

# LABOR ACTION

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## THE FAIR DEAL A Socialist Criticism

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# WHAT IS THE FAIR DEAL?

By HAL DRAPER

In the course of the 20-year-long development from the heyday of the New Deal to today's Fair Deal (with the War Deal as interlude), there has been a significant change in the attitude of the leaders of the labor movement and liberal opinion. This attitude has remained one of more-or-less hearty support, but with a difference. The difference also points to the future.

There was a time in the 1930s when the liberal-labor leaders looked on the New Deal as the harbinger of a new social order, of basic transformations in society which would transfer power from the "Vested Interests" to the "People." It gave them the dynamic feeling of participating in a movement which was Going Somewhere, which could reshape the world we live in, which had a positive progressive mission. They were not merely "preserving" Our Way of Life or fighting a rearguard defense against "reaction." Roosevelt's bugles, they thought, were pealing for them to build, to create, to transform, to revolutionize. They felt alive and vibrant, On The March.

At the time they felt they could be scornful of the "dogmatic" socialists who told them that they were on the march into a blind alley. It was a great illusion. Today what remains of the ties which bind labor-liberals to the Fair Deal? The tie is still strong, but it is a different one. Where the New Deal began by being the Promise of the Future, its continuator the Fair Deal is now simply . . . the lesser evil in comparison with the reactionary forces further to the right. It is not something to fight for; it is something to console oneself with. It is not a Banner in the Good Fight for a world of social justice; it is a wavering line of retreat.

What brought about this great change in the political psychology of the New Deal-Fair Dealers themselves? It was not brought about by the shift from Roosevelt to Truman; it was initiated by Roosevelt himself, when he announced the replacement of Dr. New Deal by Dr. Win-the-War. Is it to be explained merely as a "betrayal" by faithless leaders—that easy substitute for understanding what is happening in the world? Or is it necessary for the labor-liberals to re-examine their views on what the New Deal and Fair Deal represented in the first place?

It is not the primary aim of these pages to summarize the detailed record of that "betrayal," if such it was—that is, of the steps in the change that has come over Fair-Dealism. In early 1948 Harry Truman's credit with labor and liberals had already been well-nigh exhausted. He had brought back the most hated of anti-labor weapons, and had used it to break three great strikes; he had, not long before, appealed to Congress for a law a good deal more vicious than the Taft-Hartley Act, a law to draft strikers into the army; his record of positive accomplishment was not impressive. Expecting his defeat anyway, important sections of the labor movement were ready to break away.

As we all remember, taking advantage of the fact that Tom Dewey was the only alternative to him before the people, Truman gained a new lease on life with a splurge of militant Fair-Dealish speeches, dusting off the old appeal. It accomplished the miraculous upset and his return to the White House. "Labor did it!" he told the press; and labor, newly impressed with its own strength and social weight, expected that now, at least, its interests would be recognized, if only in gratitude perhaps.

### PETERING OUT

Therefore the record since 1948 is doubly damning. What can labor or liberalism point to with enthusiasm? What have they gotten? Not even the civil-rights legislation the promise of which half-reconciled them to Truman in 1948—after they had forgotten that Truman personally had opposed even the plank-promises in the Democratic platform. They still have the Taft-Hartley Act! they got more strikebreaking, as the railroad workers know; they are farrar with the festering corruption and bad odor of the administration; they have to fight against Truman-appointed war mobilization agencies infested with dollar-a-year big businessmen, of whom the now resigned C. E. Wilson was only the most prominent; they have the Korean war; they have the rapprochement with Franco fascism, the change of line on butcher Chiang Kai-shek, the betrayal of Tunisia; they have the "subversive list" and the government-initiated witchhunt, with its pall of fear blanketing the land.

And now, after 20 years of support to the Democratic Party as the vehicle of the Fair Deal, as Truman and Adlai Stevenson step out of the presidential contest, they are left without even a candidate (as of now). It will



labor-liberals who pride themselves on being "practical"—"practical politicians" especially—and not "dogmatists" like the socialists. But there is no paradox in reality. There are few dogmas which are held so rigidly as the dogmas of the "practical" men, who consider themselves to be practical because they are unaware of the theories which do clutter up their thinking. They are merely unable to be critical of the theories which they hold.

(2) Like all other dogmas, it springs not from the generalization of experience (this is what unites theory and practice), but from a need which lies outside the line of thought and action which the victims fondly consider to be their basis. In this respect it is of the same type as the fundamental dogma of pro-Stalinism. (Don't jump, dear liberal reader—retain the open mind of which you are so justly proud!)

### THE OTHER VERSION

The dogma of the Stalinist fellow-traveler, in its more intelligent version, is this: *Russia, with all its "faults," is fundamentally socialism-in-power. It does deplorable things, not all of which we can defend. But for all its derelictions and inconsistencies, which unhistorical-minded people love to harp on and which do indeed make us uncomfortable, it has done the important thing: abolished capitalism. This makes it fundamentally progressive, whatever distortions have been imposed upon it by the reactionary capitalists who press upon it from all sides. It is the job of us genuine progressives to push it to be "true to itself." Everything bad about it (which we know well but do not talk about, in order not to give aid and comfort to its enemies) is due to the pressure of reaction around it. The more reaction (Western capitalism) presses it, the more bad things it does; therefore we must defend it twice as hard, in order to make it possible for the basic good in it to flower. . . .*

This dogma also, as is well known, makes its possessors immune to mere muckraking about the unpleasant features of the Russian regime—which is why three-quarters of all anti-Stalinist "exposé" material, while necessary and useful, is so much steam up the spout. It is irrelevant to, and does not touch the underlying need.

That need is for a social goal to live by. For the pro-Stalinist, who cannot be sold back on the capitalism he has rejected and which is the system he knows through his own experiences (not exposures), to wrench himself free of the Stalinist myth is to drop into a void. There is many an ex-Stalinist who can be seen in this zombie state: you can recognize them, the eyes are glazed, politically speaking. This is because they do not see any "realistic" alternative to the twin evils of capitalism and Stalinism.

There is the liberal analogue. Where are you if you abandon your faith in the Fair Deal? Where do you go from there? A backward worker (or for that matter some AFL leader) may register his disgust by voting for the Outs—which translates as the Republicans. For the responsible spokesman of (say) the CIO or Americans for Democratic Action there is no thinkable alternative in replacing to mere political passivity. What remains is a wrench—the formation by labor of its own independent party!

But all this is not yet a substitute for discussing the dogma itself. What makes the Fair Deal represent "liberalism-in-government" for its well-intentioned supporters?

### THAT CLEVER OLD FOX!

There are three things which make the Fair Deal the representative of liberalism, in the eyes of liberals: Let us take the simplest first. It is not the most important. Above all, it could not possibly do the job by itself. But it certainly has to be mentioned.

Some people—who, no doubt through no fault of their own, have remained entirely ignorant of Marxism—think that the socialist attitude toward capitalist politicians is based on denouncing them as lying demagogues, hypocritical betrayers of the people and general dishonest no-good scoundrels. This is not so. It is merely a frequently observable fact.

(Turn to last page)

### THE LIBERAL THEORY

But after you have gone through the concrete record of the Truman administration—as we do from week to week in the regular issues of LABOR ACTION—you will still not have exorcized the soul of the Fair Deal mystique, the role it plays in the thinking of the labor-liberals. It is not to be argued away merely by itemizing the misdeeds, delinquencies, sins, villainies, hypocrisies, outrages and abuses of the Truman regime—no matter how impressive the total may be. Our labor-liberals are not really blind to these, however they may close their eyes. They have gnashed their teeth, before now; they have cursed under their breath; under sufficient provocation, they have deplored aloud.

For they have a theory about the Fair Deal. It is this theory we have to talk about.

The theory is a simple one: *The Fair Deal, with all its "faults," is fundamentally liberalism-in-government. With all its derelictions and inconsistencies (which we know well but do not like to talk about, in order not to give aid and comfort to its enemies), it is the job of us liberals to push it to be "true to itself," to stiffen its backbone, etc. The Fair Deal is "for the people," or at any rate wants to be, as against the "reactionaries," who are concerned exclusively with Private Interest, Vested Interest and Special Interest.*

Now this is a very simple theory to hold. Cling to it with sufficient determination (where are you if you abandon it?) and almost anything the Fair Deal administration may actually do can be viewed with sympathetic understanding, if not equanimity. The Fair Deal does these deplorable things because we, the liberals, have not pushed hard enough; "the reactionaries" were too strong; the wrong people got to the president's ear; we have got to support the president twice as hard in order to buck him up to resist the forces of evil. . . .

### THE NEED BEHIND THE DOGMA

Before discussing this directly, there are two things which have to be said about this type of theory.

(1) Precisely because it is engineered so that no concrete experience can shake it, it is fundamentally a dogma. By definition, a theory which is not capable of being submitted to the test of facts and practice is a dogma. But this sounds absurd at first blush: it is these



'In 10 Years the Legal Position of Unionism Has Deteriorated . . .'

## What Did Labor Get?

By BEN HALL.

"A broad change in the direction of labor-relations legislation has occurred [since 1940]," write two contributors to the U. S. Department of Labor's Monthly Review. "Prior legislation designed to encourage unionism and collective bargaining has been modified to include 'equalizing' features in the form of restrictions upon unions and governmental regulation of collective bargaining. This trend began in some of the states in 1939, and reached its culmination in 1947 in the substitution nationally of the Taft-Hartley Act for the Wagner Act, and in the enactment of restrictive labor-relations laws in no less than 30 states. Only a few of these state laws have since been repealed or held unconstitutional."

