs into five figures.

In every organization that the Stalinists control goes their political line. The members of the W.A.A. are used as shock troops to picket the German and Italian Embassies. Those who refuse are called anti-working class. Those who oppose the Stalinist policy and propose a fighting policy for relief are called Trotskyists, disrupters, provocateurs, Fascists. The unemployed workers will never be able to make any kind of a fight with this leadership. What we need is a militant organization.

- UNEMPLOYED WORKER

MINIMUM WAGE USED AGAINST LAUNDRY WORKERS

STRONG UNION NEEDED TO COUNTERACT BOSS STRATEGY

WASHINGTON, June 1.-- After a year's bickering back and forth a minimum wage for women laundry workers has been established in the District of Columbia. It is \$14.50 a week for markers, assorters, manglers, shakers, packers, menders and other plant workers; and \$17 for clerks. This goes into effect July 5th. There is no minimum wage for men.

The figure set by the Minimum Wage Board is the result of a compromise reached by the District Minimum Wage Board Conference which met from March 15th to May 4th. The Conference consisted of twelve people: three workers, three employers, three from the "public" and three from the Minimum Wage Board. The average wage for laundry plant workers in 1937 was \$10.90. Women workers, the majority, are limited by law to forty eight hours a week. There is no limit for men. The employers proposed a minimum wage of \$11.35. They based this estimate on such figures as \$7.50 a week for room and board; two hats a year at 94¢ each. The Laundry Association hired case workers to locate rooms for \$2. and \$3. a week. These workers were paid three cents for each room they located. Under questioning they admitted they had got their lists from real estate agents. Workers testified rooms decent enough to live in could not be located at this price. None of the employers live in such rooms. The workers' representative demanded \$20.08. The compromise favored the employers.

The workers got so little because they were not organized and made no fight for better conditions. Last July, during the height of the season, a strike took place in about a dozen small cleaning and dyeing plants, involving about seven hundred workers. The strike was not organized by the Cleaning, Dyeing and Laundry Workers Union, now affiliated with the C.I.O. After it took place the Stalinist leadership of the union tried to head it off. When the drivers of one of the big plants, the Manhattan Laundry which does both laundry and cleaning and dyeing and employs between five and six hundred workers, asked to be called out they were ignored. "We don't want too many workers out on the street because we can't handle them" said one of the Stalinist leaders, a member of the Organizing Committee of the union. After the strike the membership of the union dropped.

When the Wage Board called a meeting of workers to elect their three representatives to the Conference two thousand workers responded. The public representative of the Board, a Mrs. Wm. Kittle, said: "It is not only a brilliant display of interest of workers in their industry but it shows a definite feeling of confidence of employees in the Board and its work". Unfortunately for the workers what Mrs. Kittle said was true. How the confidence of the workers was rewarded by the Board is expressed in its decision.

The union leadership was just as much caught by surprise by the response of the workers as Mrs. Kittle. They were unable even to issue a leaflet to this election. Since then they have tried to organize but with little success. The workers have not forgotten the strike of last summer.

As a result of the minimum wage established by the Board the workers will be even worse off than they were. Many workers will get an increase in wages. But many small plants, already overburdened by social security, health and unemployment compensation payments will be forced to close down. Unemployment will increase. The business will go to the bigger plants which will be able to dictate worse terms to the workers in the industry. To make up for the increased wage bill they will have to pay, these plants will speed-up the workers. And many of them will beat the wage by doing their laundry work outside the limits of the District in Baltimore and Virginia. One owner of a Virginia plant, twenty miles away, declares he pays his workers only 20¢ an hour.

Does this mean that a minimum wage is bad? Just the contrary. We need a higher minimum wage. But a minimum wage is no solution by itself. When the employer is forced to grant a bigger piece of bread to the workers in one way he tries to get it back another way. So the workers have to be prepared to follow up every advantage they get. For that they need a strong union. Without a union minimum wages and maximum hours and everything else will turn out to be a boomerang for the workers. But with a strong and fighting union the workers can fight back against the cunning schemes of the employers and their boards. They can fight runaway shops, speed-up, and for shorter hours to reduce unemployment.

It is going to be hard to overcome the damage done by the Stalinist leadership of the union. But the conditions of the workers are getting worse and they will be forced to fight against them. This will create the condition for removing the Stalinists from the leadership of the union and electing a fighting leadership.

- LAUNDRY WORKER

According to the New York Times, June 16, "Thirty thousand Armenians in the Sanjak of Alexandretta...are convinced their position will be similar to that of the Jews in Germany when Turkish troops occupy the region which is now held to be a matter of days". The report goes on to say that although this is a violation of a treaty between Turkey and France, the annexation of this territory in the Near East is being carried out by a secret agreement between the rulers of Turkey and the French General Staff which was made last winter in "exchange for Turkey's neutrality and a grant of free passage through the Dardanelles for French and British warships". This deal is aimed at Germany which threatens to acquire control of the entire Danube and thus menace the Black Sea, the Dardanelles and the French and British colonies and mandates in the Near East. This deal was made at about the same time that British imperialism tried to break the Rome-Berlin axis by permitting Germany to expand Eastward through the annexation of Austria. It shows the dirty, double dealing character of British conservative and French Popular Front imperialist policy.

LESSONS OF THE CHICAGO RELIEF CRISIS

CHICAGO, June 11.- On May 18, the Relief Stations closed down. Of the \$3,300,000 needed for each month only \$2,000,000 was on hand, and that was used up in the first two weeks of the month. Each month following the situation will be worse as more thousands will go on relief.

The state funds for relief totaling about \$2,000,000 is available at the beginning of each month. The Chicago relief funds derived from the 3% tax on each \$100 of real estate was calculated on last year's number of workers on relief. Since that time almost 11,000 families (55,000 people) have been added to the relief rolls, and there has been no additional money appropriated. That is the reason for the shortage in funds.

Daily, court orders are received for the eviction of unemployed workers. The moratorium on rents still continues - else the capitalists of this city would have to put fully a fourth of the unemployed out in the streets. And workers in the street, are in no mood to listen to the bleatings of the capitalist agents, the labor fakars! They want food and shelter.

The stations opened Thursday, June 9, but on a much reduced level of output. The most significant feature of the relief crisis is the enormous cut in relief. With the opening of the stations only "sufficient" food and 15% of rent, gas, electric, etc. will be given out.

Prior to this the relief crisis affected all of the unemployed by cutting down the cash check, non-payment of cash relief to 38,000 families, no rent being paid for the month of May, no gas, no electric, no clothing: to thousands only surplus commodities were given out.

THE HORNER-KELLY STRUGGLE

The second obvious feature of the Chicago relief crisis is the struggle of Kelly and Horner for control of the state. Kelly attempted to shift the raising of funds from the city to the state although the shortage of funds was due to the inability of the city administration to raise its share of relief funds. Both Horner and Kelly try to shift the burden of relief onto the Federal government. They have all the able-bodied workers certified for the W.P.A.

In the primary elections over a month ago, Kelly contributed hundreds of dollars to the I.W.A. to finance "marches" on Springfield, thereby using the I.W.A. against Horner. The I.W.A. leaders at that time were pro-Kelly and anti-Horner. Today, the I.W.A. officials have "come out against" Kelly at least in words.

As soon as the money ran out Kelly and Horner were forced to find funds. The state legislature met, and after weeks of argument, raised \$300,000, enough for three days. Now again the legislature is in session and the outlook for the appropriation of further funds is not promising.

Postcard "pressure" campaigns are the main work of these officials. Instead of organizing mass action and mass pressure they tell them to write postcards to their congressmen. In this way they develop the

idea of reliance on the congressman, Mayor Kelly and President Roosevelt.

Picket lines have gone on at various local relief stations. Without adequate preparation in the neighborhoods (the unemployed have no car-fare, nor any other means of moving about) a City Hall march was called by the I.W.A. officials in an effort to cut short activity already started in neighborhoods. As a result of this ruinous tactic, only 90 workers marched in the picket line the first day at the City Hall, and the average for the succeeding days was below 100.

The picket line started May 23 was called off on the 25th as suddenly as it was started. It was started again May 31, and suddenly a march to Springfield was "planned". Unable to assemble over 100 pickets a day at the City Hall, these bureaucrats sent a "huge" delegation (of 70 people) to Springfield. This move was calculated to cut off any chance of the "demonstration" at the City Hall developing into a real mass demonstration. For many unemployed were becoming conscious of the need for action.

Sit-ins were held in about six relief stations. As soon as the police arrived, the leaders marched out of the stations with the few unemployed who were "holding" them.

Leaflets were distributed by some Locals of the I.W.A. attempting to rally the unemployed of the neighborhoods to action for relief. Some meetings were held.

Only a few W.P.A. workers came down to the picket lines. No attempt had been made to enlist their support.

The unemployed as a whole did not put up a fight because half of the families got their checks. There was very little attempt to arouse them to the need for action. Then, too, there is a feeling among the unemployed that a picket line alone cannot bring them adequate cash relief.

STRATEGY OF THE I.W.A. LEADERSHIP

The leadership of the I.W.A. by its ruinous policy of collaborating with the City, State and Relief administrations has reduced the I.W.A. to almost complete impotence. Total membership is less than 1,000 paid up. And in Chicago alone the number of unemployed runs close to a million.

The leaders of the I.W.A. are petty bourgeois lawyers and similar elements, led by the Stalinists, and Socialists.

The strategy of these "leaders" can be summarized roughly as follows; support the Democratic Party and Roosevelt; subordinate the workers to the state; cut off any pressure of the unemployed on the state by actions to waste the time and energy of the militant elements such as unprepared City Hall marches, sit-in strikes and picket lines; and by postcard campaigns to government officials.

The marches to City Hall are hastily called to cut off neighborhood work that has been started, and, as rapidly, are called off. A well

organized demonstration of thousands of workers at the City Hall is another matter. But this is just what the I. W. A. bureaucrats want to prevent; mass pressure on the capitalist state machine. To "take over" a relief station as part of a policy of organizing a wide scale fight for relief is a correct tactic. The I.W.A. bureaucrats called for sit-ins in local relief stations but did not call for any other action! A representative of Mayor Kelly sat in at the conference that discussed this action.