In ten years, the formal legal position of unionism in relation to government has deteriorated. Yet in the same period, organized labor through constant struggle has increased its real power in every field; its membership has nearly doubled; its internal solidarity is unshakable; its picket lines are respected by the working class with near-unanimity; its political activities have been intensified. It has solidly organized the basic mass monopoly-industries.

In other words, while the real class strength of the American workers has mounted, what it is able to wrest from the government or through the government has declined. This is the record, the summary of labor's experience over the past decade with what has come to be known as "Fair-Dealism."

If we added up all the gains that unions have won by strike struggles and strike threats, gains which appear in the form of signed contracts and wage standards, it would make an impressive list. But if we tried to enumerate what labor has obtained from the "Fair Deal" administration in terms of improved labor laws and increased political rights, it would make a shabby and skimpy showing.

### What Labor Lacks

But to avoid misunderstanding we must explain in what sense we are speaking of the "Fair Deal." There is "Fair Dealism" as a program—that is one thing. And there is the "Fair Deal" as a faction or wing of the Democratic Party—that is something else again.

The labor movement and some sincere liberals have become accustomed to referring to their own program as a "Fair Deal" platform. Thus they label their demands for a whole series of reforms to improve the living standards and rights of the common people and to curtail the power of big capital.

Such a program suffers from the weaknesses of all such reform programs; it tries to settle basic problems with half measures when radical solutions are necessary; it remains within the limits of capitalist thinking where it should embrace the socialist outlook.

For the purposes of this discussion, however, we will begin by ignoring the weaknesses of this, the standard program of the organized labor movement, and think only of its positive side. Taking it as it is, it demonstrates that the labor movement does, honestly and sincerely, seek to revamp national domestic policy in the interests of the people. What labor lacks, FROM THE POINT OF VIEW OF ITS OWN APPROACH, call it "Fair Deal" or anything else, is a clear and effective idea of how to fight to achieve it.

### Source of the Paradox

And this brings us to the second sense of "Fair Deal." The Truman wing of the Democratic Party, which coined the phrase "Fair Deal," is one capitalist section of a capitalist party. It is in the relations between the labor movement, which honestly and sincerely demands a real "Fair Deal" program of reforms, and the Truman Fair-Deal Democrats who give occasional lip service to it, that here we discover the source of the paradox of labor's great strength and political ineffectiveness. To achieve its own program, the labor movement has to stop relying

upon the Fair Deal Democrats and become self-reliant politically.

In every country, except one, where modern industry exists and democracy prevails the labor movement has founded its own political party. Regardless of name—Labor Party in Britain, Social-Democratic Party in Germany, Cooperative Commonwealth Federation in Canada, Socialist Party in Belgium—the working-class party, by its very existence, proclaims to the nation: "We are able to run the government. We ask your support for the program we advocate in the interests of the people." The party of labor justifies its existence and its appeal for power not only because it represents the interests of the working class but because it alone, among all the parties and classes in the country, stands unambiguously for progress and freedom. In the United States, the only country where labor possesses democratic rights but no political party, the union movement stands as the greatest social force for freedom.

### Why Reaction Wins

But it undermines its own effectiveness by refusing to form its own party and choosing instead to support one wing of a capitalist party, the Truman Fair-Deal Democrats. This political infantilism is put forward by the labor leaders as a brilliant piece of practical strategy. "Yes, yes," they might say, "we realize that Truman or Smith or Jones, the liberal Democrat, is a pretty weak-kneed character; we know that we can't rely on him; we know that he may only be making election speeches today to be forgotten tomorrow; but look at his opponent! Taft (or whoever) is an outright reactionary. Isn't it clever to support the Fair-Deal Democrat against the conservative?"

Fifteen years ago the argument had the impressive ring of novelty but now we can judge its validity on the basis of a long political experience. By following this policy, the labor movement has permitted a steady and constant

people. When we say that labor must become politically independent, we do not propose that the working class "go it alone." That would be political stupidity. We propose that the labor movement in actual fact carry on a serious political struggle for its own program and in that way actually unite the common people.

That is not what it does today. The question is: who supports whom? Right now, labor supports a wing of the Democratic Party. But these Democrats do not support labor or fight for its program. The unions do not succeed in winning the political support of other classes for labor but only in throwing away the support of labor to a group of capitalist politicians.

In fact, when labor "loyally," ardently, and unconditionally exudes admiration for the Fair Deal administration in Washington, it is treated with implicit scorn and its demands are ignored. Only when it threatens to kick over the traces do the capitalist politicians rewrite their speeches, oozing with love for the common man.

A political formula could be constructed out of the experience of the past years: the more labor supports capitalist politicians, the less it gets; the less it supports them, the more it gets. The so-called liberal bourgeois politicians lose interest in labor when they are wooed too ardently; they feel quite protected from a docile labor movement on the left; they worry only about the demands of the conservatives on the right.

### "Who Won the Election?"

Without a clear class policy, the political tactics of labor leaders become ludicrous. They try to weigh the liberalism of this or that individual Democrat without knowing just what their scale is. Does he support the PAC program and will he fight for it? They never know because the Democrat has no responsibility to labor. In this game of political grab-bag no one knows just what he will pull out. In 1948, labor's clever tacticians wanted Eisenhower the "liberal." In 1952 he appears as a conservative Republican.

And this explains why all labor's celebrations of great election victories end in political hangovers. Labor leaders cheer madly on the first Tuesday after the first Monday and wake up on Wednesday with a bewildering headache. They clapped their hands in 1944 when Roosevelt and Truman swept into office. But soon after, they inquired of each other in perplexed tones, "Who really won the election?" Not to be discouraged by mere facts of life, they hurried when Truman won in '48. As the months went by and they followed the record of the new administration, they again puzzled over the lack of results.

And yet the labor movement itself has shown the way. In a few months in early '51, the unions gained more recognition by threatening to fight than in years of collaboration with Truman. They resigned from all war boards; they attacked the Wage Stabilization Board; they excoriated Truman, his political family, his program; they spoke like street-corner agitators; they threatened to strike. And by this course, they were able to protect, at least temporarily, the wage standards of their membership.

This program of struggle, which logically led out of the Democratic Party and toward the independence of labor, proved so effective and so practical that . . . the union leaders abandoned it to revert to their previous course! The steel workers have been able to win concessions from the Wage Board in 1952 because of labor's fight in 1951. Even the memory of an abandoned militant policy serves as a weapon in the class struggle. It is a reminder to the government of what labor can and will do.

The emergence of labor's own party would revolutionize American politics. Its very formation would open a new period of advance for the common people regardless of how it fared in early elections. For the first time, the American people would be given an opportunity to support a party which could and would fight for its program. Politics would cease to be merely the butt of cynical but apt jokes. It would become the serious business of the people.

The political trend in the United States is now to the right. Labor's declaration of political independence would change all that. A labor program backed by a labor party? defended by labor candidates? The "liberal" Democrat would have to put on a big show of liberalism lest he be swept aside by the rising new movement; the conservative would have to stop squeezing the liberal too hard, and allow him a little room for maneuver, lest labor alone mobilize all progressive forces behind its program and party. And if neither of the two wings of capitalist politics were wise enough to pursue this conciliatory delaying action, the inevitable would come all the sooner: the unity of the people behind labor's independent party.

'The Fair Deal Cannot Follow a Democratic Foreign Policy . . .'

## Can It Preserve the Peace?

By MAX SHACHTMAN

The main pride of the New Deal and its successor, the Fair Deal, is its foreign policy. Not only a Democrat but even a Republican receives remission of sins from the spokesman of the Fair Deal for opposition to its domestic policy provided he supports its foreign policy.

He can oppose the administration on policy toward the Negro people in the United States, on housing and health insurance, on the Taft-Hartley Law, or anything else in such fields; but let him vote more-or-less consistently for the same administration's foreign policy and no avowed Fair Deal liberal, starting with the president and going all the way down to the New Leader, will deny his claim to the same title. Politicians throughout the South (Tennessee included) and throughout the North (Illinois and New York included) can never thank the Fair Deal enough for its foreign policy. If they had not had the opportunity to support it, nobody would ever have suspected how passionate were the liberal convictions they concealed.

Yet nothing could dismay a Fair Dealer more thoroughly than to be asked to define, comprehensively and comprehensibly, the distinguishing principles upon which this foreign policy is based and maintained. This applies to all the Fair Dealers, and above all to the more liberal and radical among them (labor leaders, of course, included.)

If they proved capable of speaking up, the answer would be composed of nothing but hollow generalities that would tell us more about the Fair Dealer's unawareness that a foreign policy should be based upon consistently maintained principles than it would about the principles themselves.

### THE FAIR DEAL'S "PRINCIPLES"

Would they say it is the principle of "stopping the advance of Communism," as they call the Stalinist barbarism? But that principle by itself could not distinguish the Fair Deal's foreign policy from Hitler's. It would not make it identical with the latter, to be sure, but neither would it distinguish it. Besides, the answer would still tell us nothing about the policy actually being followed to "stop Communism."

Or perhaps they would say: the principle of "maintaining peace by armed vigilance." That is already a little more concrete, but not much more. Nevertheless, it is not only the "principle" which Hitler adopted toward Czechoslovakia and Poland, for example, but it happens to be word for word the official formula employed by Stalinism for the past three decades. It is, so to speak, a "neutral" formula, applicable to all states whenever war is a real possibility, regardless of its origins. It is no less serviceable to a fascist state than to a democratic, to a capitalist state than to a socialist. By itself, then, it too fails to make the Fair Deal's policy distinctive, let alone democratic.