OUR TASKS

1. Organization of the unorganized unemployed. Most of the close to a million unemployed in Chicago are unorganized. This has two aspects: W.P.A. and those on direct relief.
2. The work of organizing the W.P.A. workers into a city wide industrial union of project locals has to proceed on the basis of such demands as: minimum pay of \$85.00 a month, no increase in hours, no Saturday work, a full day's credit for reporting in bad weather, etc.
3. The work of organizing the workers on direct relief into locals based on neighborhood relief stations and block committees has to proceed on the basis of demands for adequate cash relief, for the recognition of grievance committees and the unemployed organization; and for satisfaction of the grievances of the workers against the discrimination and conniving of the relief administration.
4. Preparations must be made now to resist evictions when the present moratorium on rent is canceled. Resisting evictions means organizing mass resistance to the actual eviction, not trying to put the furniture back after the eviction, when no one is looking.
5. Building a fighting organization of unemployed workers means building a new leadership. In the W.P.A. field both have to be done from the ground up. Although there are a number of committees and organizations trying to organize the W.P.A. workers most of them are interested in coralling dues payers than they are in organizing a fight for the workers. Among the unemployed on direct relief there is the Illinois Workers Alliance which is dominated by the Stalinists. This leadership is no good; it is interested in holding the workers back from making a fight and spends all its time in organizing post-card campaigns and fighting those workers who are trying to build a militant movement. The struggle for a fighting organization of unemployed workers means a fight for a new leadership in the I.W.A. or, if that proves to be impossible, a new organization. The fight in the I.W.A. will show which will be the outcome. Eventually both W.P.A. and those on direct relief will have to combine into one organization in order to put up an effective fight against the present conditions.
6. The Chicago unemployed workers know that their conditions are nation wide. The employed workers know that tomorrow they will be unemployed, too. In organizing the unemployed we have to unite the employed with the unemployed around such slogans as the fight for the six-hour day, five-day week with increased pay; and adequate unemployment insurance to be paid for by the employers and the government and to be administered by the workers through their organizations.

7. In the end the whole problem of unemployment cannot be solved unless the workers control the whole process of production from start to finish. Under capitalism there is no solution. So our work among the unemployed must aim to show the unemployed workers that the fight for the satisfaction of today's grievances and for bread can be solved only when it ends up in the overthrow of capitalism and the organization of production for use instead of profit.

--UNEMPLOYED WORKER.

The following leaflet, as it states, was issued by the W.P.A. Organizing Committee in Chicago and is published as information:

MEN OF PROJECT 3693

We charge the superintendent with gross violation of the existing safety laws, antagonizing WPA workers, and needlessly discharging 5 men May 26.

It has been the rule on all sewer work to have bottom men protected while working by a platform over head. In setting the tile the foreman of Gang 4-A ordered this safety device removed. Having no platform to rest on, the tile slipped and went to the bottom, endangering the lives of the bottom men. Fortunately, no one was hurt.

Seeing the danger, the tile men protested. The foreman attempted to force the tile men to put on rubber boots, entirely unfit to be worn, and to compel them to go into the bottom of the sewer. The men protested against being used as "scabs" on the union men, who get union wages for this type of work. As a result they were 403'd, the reason given was: "refusal to work." This is a brazen lie.

The truth is that they objected to wearing the filthy, mouldy, unsanitary boots, as they were already suffering with sore feet from wearing the boots.

Angered, the whole gang stopped work and elected a committee of 25, who immediately went to the merchandise mart and conferred with Mr. Dougherty of the WPA administration. Mr. Dougherty agreed to investigate immediately. The committee was further assured that there would be no discrimination and they will return to work today. We call on all the men on Project No. 3693 to support our fight for the following demands:

1. Immediate reinstatement of the 5 men fired back on the same project.
2. Immediate removal of foreman "Herb" off of Gang 4-A.
3. The complete renovation of all boots on this project before and after their use.
4. Boots must be furnished that will fit the feet with some degree of comfort.
5. No loss of time for committeemen participating in this incident.
6. We demand that no worker suffer any loss of time because of bad weather or because of time transferring from one job to another.
7. We demand 10% increase in pay for all workers on this project.
8. We demand that the men on this project be furnished with transportation or allowed ample time (minimum 30 minutes) to walk to and from the job.

FOR A CITY WIDE PROJECT WORKERS INDUSTRIAL UNION

W P A ORGANIZING COMMITTEE

.3451 South Michigan Ave. Suite 3

Chicago.

STALINISTS STRANGLE UNEMPLOYED MOVEMENT

CHICAGO MILITANT REVIEWS COMMUNIST PARTY POLICY

The following article was written by an unemployed worker in Chicago who has been active among the unemployed for a number of years. He is not a member of the Revolutionary Workers League. REVOLT is publishing this article in line with its policy of making its pages available to workers who want to expose the capitalist system and the agents of the capitalist class in labor's ranks. While the views expressed in the article are those of the author, they are sufficiently close to those of the League to make unnecessary any editorial comment at this time.

Though it is painful to reminisce over the burning question of unemployment and relief, it is inevitable, as it is ever before us and we must draw lessons from our past experience in order to make a better fight in the present and future. We witness the pitiful, daily suffering of the unemployed with whom slow starvation is the order of the day, causing widespread sickness and disease. We have seen and still see the old, the feeble and the sick being forced to work on W.P.A. for starvation wages and under deplorable conditions. We see many ragged, pale-faced, spiritless children on their way to school, for whom a hospital would be a more fitting place.

Why must this be? Have we not an organization of the unemployed to elevate their miserable conditions; and did not the unemployed organize themselves in 1931 and 1932 into a powerful, mass organization, forcing the most powerful capitalist country on earth to admit, despite its predominating position, that the edifice of capitalism was in decay, and that it must inevitably crumble? Yes, we still have an organized force of the unemployed in forty six of the forty eight states. But why are these inhuman conditions permitted to prevail? There must be something wrong.

THE UNEMPLOYED COUNCILS

We all know that a crisis set in in 1929. And that the people were slowly becoming more and more conscious of its effects as it dragged on, despite the intensive propaganda of the capitalist press that prosperity was just around the corner. There was agitation among the impoverished workers as the unemployed masses began to move. Powerful groups were forming to lead the restless, starving, unemployed workers as demonstrations became more frequent, larger, more determined. The oppressed masses, by 1931, were on the march. Unemployment Councils were organized by the Communist Party and spread throughout the country by 1932.

Here in Illinois, which was one of the centers of this great upheaval another organization of the unemployed, known as the Workers Committee, came into being, headed by Socialists working hand in glove with the clergy who were influential in such institutions as association houses,

who, in turn, were backed by reactionary forces. This set-up was created to counteract the growing militancy of the unemployed.

When the Unemployment Councils began to change their policy after Roosevelt came into office the Communist Party played down all militant action in order not to embarrass Roosevelt who had recognized the Soviet Union, the Workers Committee got its chance. It lost no time strengthening its position in the field, by organizing new Workers Committees and enlarging their sphere of activity, developing into a national organization by 1935. Though they achieved national prominence their highest numerical level was only slightly above the lowest numerical level reached by the Unemployed Councils in 1935.

While the Workers Alliance of America, formerly known as the Workers Committees, was easing along in apparent self-satisfaction the Unemployment Councils leadership was nervous and agitated. The membership of the Councils in Chicago had dropped from 35,000 all the way down to 1,000. The Councils were demoralized and broken down, reduced to small, insignificant groupings. The militant, unemployed workers in it had been deserted by their party when it began to climb aboard the Roosevelt band wagon. Having no choice they had to carry on for their own salvation. Some of the more courageous workers managed to keep the remaining Councils alive by their continued struggle.

Meanwhile the top leadership was busy bickering with the top leadership of the Workers Alliance, begging and pleading with the Socialists in control of the younger organization, that the unification of both bodies was urgently necessary. They had to try to bury the corpse of the Councils as the Councils were too small to be useful as a bargaining force with the national administration or as a threat. At the Washington Conference in 1936 the two organizations were amalgamated. The new organization, which retained the name, Workers Alliance, included the greater portion of the organized unemployed in the United States.

SIX MONTHS TO CONSUMMATE UNIFICATION

The amalgamation was consummated at the convention. But much had yet to be done as not everyone was satisfied with the amalgamation and the class collaborationist basis on which it had been made. A few groups, large and small, remained on the outside. The most outstanding was the Milwaukee organization, numbering upward of forty thousand members. Some districts were so stubbornly opposed to unification that it required about six months before a semblance of unification was affected.

A revived spirit seemed to take hold of the movement; and though Illinois showed some sign of renewed activity it did not take advantage of its added strength. It was left to the united effort of such states as New Jersey, Pennsylvania, Indiana and Colorado to blast the way through the portals of several city and state legislative chambers to force appropriations for the relief of the starving unemployed.

This kind of aggressive activity continued for about six months, after which it slowly died. Why did this mass movement die? Were not the conditions of the unemployed more deplorable than before? Here in Chicago, relief stations were indefinitely closed. But no effort was made to force their reopening. Though the condition of the unemployed

was the same all over the country; and though an unemployed organization numbering into the hundreds of thousands was in existence, very little or nothing was done to better their conditions.

It must be admitted that the little spirit of activity shown in the Alliance during the first year of the amalgamation was owing mainly to the former Unemployment Council members. But it was not so much in the interest of the unemployed as it was to make themselves conspicuous among the rank and file. We must remember that the Councils were absorbed by the Alliance under humiliating conditions, and it was up to them to distinguish themselves in action so as to regain prestige in the unemployed field. They succeeded to the extent that they gained control of the Workers Alliance, especially here in Chicago at the last Illinois State Convention.

The demoralization of 1933-35 taught the Stalinists an expensive lesson. In removing an obstacle to the Roosevelt administration they had destroyed their own bargaining force. After capturing control of the Workers Alliance they have been more careful. Ever since the 1937 convention they have tried to maintain an organization numerically strong enough to serve their purpose of preventing any fighting movement from being organized.

STALINIST BUREAUCRACY

They have worked out a tight, bureaucratic, mechanical control. Every action on the part of individuals, Locals or, even, when entire districts were involved, have been declared to be individual actions, when they were not in the good graces of the County office of the Illinois Workers Alliance. All progressive moves proposed by the Representatives of the Locals at the House of Delegates, especially since the Communist Party fraction took control, have been received with a deaf ear, or sabotaged, if forced through. All Locals they could not dominate, have either been destroyed or placed in a position of impotence. They have cooperated and are still cooperating with the police in disbanding picket lines and breaking sit-in strikes at local relief stations, and heading strikes on W.P.A. only to behead them and, last but not least, constantly threatening opposition with bodily harm.

All this they must continue to do so as to enable them to hold to their prescribed policy of collaborating with their Great Leader-President Roosevelt. All these brazen acts are committed in the face of acute suffering of the unemployed who are continually being subjected to every kind of sickness and disease from slow starvation; whose children are daily being affected by blindness.

This cold-blooded, bankrupt leadership is composed of a combination of degenerated intellectuals and treacherous petty bourgeoisie who have penetrated the ranks of labor. But the day of reckoning will come when these scoundrels will be vomited out of labor's system and a healthy movement will be built.

- BEN POLIFERO

U.A.W. OFFICIALS SPLIT OVER INSURANCE RACKET SPOILS

UNION THREATENED WITH DISINTEGRATION

DETROIT, June 16.- The pus coming out of the boil that came to a head last Monday in the International Executive Board of the U.A.W.A. is simply the result of the bad blood of class collaborationism in that ruling circle. This bad blood, circulating for two years now, has discomforted the union body as a whole, sapping its energy to fight against the employers. Right now one part of this body is rubbing another because of the internal pain, causing the boil to spread. And while the patient is lying on its sick-bed, without so much as a poultice, the capitalists are beating down the living standard of the workers.