Or would they say: the principle of "preserving the peace by stopping the aggressor"? If the Fair Dealer were to agree with the simple, conventional and, for our purposes, adequate definition of an aggressor as one whose seizure and rule of other people's territories does not accord with the freely expressed wishes of the people concerned—and if he is honest he must accept this definition—then he cannot for a moment claim that Fair Deal foreign policy is based upon the principle of opposing aggression by word and deed.

The fact that Washington opposes the Russian aggressor does not make it an opponent of aggression, any more than the fact that Hitler opposed British imperialism made him an anti-imperialist. Britain was and remains the aggressor in Egypt, having seized and still holding foreign land not only without "the freely expressed wishes of the peoples concerned" but against their clearly expressed wishes. In this, the Fair Deal is Britain's ally, not Egypt's. In Indo-China, where French imperialism is clearly the aggressor, the Fair Deal arms and supports France. In Tunisia, French imperialism is the assassin of the people, but the Fair Deal will not even allow the voice of the Tunisian people to be heard from the platform of the United Nations.

The Fair Deal's foreign policy can lay claim to the principle of opposition to aggression only by ruling that any aggression committed by itself or its allies is not aggression, and cursed be he who says otherwise.

### WASHINGTON'S PROBLEM

If the Fair Deal cannot lay claim to these principles, there is nonetheless a principle upon which its foreign (as well as its domestic) policy is founded. That principle is the preservation of the life and power of American capitalism. Call that power "democracy" or the "American way of life"—the rest of the world sees it ever more plainly as the super-privileged aristocrat among nations, among capitalist nations in particular, desperately determined to maintain its aristocratic privileges at any cost.

For the capitalist class to defend its special privileges is as normal and proper today, from its standpoint, as it has always been. Its big problem, however, lies in the fact that by itself it does not have the tiniest chance of winning the battle with the main enemy now threatening its power, world Stalinism; and this holds true even if "by itself" is taken to mean not just the capitalist class alone but the whole of the United States.

It must have other countries to fight the battle with it and for it. That makes the problem the biggest ever en-

countered by the United States. The foreign policy of the Fair Deal has as its only purpose today the solution of this immense problem.

The solution is easier sought than found. The Fair Dealers will never understand that the masses of Europe, for example, who refuse to fight for the preservation of their own capitalist system at home or abroad, most certainly refuse to fight for the preservation of aristocratic American capitalism. The European peoples hear over and over again from Washington that the United States faces a fight for nothing less than its survival. Yet, faced with such a life-or-death struggle, the American capitalist class is not ready to share its unique and extraordinary privileges with the very ones it calls upon to lay down their lives for its preservation.

But hasn't the Fair Deal given freely and generously of American billions to Europe, so much so, indeed, that Republican and even Democratic dinosaurs roar in primal rage against it? The Fair Deal had to pour out those billions. If a Taft were to become president next year, that American policy would remain basically unchanged, for it is a policy not dictated by choice but by inexorable necessity!

There is nothing "liberal" or "democratic" about the policy, and certainly nothing startling about it. American capitalism could not stand on its feet for five minutes if the rest of the capitalist world were to collapse completely. It is doubtful if even the dinosaurs really fail to see that. To keep itself alive—just to keep alive!—American capitalism must keep the rest of the capitalist world, Western Europe in particular, from dying or being killed; at the very least, it must try to.

### AMERICA'S FRIENDS

For a thousand reasons that are innate in capitalism, with or without the Fair Deal, it will not and cannot put capitalist Europe on sturdy feet. But it must keep it off its back. A completely prostrated Europe means no European capitalist armed forces to fight for—or if you wish, to fight with—the United States. Left to its own armies and resources, the fate of American capitalism is absolutely sealed. It must force armies upon Europe and it must, however grudgingly, subsidize them in its own desperate interests.

How decayed and miserable capitalism has become! How clearly it flaunts the plain signs of impending doom! For all its pride and arrogance, American capitalism today—again, Fair Deal or no Fair Deal—must (to quote Marx and Engels a hundred years ago) feed its slaves instead of being fed by them, provided the slaves can be armed to fight for it.

Easier said than done. After all the billions poured into Europe, the friends of the United States can be counted in an hour. In Asia, Africa, and Latin America, it would take even less time to count them. It is not so simple, this problem of getting others to make sacrifices and fight for your own unshared privileges.

It is not so simple to gloss over this monumental reality by grumpily allotting pennies for "Point 4" while lavishly spending dollars for arms. We do not know how many American tanks have been sent to Korea; but in number and in cost they are surely far higher than the American tractors or their equivalent sent to India. The meaning of the difference is not lost on many people in Asia.

Nowhere—we repeat, nowhere—is there a popular democratic movement that regards itself as the firm friend and ally of American capitalism and its Fair Deal administration: not in England or France or Germany or Italy or Spain or the Ukraine or Tunisia or Egypt or India or Japan. The foreign policy of the United States has won as its allies—and even these are not won too firmly—only Churchill, Catholic political conservatism in France, Germany and Italy, the Vatican, Franco and Salazar, Chiang Kai-shek, and people and forces of that type, but not the people.

### FOR A DEMOCRATIC FOREIGN POLICY

The basic reason for this lies, in our view, in the failure and inability of the Fair Deal and its spokesmen to put forward a foreign policy based upon elementary democratic principles and to make the United States known everywhere, in phrase and in practice, as an uncompromising champion of democracy. The millions throughout the world, on both sides of the Iron Curtain, aspire to nothing so much as to democracy, or in plain English, the rule of the people. By this token alone, these millions have a stake, the biggest stake of all, in the fight against Stalinism and Stalinist imperialism, which represent the most absolute denial of democracy we know today.

The American people as a whole, the working people in particular, gain nothing and risk losing everything if the people of the rest of the world regard the United States as a whole with envy, suspicion, antagonism and even hatred. That is how they will keep on regarding it so long as the working class, especially, continues, actively or passively, to support or take responsibility for the foreign policy of the government.

To dream of converting the Fair Deal administration to a genuinely democratic foreign policy is to waste time perilously. Therein lies the futility of such left-wing Fair Dealers as Reuther, or Schlesinger, or Justice Douglas, and it is basically at this point right now that the socialists are their opponents. They believe that their well-meant programs and ideas can be realized by convincing the good capitalist politicians. We believe that real progress is possible only by the working class declaring its independence from all capitalist politics and politicians, and relying only on its own leadership.

It is to this working class that we appeal for the adoption of a democratic foreign policy, to be proclaimed in its own name and implemented with its own strength.

Do we mean, when speaking of a democratic foreign policy, nothing less than the full program of socialist internationalism? No, we are not so "impractical" as to expect the labor movement to adopt such a program soon. But we have a right to ask every labor leader and workingman, every liberal, why they do not immediately adopt and fight for a foreign policy based upon principles considered, at one time, so elementary, so realistic, so practical, so necessary and urgent that the two chiefs of British and American democracy set them down in writing and proclaimed them with the greatest solemnity to the entire world as the aims of democracy in the battle against the great tyranny of that day.

### THE FORGOTTEN CHARTER

We refer to the Atlantic Charter written by Roosevelt and Churchill on August 14, 1941. It is decidedly worth re-reading the eight points of that charter.

"First, their countries seek no aggrandizement, territorial or other;

"Second, they desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned;

"Third, they respect the right of all peoples to choose the form of government under which they will live; and they wish to see sovereign rights and self-government restored to those who have been forcibly deprived of them;

"Fourth, they will endeavor, with all due respect for their existing obligations, to further the enjoyment by all states, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity;

"Fifth, they desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labor standards, economic adjustment and social security;

"Sixth, after the final destruction of the Nazi tyranny, they hope to see established a peace which will afford to all nations the means to dwell in safety within their own boundaries, and which will afford assurance that all men in all the lands may live out their lives in freedom from fear and want;

"Seventh, such a peace should enable all men to traverse the high seas and oceans without hindrance;

"Eighth, they believe that all the nations in the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider and permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practical measures which will lighten for peace-loving peoples the crushing burden of armaments."

### WHY NOT NOW?

Eight years ago, writing on the Atlantic Charter, we said that "the fact remains that the words of the Atlantic Charter, if they do not coincide fully with the program of international socialism, are not in conflict with it. Their transmutation into living realities would unquestionably open up a new era for mankind. What else does humanity long for beyond freedom from fear and want, the peace that means freedom from war, equal access to the wealth of the world for all, social security, an end to the burden of armaments, an end also to national oppression, freedom of movement and friendly intercourse among peoples? The charter solemnly assured the peoples that these longings would be satisfied. . . . That was three years ago. . . . [Now] the Atlantic Charter has been openly abandoned."

Not by us socialists, however! We reiterate our support of it today as the basis for a democratic foreign policy. We would like to see the eight points of the Atlantic Charter republished today in the Fair Deal press, especially the labor press. We would like to hear from the Fair Dealers that it is their foreign policy today—instead of hearing nothing but silence about the Atlantic Charter for years now.

And since the Fair Dealers will not proclaim the principles of the charter as their own today, we would at least like to hear from them the reasons why these principles are no longer democratic, or if they are still democratic, why they are no longer "practical" and "realistic," and why they cannot be adopted and practiced today, when the "Western world" is fighting for survival against the totalitarian arch-enemy of democracy.

Every socialist worthy of the name is ready to support such a foreign policy, put into genuine practice. We believe that if it were proclaimed and honestly pursued in the practical life of world political affairs, it would deliver one smashing blow after another at Stalinism and all other enemies of democracy and freedom—more blows than all of Truman's divisions and Eisenhower's divisions put together. If the American labor movement were to adopt such a program as outlined in the Atlantic Charter, and were to proclaim it solemnly to the entire world, the most far-reaching progressive consequences would follow throughout the world and virtually overnight.