The general practice of directly cashing in for "strike insurance" by misleaders of labor such as Murphy and "umbrella" Mike of Chicago fame, years ago, is out-dated now. But the accompanying problems of class collaborators, especially when the thieves fall out, have become more complex. Those old boys in the leadership of the A.F. of L. crafts went direct to the contractor or employer and told them there would be strikes unless he took out "strike insurance", and they named the amount of that insurance. They collected for it themselves and they prevented strikes by the use of revolvers as well as arbitrariness. Then capitalism was in its growth period, and with fairly steady employment, the blunt, direct methods worked. Though today, as then, the capitalists know that if their labor lieutenants are to be relied upon to serve their interests well they must pay them "strike insurance", they know, too; that the payment must be made indirectly through political and business channels. The principle has not changed; the amounts, the means, the problems have.

NEW SITUATION

When Murphy and "umbrella" Mike were insuring in Chicago, years ago, the economy of the country was such that they could also chisel adequate enough wages out of the employers to keep the union membership together, and they never did have to worry about the unemployed. One must bear in mind that the whole situation is different today. The economy of the capitalist system is in a crisis which is permanent. It is more difficult for the labor lieutenants of the capitalist class to hold union members in check, especially in mass production industries when a wage-cutting campaign is on in earnest; when, the "strike insurance" is taken against demonstrations and struggles by the unemployed workers who are confronting a growing welfare crisis; and when the effects of the deepening crisis upon the union treasury have weakened the insurers. Otherwise it will be difficult to realize just why, at this time, and over the specific issue of finances a proposed insurance deal precipitated the sharp break of five class collaborator officials with the Martin fakers.

No doubt there is plenty of "dirt" below the surface. Certainly no life insurance company at this time could be fooled into thinking that

with the vast number of unemployed, W.P.A., and part time workers the premiums for \$3,000 life insurance policies could be collected. Consequently, this life insurance deal could not be an ordinary business deal at all, but must be a deal to thwart the workers from putting up a fight against the employers, a "strike insurance" proposition.

To put it over required a united leadership. But the leadership was divided by a vicious, unprincipled fight for control of the union when Wells switched to the Stalinists, according to Ed.Hall, "we came too close to having a majority to quit Mr.Martin and Mr. Pieper". This is why the split took place when it did!

STALINISTS BLEAT

Frankenstein, at a meeting of the Executive Board members of all the Detroit locals of the U.A.W., held at 51 Sproat Street, June 15, 1938, complained in his speech about the publicity in the newspapers and warningly stated: "The pot shouldn't call the kettle black". Mortimer, one of the Stalinists among the suspended officials, also implied the same by referring to "skunks" that could be smelled, but on whom it would be bad to put the finger. Former Secretary-Treasurer of the U.A.W., Addes, another Stalinist, brought the implication out a little more forcefully by referring to "Stooges for the Manufacturers Association, paid to cause disintegration". The most specific of all, however, at the Sproat Street meeting was Walter N.Wells, the suspended officer who so recently swung from Martin's side in the internal lineup over to Mortimer's. He, especially, was indignant over the fact that Martin's chairman of the International's Finance Committee, Fred C.Pieper, had not let him in first on the deal to take out life insurance for the U.A.W.members. Wells said he first heard about the deal from an agent of the insurance company who broached it with the remark, "I understand your union would like to have a radio station. I think that can be arranged." Stalinist party members not in the union, but claiming to be in on the "know", stated that the International was to collect \$40,000 cold cash per month in connection with the insurance deal whereby all U.A.W.members were to be forced to take out \$3,000 of life insurance. Suspended Vice-President, Ed.Hall, who lead U.A.W. members through an M.E.S.A. - (Mechanics Educational Society) picket line in Toledo, Ohio, some time back, quoted John L.Lewis as having told Pieper he ought to go back to Atlanta, Ga. When John L.Lewis cannot uphold a specific class collaborationist and his deal, it must be very bad.

The administration side of the controversy is fearful of publicity. In meetings held in the Hoffman Building throughout the day of June 15, 1938 with Executive Board members of U.A.W. Local unions in Detroit, called in from three or four Locals at a time, its spokesman passionately moralized against unionists going to the capitalist press with what was going on in the committees and meetings of the union. He was especially interested in building up reverence toward the bureaucratic constitution adopted at the Milwaukee convention last summer, reverence toward contracts, etc. He spoke in a high moral strain, more like a minister than a crook.

When executives from the Locals began pointing out that the deeds, more than the exposure of the deeds, were what a good moralist should be interested in, and that the anti-working class position of the entire

Executive Board of the International on the question of strikes had served the interests of the employers instead of the members who paid the salaries of the International officials the solemnity stuff went out the exit. When they mentioned specific crimes against militants and Locals by the International officials and violations of the former constitution which was far more democratic than the present one by practically all the Executive Board members, and by the one in the chair of the meeting, in particular, the Administration's man, Morris Field, Martin's negotiator with the Trotskyites, adjourned the meetings. —

BOTH SIDES CLASS COLLABORATORS

There are at least two things both the suspended officers and the Administration are united on. One of these is that the policy of the union must remain class collaborationist and the other is that the controversy itself must be settled as between these opposing factions rather than by a complete change in leadership. Each of the opposing sides admits there has been bad blood circulating in the International; the Martinites contending it has been pumped into it from the Stalinist party. The suspended side contends it has been pumped into it by the Lovestoneites. Martin and company are 100% correct about bad blood coming into the International from the Stalinist party and the Stalinists are 100% correct about bad blood coming into the International from the Lovestoneite organization. They are both 100% wrong in contending that all of the bad blood comes in from just one of these sources of black reaction represented in the International by Pieper and Houser. It comes in from all sources where class collaborationism is the policy and practice.

As long as there is class collaborationism there will be factionalism. To fight class collaborators and their policies the workers have to organize into a left wing. There is no other way to change the union's policy and the leadership.

The bad blood in the International has generated from the policy of retreat and capitulation to the capitalists. The result is the boil that has come to a head. When it came to a head the Stalinists called Martin a dictator for suspending the five officers from their posts; but the Stalinists and Lovestoneites and Housers have been dictating to the members for a year now. They run the union like a capitalist general runs his army, by order.

Because Martin is a dictator, partly through their making (certainly with Frankenstein's help) the would-be dictators of Stalin's dictates react to an organizational step with an organizational step; they suspend the funds of the International, blocking the circulation of the already sick patient.

Of course when contending bureaucrats appeal to the capitalist courts, leaving the disposition of the union's funds to the agents of the enemy class, there is only one thing Locals with a leadership responsible to the membership can do; withhold per capita tax. This is being done. Both the warring factions at the top know the implications of this measure which has been forced upon the locals. They know that taken along with the removal of charters, due to lining up with the side that will lose out as well as due to continuation of refusal to pay the

per capita tax which the deepening depression will encourage, some Locals will degenerate into company unions. Some will line up with the A.F. of L. Some will line up with existing independents. Some will unite into new independent unions. A few will remain loyal to the winning group. Morris Field, speaking for the Administration, as much as admitted this, though he used only general terms. He referred to the time when the United Mine Workers had lost over 80% of its membership, due to internal strife, and, in spite of this, in the course of time became the "disciplined, well-balanced" union it is today.

Both sides of the struggle for spoils claim the support of John L. Lewis. Neither side has an optimistic outlook for the union and they are mutual in this, that they try to retain the last defenses against the rank and file, sanctity toward the constitution, sanctity toward contracts with employers even when employers have the opposite attitude. This is the most positive evidence that these factions are united on the proposition of trying to retain a class collaborationist policy in the union, which in turn is the most positive evidence that both sides have been insurers against strikes in the industry; which, in addition, is the most positive evidence along with their own remarks against publicity that a real exposure would find them all smeared with graft.

MILITANTS FOR NEW LEADERSHIP

The most advanced of the unionists are for a completely new leadership, for a special convention to be convened after sixty days and before three months, at which the membership can take over its own union, supplanting the policy of collaborating with the employers with a policy of struggling against them to end the wage-cutting campaign; to turn the retreat before the employers into an advance against them, for the organization of the entire industry, for higher wages, for better conditions of work, for a 32 hour work week, for the closed shop, for a new, democratic, union constitution. So as to break up this insurance racket against working class action on the part of the unemployed the militants must expose the Martinites and Lovestoneites for what they are in relation to workers, the W.P.A., milstones around our necks. The militants must expose the policy of the Stalinists; no strikes at this time; an "impartial body" for industrial peace, to be established by the State of Michigan copied after the Wagner Act. In a word, the militants must expose all class collaborationist tendencies through moves and discussion that lead the workers forward in struggle to a successful convention that can solve the serious question of leadership in the U.A.W.A. in the only way this question can be solved correctly; by involving the whole membership in experiences and education against every vestige and representative of class collaborationism.

In this struggle the capitalists will help especially the most discredited insurers against job action, strike action, class action, as they need them badly here, due to the impending welfare crisis, the wage-cutting campaign still going on, the deepening economic crisis with important political implications. The militants must resist it now resolutely, effectively or the working class will be starved and bled here as it has been in Spain by the combinations of class collaborators in its organizations. We must fight to make the U.A.W.A. a weapon of class struggle, led by its most honest, class conscious, democratically elected members. The Martins, Frankensteins, Mortimers, and their agents must go!

S T U D Y C O U R S E



A basic summary of Marxist theory and practice, intended primarily for new recruits, but excellent for review. In ten lessons.

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1. The Basic Ideas of Marxism
2. The Evolution of Society
3. Dialectic Materialism
4. The Development of Capitalism
5. Surplus Value and Capitalist Production
6. Capitalist Contradictions and Decline
7. Imperialism - the Final Stage of Capitalism
8. The State. Dictatorship of the Proletariat
9. The Struggle for Power. The Revolutionary Party
10. The Fourth International

APPENDIX: Guide for Organization of Study Groups

* * * * *

NOTE: The above study course is designed to assist in training workers in the principles of scientific communism, knowledge of which is indispensable for effective work in the class struggle and for party membership.

REVOLT is publishing installments of this course serially.

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Lesson SevenIMPERIALISM

A. DEVELOPMENT OF CORPORATIONS, CARTELS AND TRUSTS. Large scale production needs a great deal of capital. By selling shares of ownership in the form of stocks, the corporation acquires the use of great quantities of capital. These shares entitle their owners to a part of the profits made by the corporation, which thus utilizes the savings of small capitalists. Furthermore, corporation law absolves the individual capitalist from the corporation debts if it fails, contrary to a partnership in which each partner is liable in full.

Corporations sharpen competition between capitalists. There are now fewer capitalists but each is a more powerful competitor. To prevent the suicide of long, exhaustive price-cutting wars, corporations strive to eliminate competition by combining into trusts and syndicates, hoping to dominate the market, keep prices up and centralize control of capital. We live today in an era of monopoly production by trusts.