At the very least, however, we and everyone else are entitled to know from the labor and liberal leaders: What is wrong with the eight points today? You hailed them passionately when they were first announced. Why not now?



# The 1930s: From the New Deal to the War Deal

By SAM FELIKS

It may be difficult to remember that the American economy ever fell to the bottom of the most severe and protracted depression in the history of capitalism, during the 1930s. The depression decade has almost been pushed into the backyard of history away from the loud and sustained paeans of adulations about the fabulous production of the 1950s. No wonder: it can hardly be pointed to as a strong argument in praise of American capitalism, especially since this was the last decade of a peacetime economy. The performance was scarcely impressive.

"The Promise of American Life" has not been fulfilled. Herbert Croly had warned the American people before World War I about the fatalistic expectation that "the familiar benefits will continue to accumulate automatically." But the 1920s seemed to damp the criticism, of all but the radicals, that prosperity under capitalism could not go on forever. The "irresponsible optimism" of that day reached its height just before the stock-market crash of 1929; every man was to become a capitalist through widespread ownership of stocks and shares in the prosperity, now that depressions were eliminated. But the height to which that prosperity soared only mirrored the depth and despair of the next decade.

Present-day Fair-Dealism rests upon the emergence and the program, the aspirations if not the accomplishments, of the Roosevelt New Deal. The New Deal was thrust upon the American people at a time when the wheels of the American economy seemed to be grinding to a complete halt. It offered a program and plan of action inconceivable (perhaps even to this day) to the Hoover mentality. Liberalism, seemingly on the brink of bankruptcy, found a new vehicle for its social reform in the New Deal. It was an era in which even defenders of capitalism and its theories came to question its practices and attempted to reform its injustices.

## It Sought a New Balance

The New Deal has often been called a revolution. Certainly, if one were to read some of Roosevelt's attacks upon the "money changers" and the monopolists, the idea might occur that fundamental changes were being proposed, if not being secretly carried out. Important evils of the American economy were singled out and attacked, but not dealt with in a fundamental way. The far from revolutionary rationale of the New Deal has been stated as follows:

The New Deal recognized that the American economy had slowed down and that the forces within it were no longer in equilibrium. Opportunities for capitalist enterprise had contracted; the population had ceased expanding; there were few new great industrial fields to be opened up; overseas markets had been shut off by high tariff walls or were already being closely worked by rival imperialist nations. Business control had shifted from industrial capitalism to finance capitalism. The spread between the capacity to produce and the ability to consume was constantly widening. The world market for American agricultural goods had largely disappeared. Not only had new jobs for white-collar and professional workers practically become non-existent, but there was a surplus rather than a dearth of industrial labor as well. Class lines were being drawn more clearly; the danger of class hostilities was no longer remote but already in evidence.

The New Deal program proceeded on the assumption that it was necessary to restrain class antagonisms, if not permanently at least until a recovery could be worked out. It was the often-stated idea of seeking a balance in the economy: private property was to continue but it was to stop exploiting labor and the producers of raw materials; agriculture, despite a declining market, was to increase its income and labor was to be assured employment and at least a means of subsistence.

## The Political Deal

Such a reform program could be given a serious trial only in a country which had a large accumulation of wealth to draw upon and a vast reserve of natural resources.

The success or failure of the New Deal depended on the achievement of the program to hold down class antagonisms. If the New Deal was unable to solve the economic crisis and bring an end to widespread unemployment, then the class conflict would break out later on. But the Roosevelt administration never had to face this eventuality; the outbreak of war in 1939 did more to solve the crisis in American capitalism than six years of New Deal planning. The war rewound the mainspring of U. S. economy, and to this day the war economy has been the basis for continued "prosperity."

It has been sometimes stated that the New Deal was never meant to be anything more than a *pro tem* solution to the problems of the depression and the inequalities of American life. The New Deal provided several reforms, corrected a number of abuses, attacked monopoly, and above all gave labor the right to organize. These are admitted to be only first steps to a wider social program leading to what most liberals would call the "mixed economy."

But, as will be pointed out later on, the New Deal had no program to move beyond its *pro tem* solutions, and the

reforms it made and inequities it corrected often raised as many problems and inequities as they endeavored to solve. And although labor was given the right to organize in Section 7a of the National Industrial Recovery Act of 1933 and later in the Wagner Act of 1935, the actual organization drives succeeded because of labor's own power in the strikes and sit-downs. This was the period when the great upsurge of the CIO took place!

The New Deal may be characterized as more of a political deal than an economic one in the sense that it was more concerned with creating a political balance than solving fundamental economic and social problems. The New Dealers did not survey the economic and social scene, correcting abuses and injustices wherever they occurred, but rather moved into those areas where there were large pressure groups effectively organized and articulate. It courted the political allegiance of strategically located economic interests, in order to maintain its political power at all. It came to represent a great many things to rather diverse interests. This conciliatory policy accounts for many of the zigzags in New Deal policy, for example on the question of monopoly. And in those areas where it did claim to take great steps forward, as in agriculture, from the standpoint of social justice it was a failure.

## "Social-Democratic Phase"

The earliest proclaimed objective of the New Deal was to find a solution to unemployment; and on this much of its success or failure has to be judged. It is one thing to attack the "money changers" as the cause of the depression, but quite another to provide employment and security after claiming to have routed them. The list of New Deal measures for immediate relief and for eventual reform is long and not unimpressive, especially on paper. The highlights fall on the social-security program, the wage-and-hour law, the Tennessee Valley Authority, the insurance and loan provisions for small home owners and saving accounts, and the elimination of some of the more corrupt practices of investment bankers and utilities corporations. These are some of the laws and programs that give the New Deal its liberal and reform character.

In these respects, American capitalism, under the impulsion of a crisis in which the ruling class lost its self-confidence and working-class radical discontent mounted, hurriedly caught up with types of social-reform measures which were already much better known in the older capitalisms of Europe. In this sense, the New Deal period has



been called the "social-democratic phase" of U. S. capitalism; the suggested analogy (only a partial analogy, of course) is illuminating.

But the search is long, hard and fruitless if one tries to find those elements in this program of American liberalism which were capable of dealing with the depression. Some of the more glaring abuses were mitigated, but still others were created.

## Pressing the Buttons

The major attack against the depression during the eight years before the War Deal came on five fronts: (1) the National Industrial Recovery Act; (2) the Agricultural Adjustment Act and Soil Conservation program; (3) the National Labor Relations (Wagner) Act; (4) the attack on monopolies through the Temporary National Economic Commission; and (5) the various relief and work projects like the Works Progress Administration and the Public Works Administration.

While perhaps nobody starved during this period, the important fact is that at the end of the 1930s there were still almost 10 million unemployed and many more underemployed. The New Deal shifted from program to program in the hope it could push the right button to end the depression. Industrial production even passed the level of 1929, and the United States entered into the War Deal with many economists predicting that the figure of 10 million unemployed would become the minimum for the economy.

In the case of agriculture, the New Deal worked in the interests of the agricultural landlords and the commercial farmers almost entirely. And not all agricultural interests were equally benefited; favored were the

producers of corn, tobacco, wheat and cotton, while meat and dairy producers and the unorganized growers of vegetables received relatively little support. Landlords having mortgage debts were assisted but not the tenant farmers with chattel debts. It did next to nothing, and what it did never really extended beyond the experimental stage, for the sharecroppers of the South and the subsistence farmers all over the country. And for the two million agricultural laborers nothing was done; they were left to the vigilante committees.

The main idea behind the Agricultural Adjustment Act of 1933 and the later Soil Conservation Act was to raise the prices of certain agricultural commodities through the curtailment of production.

## AAA: Plowing Under

Although farm income was increased in the aggregate, it worked to the predominant benefit of the landlords and the commercial farmers. The benefits of the government payments for crop reduction created greater inequalities in the distribution of farm income. The picture of the typical American farm family, living in self-sustained plenty, was fast becoming a myth along with the typical rags-to-riches story. Thousands of small farms were saved through the extension of mortgage credit preventing a debacle resulting from the depression and the main AAA policies.

Under the AAA, the worst abuses occurred in the cotton districts. In order to reduce costs, farm machinery was more widely employed, and where there was a reduction in crops it came off the land used by the tenant farmer and sharecropper. The result was to turn thousands of the poorest farm families onto the road as jalousy Joads or into the cities to go on relief.

Later New Deal attempts, through Rural Rehabilitation and the Farm Security Act, to mitigate these tragedies were limited and only partially successful. While the New Deal proclaimed the reduction of unemployment as one of its major goals, its agricultural program was one that turned the poorest farmers and farm laborers off the land, adding to the millions of unemployed. According to the President's Committee on Farm Tenancy, farm tenancy increased from 25 per cent of all farmers in 1880 to 42 per cent in 1935. The attempt through the Farm Security Administration to organize small family-sized subsistence farms was an anachronism out of another age, which was attacked by the Southern Tenant Farmers Union. The alternative of organizing farm cooperatives was attacked by the big farm interests and the idea was quietly dropped in New Deal councils.

But the great anachronism of the AAA and the social failure of the New Deal's reform of capitalism was the reduction of crops and the slaughtering of livestock in the midst of poverty. While millions all over the world were actually starving and millions in the U. S. living on subsistence levels or below, the New Deal was busily engaged in various schemes to further reduce production because it could not be sold at a profit. But as the years of the New Deal progressed, the surpluses further accumulated even under scarcity production, and crops were still further restricted. For example, in 1939 wheat production was to be cut 50 per cent under 1938 production, and in cotton the total acreage planted was only about half of the normal amount. Henry Wallace, the secretary of agriculture, proclaimed the building of the ever-normal granary. This was characteristic of the New Deal: a full granary but a poverty-stricken people.