B. FINANCE CAPITAL. Because huge industrial enterprises require vast amounts of capital for success, the banks become an all-important factor. Only through banks can the industrial capitalists secure the quantities of capital required to float modern enterprises. By making loans to factories, railroads, mines, etc., bank capital becomes industrial capital. In turn, industrial capital increases the growth of bank capital. Thus finance capital binds together all branches of industry.

Now, banks lend money not to one firm, but to many. They are interested to see all these firms make a profit. This means the banks must try to eliminate competition among the firms to which they lend money. The tendency of banking or finance capital, therefore, is to unite whole industries and even groups of industries under its direction. The penetration of bank capital into industry finally results in two or three financial groups assuming control of all the resources and industry of the country. In the United States for example, J.P. Morgan heads not only an all-important banking system, but also U.S. Steel Corporation, General Motors etc. Andrew Mellon's banking house controls, among other enterprises, the Aluminum Trust. In each great capitalist country today, a financial oligarchy holds sway over the economic and financial (and, consequently, the political and military) forces of that country.

DEFINITIONS: Syndicate is a trade agreement between competing firms as to prices and territory (You sell in one district; we in another; at set prices) A trust is a complete merging of competitors. The entire control and management of the individual companies is vested in the hands of the new Board. A combine is a union of trusts in several industries (Example, General Electric, U.S. Steel. They control the mining, transportation, smelting and finishing industries connected with the process of production) Finance Capital is banking capital which has penetrated industry and controls it. A capitalist country today, economically speaking, is an immense combine headed by the banks. The government is its executive committee.

C. POLICY OF COLONIAL EXPANSION. In the previous lesson we learned that the capitalist tries to overcome the falling rate of profit by a more ruthless exploitation of the working class - speed-up, lowering conditions, decreased wages, increased hours - to extract more and more surplus values. Later he learned that by exporting capital to backward countries, he realizes a higher rate of profit (more variable, less constant capital)

The export of capital is a relatively recent phenomenon. In the early 19th century, the era of free competition and free trade, export was mostly in finished goods such as textiles, shoes, pots, etc. In this period, England was the dominant capitalist country of the world and "the predominant bourgeois policy of England was against colonial policy and considered the liberation of the colonies, their complete severance from England, an inevitable and useful step." Colonies were considered milestones to progress.

By the latter half of the 19th century, England began to feel the competition of the growing industry of Germany, France and the United States. It became more profitable to exploit the cheap labor and natural resources of the backward region, to transfer production to colonial and semi-colonial countries, than to export goods to these regions. Export of capital expands more rapidly than export of goods. But the export of capital results in the creation of competitive industry in the colonial country which tends to drive out products of the mother country. Furthermore, it creates a colonial proletariat ~~and~~ aggravates ~~the~~ unemployment at home.

D. POLICY OF WAR. Because profit from export of capital is greater than that from export of goods, the struggle over investment of capital sharpens. In this struggle the capitalists of the advanced countries strive to get political as well as economic control of the backward region. They bring pressure on it through manipulating loans to get favorable treaties, restricting or excluding imperialist rivals. Furthermore, capital investments have to be protected from harm. In order to do so the capitalists have to actually own or control the backward countries they invested in.

There arises a terrific competition for the acquisition of colonies and spheres of influence. Finance capital tends to eliminate competition within the nation, but aggravates it between nations. Capitalist competition takes on a world form in which entire nations are mobilized in a contest for survival. The process of partitioning the world among the great powers cannot be a peaceful one. "The economic wars of capitalist expansion, of tariff and exchange and armament and competitive exploitation reach a point where the attempt is made to find a political solution of the economic and social contradictions through war, open and undisguised: imperialist-inspired wars between subject nations; wars of subjugation by imperialist powers against subject peoples, and the converse of these, peoples against their imperialist oppressors; the world-wide war of the imperialist nations among themselves. . . Modern war is the very essence of imperialist-capitalism, as much a part of capitalism as wage-labor. To speak of capitalism without war is like speaking of a human being without lungs. The fate of one is inextricably bound to the fate of the other." (Imperialism - Lenin)

By 1871 the division of the entire earth among the great powers was complete. Between 1898 and 1905 the first redivision of the earth had taken place. In the world war of 1914-17 occurred the second great redivision. The crisis beginning in 1929 marked the beginning of the third great redivision of the earth. Nations coming late into the imperialist arena demand a "more justifiable" redivision of world markets. Prior to 1914, Germany, having developed the most powerful industrial apparatus in Europe, aggressively faced Great Britain and France who had already taken the best portions of the world. The United States had not yet saturated its own tremendous internal market. It was still a debtor nation. The struggle for world markets was therefore chiefly between Great Britain and Germany. In order to get an outlet to Asia and Africa. Germany sought to establish a trunk line from Berlin to Bagdad. First she had to have control over Central Europe - Austria-Hungary, Serbia, Bulgaria and Turkey. Of these she had all but Serbia. The Balkan War of 1912 was fought to annex Serbia. She failed.