## Business Allies

With respect to business, the New Deal worked closely with those interests that were connected with foreign trade and investment. It wrote reciprocal trade agreements; financed the rebuilding of the merchant marine; endeavored to protect the financial interests of the American investor in those places where default of interest and attempted repudiation of loans were taking place, as in Mexico. Specifically the State Department adopted an aggressive policy in the Far East for protecting the future right of American capital to exploit this underdeveloped area.

The New Deal forces had a special relationship with the consumer-goods industry. The program of the New Deal to raise prices and to increase labor's purchasing power through minimum-wage laws was precisely the thing to give immediate benefits to industries such as food-processing, clothing and tobacco. Due to the growth of monopoly capitalism, important sections of the American economy were highly controlled in prices, production and investment policy. During the depression these capital-goods industries, such as steel, cement and motor vehicles, experienced a relatively slight decrease in prices and a large drop in production, while in the more competitive consumer-goods industries the reverse occurred. The New Deal business policies of raising prices and restricting production, it can be seen, were more liable to aid the consumer-goods sector.

The NRA of 1933 was not intended to be a temporary stop-gap device but a bold administrative improvement, to bring the country back to prosperity. Many of the features of the NRA codes and the entire conception of the act smacked thoroughly of fascist corporate-state ideas. The NRA, when enacted, followed the proposals of the U. S. Chamber of Commerce in setting up industry-wide boards to prevent "cut-throat" competition, regulate production and establish minimum hours and wages. To accomplish this the government suspended the anti-trust laws so that business was able to do in public

what it had always done or tried to do in secret.

Faced with the growing demand for and the possibility of enactment of a 30-hour law, business agreed to Section 7a giving labor "the right to organize and bargain collectively." This stimulated unions where they were already strong. But the "right to organize" became more illusory than real under the NRA since it lacked any power of enforcement by law or through the action of either the industry-wide code, the NRA administrator General Hugh Johnson or President Roosevelt.

## NRA: Codes and Cartels

In part, the NRA became in practice a means for open cartelization of American industry with government support through the "codes of fair competition." In actual operation the codes became the means for the domination of the biggest units within the industry. Prices were being raised at a much faster rate than wages and the country was on the inflationary spurt deemed so desirable by the president. Organized, not to mention unorganized, labor had next to no voice in the formulation or administration of the codes. Many forget that the biggest advance in labor organization in this period was in company unions, and bona-fide unionization was largely won despite the opposition of companies, company police, vigilante committees and the hamstringing activities of the National Labor Board.

As advantageous as the NRA may appear to be to business, late in 1933 business groups and the Republican Party began a running fight with the NRA, demanding that the government retire from the field of "regulation" and leave the operation of industrial affairs to private business. The program the leading capitalists wanted included all the provisions of the NRA but excluded any reference to labor's right to organize for collective bargaining or the control of monopoly prices.

## "Regimented Exploitation"

The controversy over the NRA reached a head with the initial reports of the National Recovery Review Board headed by the famous lawyer, Clarence Darrow. It accused the NRA of fostering monopoly and oppressing small industrialists; it charged the administration of certain codes by monopoly interests, and stated that consumer prices were at the mercy of monopoly control. In a supplementary report, the Review Board came to this conclusion:

"The choice is between monopoly sustained by government, which is clearly the trend in the NRA, and a planned economy, which demands socialized ownership and control, since only by collective ownership can the inevitable conflict of separately owned units for the market be eliminated in favor of planned production. There is no hope for the small businessman or for complete recovery in America in enforced restriction upon production for the purpose of maintaining higher prices. The hope for the American people, including the small businessman, not to be overwhelmed by their own abundance lies in the planned use of America's resources following socialization. To give the sanction of government to sustain profits is not a planned economy, but a regimented organization for exploitation."

Needless to say, the National Recovery Review Board never met again. Its findings were in sharp conflict not only with the specific emphasis of the New Deal at that time (1934) when it was furthering monopoly, but also in the later "trust-busting" period. It formulated the beginning of a program capable of bringing complete recovery to America. At the time the NRA was ruled unconstitutional by the Supreme Court in 1935, it was already falling apart due to internal conflict, and there was no serious attempt to have it re-enacted in another form, as was done with the AAA and other legislation invalidated by the court.

## What Section 7a Meant

Under Section 7a of the NRA, workers in many of the mass-production industries, such as auto and rubber, decided to test their newly won right to organize for collective bargaining, and they were even responsive to the inept organizational drives of the AFL. The AFL, organized in craft unions, was incapable of organizing the mass-production industries where the workers were predominantly semi-skilled. Strikes broke out all over the country: the San Francisco general strike, the Toledo Electric Auto-Lite strike, Minneapolis teamsters, Weirton Steel, and many others.

The right to organize under Section 7a was a right that had only to be fought out on the picket line in order to be won. The AFL expressed disillusionment because it expected the government to do the organizing for it, and it feared that mass strikes would lead to the growth of radical influence in the newly formed unions. The strikes during the NRA period of the New Deal demonstrated that the organization drive still had to contend with company police, local police, National Guard troops, labor spies. In the San Francisco general strike in 1934, General Hugh Johnson of the NRA flew out to Frisco where he opposed the strike, called the strikers "rats" and invited vigilantes to raid the headquarters of radical political groups. The NRA's National Labor Board more often than not served to delay organization through lengthy mediation hearings, and many strikes were called in defiance of the NLRB.

When the NIRA was declared unconstitutional in 1935, Senator Wagner salvaged Section 7a, and the National Labor Relations Act was passed in July 1935. It established the right to organize for collective bargaining and in addition listed a series of unfair labor practices

for which employers could be enjoined: restraining or coercing workers in their plans to organize, discriminating against workers for trade-union activity or in favor of company unions.

It was in this period that the great organizing drives took place in auto, steel, rubber, glass and textiles. The UAW began the struggle against General Motors using the tactics of the "quickie" and sit-down strike; in February 1937, GM capitulated. A few weeks later, after another sit-down strike, Chrysler followed suit. The unionization of the two giants of the auto industry (Ford did not sign up until 1940) followed the impressive demonstration of labor's power as opposed to the run-around they received in 1934 at the hands of the Auto Labor Board, from which they received nothing.

The organization of the mass-production industries could only have been possible once the militant CIO was outside of AFL ranks following the split at the 1935 convention. To have depended upon the government's initiative would have been fatal, and in reality government help was virtually non-existent. Although the NLRB was established in 1935, it was not until April 1937 that the Supreme Court validated important sections of the law, and decisions on other important sections came from the court in 1938. Therefore the most important part of the drive that spearheaded the formation of the CIO took place when the machinery of the NLRB was tied down by impending Supreme Court decisions. The NLRB served as a psychological impetus, but it was labor's own power that did the job.

## Upshot of a Decade

The New Deal in various ways offered advantages to many groups. The farmers and banks came into the New Deal with preferred claim. Through their powerful organizations they were able to utilize the legislation benefiting them. Industry also was able to seize upon the NRA for purposes of monopolization and price-fixing through the Chambers of Commerce, NAM and the thousands of trade councils. But labor had first to organize and fight before it was able to get something out of the NLRB and the Wage and Hour Law.

But whatever labor was able to extract from the New Deal, by its own militancy or by the pressure of the times, the New Deal policy has to be judged primarily on the basis of how it achieved its main objective—putting the economy back on its feet. The "recession" of 1937 already showed the New Dealers that they had failed. By 1938 Roosevelt turned in another direction with a call for trust-busting. The Temporary National Economic Committee, which was to investigate monopoly, was the result; it set itself to prove that the depression could really be blamed on the concentration of industry with its rigid fixed prices and its violation of the free market.

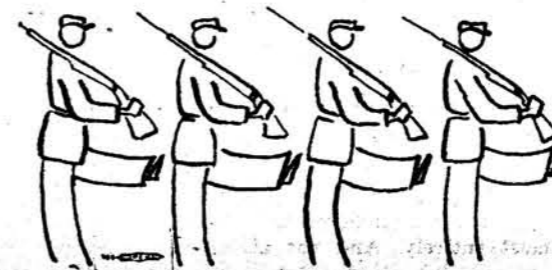
Broadus Michell, in his *Depression Decade*, points to the contradiction which this involved for the New Deal approach. The New Deal could not evolve a program capable of going to the roots of the depression, for such a solution would have meant attacking the fundamental institution of capitalism—private property. Writing of the TNEC, this last gasp of the New Deal before "Dr. Win-the-War" took over, he says:

"A guess would be that the 'recession' beginning in the autumn of 1937 had disillusioned the president and his advisers with former New Deal [economic] interventionist policies, and persuaded them that another crusade, however contradictory to the old one, was indicated. The president himself, and several leading participants, such as Henderson, who had been intimately involved in government encouragement of business combination, confessed no embarrassment in now damning what they had helped produce. . . ."

"... the [TNEC] committee might have concluded that the choice for the future was between concentration of economic power in private hands or in public hands. . . . But the committee was unprepared for this recommendation. Loyal to the president's purpose 'to preserve the system of private enterprise for profit', the committee proposed that where private initiative was degenerative, government should reinvigorate it. The committee seemed unconscious of the touching quality of a faith in private enterprise that required government inducement. . . ."

"... To the whole equivocal episode of the Temporary National Economic Committee may be appended President Roosevelt's doubtful but dogged commendation: 'It is a program whose basic thesis is not that the system of free private enterprise has failed in this generation, but that it has not yet been tried.'"

While—in 1941—Roosevelt could defend capitalism only with the claim that it had "not yet been tried," his descendants in the Fair Deal today boast of its achievements. What they are boasting of are the "miracles" of capitalist production when it is mobilized for war, for this is capitalism at its "best." It was the war which solved the problems of the New Deal, as it is the war economy which shores up capitalism under the Fair Deal.



## ISL Program — in Brief

The Independent Socialist League stands for socialist democracy and against the two systems of exploitation which now divide the world: capitalism and Stalinism.

Capitalism cannot be reformed or liberalized, by any Fair Deal or other deal, so as to give the people freedom, abundance, security or peace. It must be abolished and replaced by a new social system, in which the people own and control the basic sectors of the economy, democratically controlling their own economic and political destinies.

Stalinism, in Russia and wherever it holds power, is a brutal totalitarianism—a new form of exploitation. Its agents in every country, the Communist Parties, are unrelenting enemies of socialism and have nothing in common with socialism—which cannot exist without effective democratic control by the people.

These two camps of capitalism and Stalinism are today at each other's throats in a world-wide imperialist rivalry for domination. This struggle can only lead to the most frightful war in history so long as the people leave the capitalist and Stalinist rulers in power. Independent Socialism stands for building and strengthening the Third Camp of the people against both war blocs.

The ISL, as a Marxist movement, looks to the working class and its ever-present struggle as the basic progressive force in society. The ISL is organized to spread the ideas of socialism in the labor movement and among all other sections of the people.

At the same time, Independent Socialists participate actively in every struggle to better the people's lot now—such as the fight for higher living standards, against Jim Crow and anti-Semitism, in defense of civil liberties and the trade-union movement. We seek to join together with all other militants in the labor movement as a left force working for the formation of an independent labor party and other progressive policies.

The fight for democracy and the fight for socialism are inseparable. There can be no lasting and genuine democracy without socialism, and there can be no socialism without democracy. To enroll under this banner, join the Independent Socialist League!

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'It Has Created the Climate in Which McCarthyism Flourishes . . .'

# Does It Defend Democratic Rights?

By GORDON HASKELL

Every spokesman and follower of the Fair Deal says and believes that one of its chief claims to the support of the American people and one of its most important objectives is its defense of, and efforts to extend, democratic rights. This is also one of the central aims of democratic socialism. What, then, separates and distinguishes the socialists, and specifically the Independent Socialist League, from the liberal Fair Dealers when it comes to the question of democratic rights?

It would be wrong to question the personal sincerity of the Fair Dealers when they say that they are for democratic rights. The important fact to bear in mind, however, is that this is just one of their objectives, and it is not the one which has top priority.

Whenever it comes in conflict with their determination to mobilize America and the rest of the world for the military struggle against Stalinism, democratic rights must take a back seat. And in the domestic struggle against the Stalinist party and its front organizations, the Fair Deal administration has shown that it has no real confidence in its ability to defeat the Stalinists by democratic means.

True, it is goaded and pushed by the most reactionary forces in our society to take frequent measures about which many Fair Dealers themselves feel uneasy. But the natural tendencies of the developing Permanent War Economy are so bureaucratic and anti-democratic in general that it is often difficult to tell at which point the Fair Dealers are yielding to pressure, and at which they are themselves the initiators of the attack on democratic rights.

When the Smith Act, which makes the advocacy of political ideas a crime in itself, was passed during the Roosevelt administration, it was condemned by the whole labor movement and most liberal organizations. It was first applied, however, not to the Stalinists but to the leaders of the teamsters' union in Minneapolis and of the Socialist Workers Party. The real reason for its application at that particular time was not that these men threatened overthrow of the government, but rather that their influence among the Minneapolis teamsters was a thorn in the side of the national head of the union, Dan Tobin, who was and is a loyal Democratic henchman.

The man directly responsible for the prosecution and eventual conviction of eighteen leaders of this political organization and union was Attorney General Francis Biddle, who is the present national chairman of Americans for Democratic Action. Although he now says that he too thinks the Smith Act is bad legislation, Biddle and his former boss, Roosevelt, were more concerned with the smooth operation of the war economy and of the Democratic Party than with the democratic rights which are clearly subverted by this law.

## CLIMATE FOR MCCARTHYISM

Senator McCarthy has become a symbol of the most reactionary attack on civil liberties in the country. He represents and is supported by the elements in America who have always sought to push us toward a police state as rapidly as possible: the American Legion, the Ku Klux Klan, the Hearst press, and the militantly reactionary businessmen of the National Association of Manufacturers and such organizations as the Committee for Constitutional Government.

The Fair Dealers oppose McCarthy and the whole pack of dirty tricks which are known as "McCarthyism."



And well they might! For McCarthy has threatened their administration with his irresponsible wholesale accusations that it is infiltrated from top to bottom by a horde of "Communists." He and his supporters have an utter disregard for facts when they make their "charges." The truth of the matter is that to them the Fair Deal itself is not much different from some form of "socialism" or "communism."

Of course, socialists join with the Fair Dealers in fighting McCarthyism as the most virulent and extreme menace to our civil liberties. But we cannot escape the fact that the Fair Deal administration's actions in this field have contributed mightily to create the general political atmosphere which makes it possible for McCarthyism to flourish.

In 1948 Truman issued an executive order which was supposed to serve only one purpose: to eliminate "subversives" from government employment. The order di-

rected the attorney general to draw up a list of "subversive" organizations. Then all government workers were to be screened by the FBI for the purpose of determining whether they had belonged to or been "sympathetically associated" with any of the organizations on the attorney general's list. Every worker on whom the FBI gets "derogatory information" is investigated intensively, and the information thus gathered is given to a "loyalty board" in the department for which he works.

Space is lacking to discuss at this point whether or not an American citizen has the right to work for the government if he favors a different social system. The fact is that not one of the organizations placed on the "subversive list" was informed that it was going to be included, no hearings were held, and from 1948 to the present it has been impossible to get a statement from the attorney general as to why any organization is on the list, and what it should or can do to get off it.

When a government worker is called up before a "loyalty board" he has no opportunity to question the FBI agents or their informants on the "facts" they have given the board against him. He need not have done anything illegal to be fired from his job and blacklisted for all government work. "Guilt by association" is the most common rule of "evidence" on which these boards act.

## "LOYALTY" PURGES

Although this Fair Deal presidential order was supposed to relate solely to government employment, the "subversive list" was published far and wide and has become the most common basis on which men and women are fired from jobs in both public and private employment all over the country. Even labor unions have published it in their papers as a basis for expelling members or removing officers. Organizations listed have found it increasingly difficult to hire halls for meetings, and many individuals have become fearful of contributing money to such organizations, or even of subscribing to their publications.

There can be no question about it. The government's "loyalty" program has been a major contribution to the attack on democratic rights in the country. The wide-scale snooping of the FBI which is made necessary by this program has served to intimidate large numbers of people. A whole atmosphere has been created in which McCarthyism finds it easy to thrive.

There has also been a general attack on academic freedom in the country, and the Fair Dealers have played a far from noble role in it. Although abstractly they agree that democratic education requires freedom for teachers and students, they have so little confidence in the ability of people to judge things for themselves when they have access to all arguments and facts about an issue, that most of them have plumped for the idea that Stalinists must be prevented from holding teaching jobs, regardless of their qualifications.

It is true that Stalinist teachers are quite likely to try to influence their students to their own way of thinking. The same holds true for liberals and reactionaries. But a belief in democratic education is based on the idea that if students have access to all points of view, they are put in a position to think and judge for themselves. Further, experience has shown that the moment we permit political opinions to be a basis for firing teachers, an atmosphere of fear and intimidation begins to blanket the schools in which only the bravest dare express unpopular or dissident ideas.

## JIM CROW REMAINS

In the field of equal rights for Negroes and other minorities, the Fair Deal has fared not much better than in that of civil liberties in general. There can be no doubt about the fact that the full employment of the war economy has improved the economic position of masses of Negroes. The need for manpower, plus the constant struggle of the Negro people for equality in general and for jobs in particular, plus the fight many unions have put up on equal rights, plus the vigorous position taken on this question by the NAACP and all liberal organizations—all this has had its effect. Here again, socialists have no reason to question the personal sincerity of President Truman and many other Fair Deal leaders when they say they are for full civil rights for Negroes and other minorities.

Yet the fact remains that after twenty years of New Deal and Fair Deal administration, Jim Crow still remains the basic pattern of Negro life in America, and no FEPC legislation has yet been adopted. And beyond that, in those areas where the administration has direct control, in the government services and the armed forces, improvement in this field has been no better than in most other areas of our society. Here again there has been a vast gap between the stated position of the Fair Deal and its actions, between program and reality.

## WAR ECONOMY VS. DEMOCRACY

What is the basic reason for the Fair Deal's failure in the whole realm of democratic rights? How is it that after twenty years of administrations all of which have pronounced themselves in favor of the fullest civil liberties and equal rights for all citizens, our civil liberties are under a more concerted and dangerous attack than they have been since the early '20s, and full equality

remains a goal for the distant future?

The basic reason is that the Fair Deal stands not only for democracy. Its chief function is to prop up and maintain the economic system of capitalism. True, its preferred method of doing this at home is through liberal reforms. But on a world scale, it is engaged in a defensive struggle in which it seeks to save a collapsing capitalist system from the militant assault of Stalinism.

This struggle has to be fundamentally defensive, because capitalism has nothing further to offer the peoples of the rest of the world. Brutal, barbaric, totalitarian Stalinism can still attract millions to its banner because its ideology is anti-capitalist. It is for this reason that Stalinism can ride the wave of the Asian revolt against imperialism and feudal reaction, while the United States seeks to prop up the hated reactionary regimes.