In 1914 Germany utilized the assassination of the Archduke of Austria as an excuse to annex Serbia. Gt. Britain and France opposed this. The War was on. American capitalism wished for the defeat of Great Britain since it was her leading rival in the Western Hemisphere. This was clearly expressed in the policy of "neutrality" of Wilson, candidate of the Rockefeller group of financiers, whose oil policy called for defeat of its most powerful oil rival, Great Britain. Since Germany was winning, neutrality aided the winner. But Germany could not reach the U.S. and the Allies could. American capitalists could not resist the juicy investments and loans at high interest afforded by the Allies. Only when these loans were threatened did it become the interest of American capitalism to side with the Allies. Although Germany was defeated in the World War, Great Britain has now a more powerful rival in the United States, which has become the world's greatest exporter of capital. The American dollar has displaced the pound everywhere in the Western Hemisphere with the exception of Brazil and the Argentine. Even here American investments have gained at the expense of G.B. since 1914. In an attempt to win Argentina away from G.B. the U.S. organized the Pan-American conference and Roosevelt's "Good Will" tour. She failed in the attempt. EUROPE. Although American capital has supplanted British in Europe, she has been unable to equal the sale of goods, due to the stronger political influence of Britain. Another factor is Europe's retaliation to the high American tariff barriers. ASIA. British investments in Asia, Africa and Australia outweigh the American, in China, for example, five to one; but, due to U.S. industrial superiority, it sells 13 times as much for every dollar invested as does Britain. Asia will most likely be the prize over which the next world war will be fought. JAPAN. Britain has tried to form an alliance with Japan against U.S. But they are both leading textile exporters. This weakens the alliance. When Japan invaded Manchuria in 1931-32 England was indifferent because American interests in the main, were undermined. In the present invasion, Britain is the loser. U.S. has refused to protest the bombing of Shanghai since $\frac{2}{3}$ of British investments in China are there, but caused a stir over the attack on Nanking which is an American sphere of influence. NEUTRALITY. The U.S. was for "neutrality" in the Ethiopian and Spanish wars because that helped undermine Britain. In the Sino-Japanese war, U.S. has the opposite policy, because here the danger of Japanese victory means closing the door of China to American trade. To wage war against Japan, U.S. must have an Asiatic ally, either China or the Soviet Union. SOVIET UNION. When the Wall Street base in Manchuria was undermined in 1931-32, American capitalism almost immediately signed the Roosevelt-Litvinoff agreement. The weakness of this type of agreement is that it means a pressure on Stalin to form an alliance with Germany. Conversely, an alliance of England and Russia is hampered by the danger of a German-Japanese bloc. A British-German bloc would break France away from England and toward Italy, bursting the Rome-Berlin axis.

E. MILITARISM. The above illustrates the complexity of the preparations for the coming world war. To be prepared for war constitutes the major policy of the imperialists. They build huge armies; larger and technically superior navies and air fleets. They systematically poison the minds of the working class with nationalistic propaganda and prejudices. Disarmament conferences, League of Nations, Collective Security - all these are smoke-screens behind which the real jockeying for position and alliances of one group of nations against another takes place. Big armies and navies are designed not only for suppression of colonials and to defeat rival powers, but also to maintain "law and order" at home - for the suppression of strikes, demonstrations, insurrections and other "domestic disturbances".

F. FASCISM. It has been pointed out how capitalism in its imperialist and decaying stage exploits the working class with increasing ruthlessness. This arouses the workers to resistance. To meet this resistance the capitalists turn to Fascism as a means of heading off the revolutionary will of the masses. Fascism arises when finance capital can no longer afford to hide its dictatorship behind democratic forms of government.

Fascism is not a different economic system from capitalism. It modifies certain aspects of capitalism, just as in war-time other aspects are modified. Fascism is the last resort of finance capital in defence of the system. "Through the Fascist agency, capitalism sets in motion the masses of the crazed petty bourgeoisie, and bands of the declassed and demoralized lumpenproletariat; all the countless human beings whom finance capital itself has brought to desparation and frenzy... The Fascist agency, by utilizing the petty bourgeoisie as a battering ram, by overwhelming all obstacles in its path, does a thorough job. After Fascism is victorious finance capital gathers into its hands, as in a vice of steel, directly and immediately, all the organs and institutions of sovereignty, the executive, administrative and educational powers of the state; the entire state apparatus together with the army, the municipalities, the universities, the schools, the press, the trade unions and the cooperatives... it means, for the most part, that the workers organizations have been annihilated that the proletariat is disorganized; and that a system of administration is created which penetrates deeply into the masses and designed to frustrate the independent crystallization of the proletariat."

G. SUMMARY. Following the merchant and industrial stages of capitalism arose the third, imperialist stage, characterized by: industry dominated by monopoly, economy by finance capital; capital is exported; the world divided among great capitalist powers; economy is dependent on colonial and semi-colonial bases for raw material. Imperialism aggravates all the contradictions of capitalism. The evergrowing necessity of the productive forces to expand confronts a continuously narrowing market and comes into the most violent conflict with the national state boundaries. The result is a general, permanent and insoluble crisis of capitalism, the permanent disemployment of more and more proletarians, the lowering of real wages and the pauperization of the masses. Imperialism is the epoch of war and revolutions: of the great powers for the redivision of the earth; of the colonial masses for national liberation; and revolutions for the overthrow of capitalism. Imperialism signifies that capitalism has exhausted its progressive possibilities and now constitutes a brake on the development of the productive forces and the advance of humanity to higher material and cultural levels. Capitalism is ripe for transformation to socialism. The world revolution stands on the order of the day.

Required reading

Imperialism - Lenin
 Foundations of Imperialist Policy - M. Pavlovitch
 Decline of American Capitalism - Corey; Ch 8, 17, 19, 20, 21
 Rulers of America - A. Rochester; Ch 1-8
 Capital - Marx; I Ch 16 and III Ch 15, 23, 24, 25

Suggested reading

The American Empire - Scott Nearing /Ch 3
 Modern Corporation and Private Property - Berle and Means;
 Imperialism and World Politics - Moon

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