To say that capitalism is socially on the defensive on a world scale does not mean that at some point the vast economic power and resources of the United States are not capable of going over to a military offensive. In fact, American strategy in the cold war is based on the idea that a sufficient degree of military power is capable of tipping the political scales in favor of capitalism. This idea, combined with the need of American capitalism to find some outlet for its expansive force, makes the Permanent War Economy the specific form which capitalism takes in our time.

But the permanent war economy is incompatible with democracy. That is, its tendency is toward greater rather than less restrictions in all spheres of life; toward more government controls; toward less freedom for the labor



movement; toward more regimentation in education. There is simply no escaping this tendency, and all the liberal speeches in the world will not change it.

Beyond that, although the Fair Dealers claim to have great confidence in the innate superiority of capitalism over Stalinism, their fear of Stalinism as a social force in the United States itself belies their claim. They know that Stalinism is a social movement which feeds on the inequalities, injustices, and continuing social failures of capitalism. They are not themselves capable of attacking these failures at their roots, for to do so would be to attack the basis of the system which they defend.

## TO DEFEND THESE RIGHTS . . .

Increasingly they tend to accept the "easy way" of defeating Stalinism . . . the way of police measures. But these necessarily extend themselves beyond the Stalinists to socialists, liberals and other critics or opponents of capitalism, and as time goes on, even to the more liberal wing of the Fair Dealers themselves. In fact, they have a way of undermining the whole structure of democracy which the Fair Dealers are supposed to defend.

There is a basic contradiction between democratic rights and the Permanent War Economy, between democracy and the defense of a world system which has outlived itself.

Democratic socialists are not subject to this contradiction. They are not bound by the necessity of defending a social system of inequality and exploitation which is collapsing all over the world. For them there is no conflict between the means of democracy, and their goal which is to establish a fully democratic society. In fact, they are utterly convinced that the socialist society which they seek to establish can only be achieved by the struggle for the most thoroughgoing democracy.

Socialists do not believe that democracy is something which can be created or handed down by governments. They believe that it is a product of the struggle of masses of peoples for an extension of their political and economic rights. Hence their efforts are directed to urging and educating and, wherever they can, leading the workers and all the common people to struggle to extend them.

The whole experience of the world labor movement teaches that Stalinism as a social movement is most effectively combated by exactly this same kind of struggle. Stalinism cannot thrive where a democratic socialist movement is leading the assault of the masses against the old system. It is easily exposed for the reactionary totalitarian force it is, and defeated in political struggle. Even where the labor movement, without being socialist, takes the initiative in militant struggle for better conditions and wages, for complete democratic rights for minorities, the Stalinists have a hard time in making serious advances.

That is why the socialist movement, and specifically the Independent Socialist League, can and does remain the most consistent and thorough advocate of full democratic rights in America. As our program puts it: "The fight for democracy and the fight for socialism are inseparable. There can be no lasting and genuine democracy without socialism, and there can be no socialism without democracy."

'Today Labor Cannot Use Its Main Levers of Power . . .'

# Can Labor Capture the Party Machine?

By WALTER BARRON and PHILIP COBEN

As a political platform, the Fair Deal is vague enough, even in the eyes of the labor leaders who support it. What is much clearer is that support to the Fair Deal means support to the Democratic Party, generally speaking. And no discussion of Fair-Dealism can be rounded out without taking up the role of the Fair Dealers' political machine.

These two, the Fair Deal on the one hand and the Democratic Party machine on the other, are not at all identical. By its very nature, the party machine has a life of its own, Fair Deal or no Fair Deal. The party machine is not there to carry out the Fair Deal. The Fair Deal is there to get the machine into office.

Of course, that's an oversimplified statement, tailored to fit two sentences, but it serves to put the spotlight on an aspect of Fair-Dealism which the "practical" politicians of the labor movement would like to ignore. In those briefly happy days after the Truman upset victory in 1948, when labor cried "We did it!" with much justification, there was a temporary upsurge of euphoric dreams of "taking over" and "transforming" the Democratic Party into a reliable instrument of labor's interests. The idea is still around; more than that, the practice of the labor movement implicitly assumes it.

But there is a wide chasm between labor's ability to control the Fair Deal's political machine and its ability to get Fair-Dealish speeches from Democratic politicians.

Part of the reason for this stems from the setup of the U. S. political system. The two old parties of American politics are not programmatic groupings primarily; that is, their reason for existence is not the advocacy of distinct political programs, even within the framework of capitalist ideas. Each, in different historical periods, has become the vehicle of various capitalist political platforms while preserving its organizational continuity.

So clearly is this recognized by everyone that prominent political "thinkers" in the country even spin theories about this state of affairs as a peculiarly American "contribution" to political thought: the purpose of having two parties is simply to provide alternative candidates in order to keep the "ins" on their toes. One party is not enough for this purpose, and more than two are too many; hence the two-party system is virtually ordained by mathematics.

## THE MACHINE RULES

What this does is provide a rationale for a status quo in which fundamentally the two major parties exist as power machines, not political alternatives. It is not a question of asserting here what is obviously not true, namely, that they are merely power coalitions, without meaningful political distinction at any time. The very fact with which we began, the fact that Fair-Dealism as a political ideology is connected with one of these machines and not the other, is sufficient.

The point is: Strip the Democratic Party of the Fair Deal and it is still the same Democratic Party; but the Fair Deal detached from the Democratic Party is nothing. The proof of this autonomy of the machine is positive and irrefutable, never more clearly given than in 1952: it was shown by the possibility which clearly existed of the Democratic Party's embracing Eisenhower; a possibility which was raised by the Fair Deal leadership (Truman), a possibility which was killed only by Eisenhower himself, a possibility which no one considered to be a deviation from the "American system."

It is this machine, which has never even been "captured" by the Fair Dealers (in the widest extension of the term), that the labor strategists think of using as their vehicle, instead of forming their own party.

There is, in fact, nothing inherently "American" about this setup. It has arisen, and still substantially survives today, not as a contribution to political thought but in part because of the relative backwardness of American political development. First and foremost, that backwardness is the backwardness of the labor movement which, unlike labor in almost all other important countries, has not yet entered on the political stage as an independent party to challenge the two-party system. American politics can remain the "political game" of Ins and Outs as long as the fundamental assumption behind both political machines is not seriously called into question: the preservation of the capitalist profit system. If the Democratic and Republican Parties as such have taken on a more "ideological" coloration in the last two decades it is because labor has more and more sought to organize its political strength as a class, through the CIO-PAC, etc., even if that strength is not yet utilized for its own independent political action.

## THE CORE IS PATRONAGE

What are these capitalist-party machines? They are primarily loose coalitions of local coteries and power cliques, important individual politicians, individual financial contributors, and agents or representatives of "interest groups" and "pressure groups." The basic tie which holds them together is the patronage of office-holding, the indirect patronage of "favors" which accrue when one gets one's man into office, and the special interests of one or more pressure groups.

The machine is the "core" organization of the party. It may be "corrupt" or relatively "honest" in terms of the criteria of the civic-reformers; it may be strong or weak; unified or composed of struggling factions; be based on only a small group of office-holders or on active

wardheelers in every precinct; limited to one ward or conglomerated in city, state or national machines; etc. But all have one cement that binds them: patronage. The individual politicians with public-service motivations (of a reactionary character no less than of a progressive one) are secondary as far as the machine is concerned, though useful for its public appeal.

Machines have undoubtedly changed in recent times. Civil service seriously cut into the available spoils, though often it merely made the division of the spoils more devious. Despite recent headlines about the federal government, it is probable that graft and corruption has grown even more in the cities. But even the latter are enterprises too complex, with too many serious problems and watchful eyes, to permit the operations of a Tweed ring such as used to operate in the simpler old days. The rewards may go to fewer people in the organization; and the numbers of machine stalwarts have consequently tended to decrease.

Interest and pressure groups are their most significant rivals. They range from those with very narrow interests, like the silver bloc, to those with some generalized program. But the most important are definite economic interest groups with several political aims, stretching from the National Association of Manufacturers to the CIO.

Even more than in the open political arena, those with the most money have the most weight in lobbying activities. To its great disadvantage, much of the labor



movement's political activity is not far removed from the principle of being another competing pressure group, only occasionally deviating from aping their typical tactics.

In the present political setup, machine weakness need not be any great gain. It may only mean that pressure groups become relatively stronger. Programmatic responsibility within the party becomes even more attenuated.

That is what has happened in the state of California. Because the political machines are generally weak in both parties, the state "boss" is the "non-partisan" Artie Samish, open representative of the liquor interests and frequently paid to push the demands of other business groups. An adjunct is the public-relations firm of Whitaker and Baxter, which methodically plans election and referendum campaigns for a price. Party responsibility becomes less observable than (say) in New York City under Tammany domination in the days of Charlie Murphy's leadership.

Knowing it had to maintain a "reliable" electorate to remain in office regularly, Murphy's machine (including one Alfred E. Smith) steadily supported, and could be expected to continue to support, most "social legislation." If it was so difficult to determine where Tammany "stood" on most questions in the time of its greatest cohesion, how much more impossible is it to locate the "program" of parties which have to listen to Artie Samish. . . .

## FLIES AND FLY-PAPER

The leaders of the labor movement have, during the New Deal and Fair Deal periods, considered themselves as leaders of another pressure group, particularly associated with the Democratic Party. The difference with the Gompers days is in the direction of more active and organized electoral intervention and closer ties to one particular party. Little effort has been made to combat the entire structure. Rarely have labor unions fought Democratic political machines. Occasional pre-nomination fights over personnel, the general union support for LaGuardia in New York and the activity of the unions that make up New York's Liberal Party, cannot be over-generalized.

The labor movement has generally collaborated with, and helped bolster, local Democratic machines. There would seem to be every reason why they should get along. Machines are interested in victory and patronage; unions are interested in specific policies. Machine politicians may favor these policies because they will enhance possibilities of electoral victory and are dictated by the needs of the national party. New Deal legislation passed Congress because of the support of the representatives of Flynn, Hague, Ed Kelly, Pendergast, and (sometimes) Crump. And these all gained strength thereby, when they might otherwise have soon tottered. This has not changed during the Truman administrations. Machines may have

lost their power and structural stability, but they have not been replaced.

Because of the structural weakness of many local machines, labor leaders, and ideological Fair Deal liberals in such organizations as Americans for Democratic Action, believe that they can "take over" sections of the Democratic Party. In some localities they have been able to fill up an organizational vacuum, or win out in primary fights for local leadership. Such "victories" most often mean only greater absorption into the politics and organization of the Democratic Party. The flies capture the fly-paper.

Trying to compete in pressure-group rivalry has appeared to have its frequent successes. After all, labor does represent the largest pressure group, whose votes are essential for any Democratic victory on a national scale. Yet the coalition which makes up the Democratic Party is set on administering capitalism above all else, and time and time again in the past twenty years, the crucial yielding has been in favor of those interest groups that are most intimately associated with the control of capitalist America. The fact that these also have the most free money to wield is an inherent part of the same picture.

To add to the picture of the organizational futility of "working within the Democratic Party," the fact is that a strong section of the party, as well as much of the congressional leadership, comes from conservative Southern Democrats. The spread within the Democratic Party between Northern ADA liberals and Southern Dixiecrats is no anomaly for the American political setup; it is characteristic of it. And time and again the Fair Deal machine has demonstrated that it considers this spread to be, not a bad and regrettable feature of the party, but a source of strength and fortune—which it is, indeed, from the viewpoint of the machine politician.

On the level of pressure-group politics, there are more powerful groups to control an administration geared to administering capitalism under a war economy, even if one or another of these groups is defeated on any single issue. On the level of pressure-group politics, labor cannot use its main levers of power.

The typical instrument of the pressure group is money. The typical instrument of the special-interest group is often its economic power exercised in other forms. The instrument of the labor movement, its forte, is the power of its numbers or the militancy of its class struggle.

## LABOR'S OWN MACHINE

The owners of industry have, time and again, gotten their way in vital matters of policy because, dealing with government officials sympathetic to their own fundamental class outlook, they have threatened or practiced unpunished slowdowns of production or the deliberate creation of obstacles to policies which can only be achieved through their own cooperation as the private masters of the plants. Labor can exercise its economic power only publicly, in strikes and the threat of strikes, and to do this to influence important government policy on any scale is even further from the thinking of the labor leaders than is forming a political party of their own. The elementary political weapon of labor is its numbers—and when the chips are down, the strength of this weapon is fragmented when the Fair Deal politicians know that they have nowhere to go on the political field.

A capitalist special-interest group can conceivably shuttle between the Democrats and Republicans, because of the community of class interest. For labor to "threaten" to support the GOP instead of the Fair Deal would be an empty gesture, except insofar as workers do in fact make the switch in spite of and against the pleas of their leaders!

More broadly speaking, labor cannot unleash its strength as a mere pressure group because it is NOT in fact a mere pressure group. What is involved for it is no small segment of policy, such as a special-interest lobby might be interested in, to be put across administratively by getting the right man in the key post, etc. For labor it is the broadest social (class) interests and basic questions of government orientation which are at stake. A representative of the natural-gas interests on the Federal Power Commission can do a job for his patrons behind the backs of the voters. A "labor man" who is kindly granted a seat in the administration's train tends to become a hostage, not a tribune.

This relationship between labor, the Fair Deal and the existing party machines is only an aspect of the whole question, to be sure, but an integral aspect of it. It is not the existence of party machines per se which is evil; it is the political character of the two big party machines of the day which stands in the way of labor's fruitful use of its power.

In the same sense, labor needs its OWN political machine. It needs a political machine which is the instrument of its own party. A labor party will not win victories merely by adopting a program; it will have to organize, from the grass-roots up, behind that program. But its grass-roots are not the vernal wardheelers and patronage-peddlers who are associated in the popular mind with "practical politicians" (i.e., "dirty politics"); its grass-roots are the workers of the organized labor movement in the shops and factories and mines. As the British labor movement has shown, here is the resource—which cannot be tapped by the old parties—which can build a party machine stronger, more solid, more reliable, more dynamic, than any that the country has ever seen.



# WHAT IS THE FAIR DEAL? —

(Continued from page 1)

Even as a fact this tends to diminish in importance the higher up one goes in the echelons of the capitalist politicians, up to and including the Statesmen.

But this is far from EXCLUDING hypocritical demagogy as a component of capitalist statemanship! On the contrary it is a continuing necessity for the most serious and respectable representatives of the species.

This will be news only to the most naive. Fundamentally it is a necessity, not because of regrettable character defects on the part of the individuals—who are as likely as not to be fine upstanding citizens, husbands and fathers with all the homely virtues—but because the inherent task of a capitalist government is to reconcile the irreconcilable: the antagonistic interests of a ruling class and the needs and interests of an economically exploited class.

This suggestion of the underlying explanation need not be accepted by the liberal, who however must recognize the fact. To go no further, it is recognized to be true of Franklin D. Roosevelt (himself) by his dry-eyed worshippers. It is even transformed into a kind of boast: *that clever old fox, master politician of the day as well as great idealist, who alone could hold his disparate coalition together with his consummate maneuvers.* . . . Does anyone really imagine this feat was accompanied by scrupulous honesty, especially in public speeches and promises? It is only on the seventh day of the week that Fair Deal philosophers denounce "Bolshevism" for believing in "the end justifies the means."

## THE TROUBLE WITH TROGLODYTES

But this does not get us too far. Why do these politicians and this administration utilize liberal demagogy, whereas others address their demagogy to other quarters? It is also superficial to answer merely by referring to the needs of power politics and electoral coalitions. There is something much more real, however much the social demagogy serves to puff it up.

Let us approach this much more important consideration from the viewpoint of the liberals themselves. These commonly reserve the epithet "troglydite" and its variations for reactionaries like Senator Taft. They denounce the corresponding policies as "suicidal," "hangovers of the 19th century," "outworn," "unenlightened," "primitive," "archaic relic of the past"—any reader of the liberal journals can get up his own thesaurus. They are quite right, but what does this mean? What does it mean, besides, in view of the fact that "the reactionaries" are also accused (also quite rightly) of putting Property Interests above the Interests of the People?

What it means, given a moment's thought, is that "the reactionaries" are charged with not properly understanding the means to effectuate their own best interests. The liberals have something there and they justifiably use it for all it is worth. If a greedy capitalist profiteer, fighting price controls, he is jeopardizing the economy, inviting inflation, etc., and therefore endangering his own ability to continue to make profits from a longer range point of view. (Reactionary C. E. Wilson had to explain this to his fellow profiteers who denounced him for being sucked in by the trade unions, he is warned (not without justice) that he is only driving labor to greater militancy and desperation. If a reactionary congressman votes against the Marshall Plan, he is asked how else the United States can maintain its premier position in the world and, above all, defend itself against the Russian threat. We need not pile up examples, which go through the roster of all liberal issues.

## CAPITALIST FACTIONS

It works too, because it is true. It is behind the acute observation made by Washington columnist Peter Edson last June (our emphasis):

"One of the surprising things is what happens to rock-ribbed Republican business bigshots who come to town [Washington] to take top government defense jobs.

"They are immediately thrown up against tough international or domestic problems. Scarcities, foreign supply and demand, trade balances, dollar shortages are involved. All seem to call for economic controls.

"It is traditional that all businessmen hate government interference with the normal practices of the free-enterprise system. Yet what happens, nine times out of ten or even oftener, is that the business executives temporarily turned bureaucrats come up with the same answers that the economic planners and the New Dealers would propose."

As long ago as 1928, before the question became more acute, liberal Senator Wagner told the New York AFL:

"What is the effect of the injunction? I am still looking at it from the point of view of the employer. Its effect is just to postpone the formation of an adequate labor organization. It is keeping the labor movement in its fighting period; it is preventing the labor movement from coming to full maturity and assuming the tasks and responsibilities for which it is pre-eminently fitted." [That is, it prevents them from being housebroken.]

Wagner was a Fair Dealer before its time. The argument really swung weight when the CIO's struggles exploded in the 1930s in the midst of real labor discontent. It became well-nigh a New Deal platitude. It is not a demagogic argument merely thought up to persuade recalcitrant employers to be friendly to labor. It represents the considered school of thought of those who try to look at the interests of the system from a wider and longer-range viewpoint than that of the individual profit-seeker.

Never more than today does this approach come into play. Jim Crow is denounced because it loses American power its friends in the world. This doesn't convince hardened white-supremacists but it brings new active support from elements who yesterday talked cozily about relying on education and evolution.

The argument has its limits. It is a possible policy of wiser heads, for one thing, only if capitalism can still afford it—and American capitalism, the wealthiest in the world, certainly can. It has less effect—much less effect!—on those whose eyes are daily fixed on the diurnal grind of profit-making, the capitalists proper themselves, than it has on the men, less directly involved, who seek to govern the destinies of capitalism from the captain's bridge in Washington, where the vision even of the near-sighted is given a wider vista. It has a greater impact on governmental figures whose personal background and personal fortunes are less directly connected with individual capitalist enterprises; the prime example is FDR, the "country gentleman in the White House," who was thereby eminently fitted to take the wider view of the needs of the system as a whole, even against the shortsightedness of the economic royalists themselves.

Capitalism by its very nature blinds the individual capitalist to the over-all pattern; that is precisely why the class as a whole needs an "executive committee" very badly. This is especially true of America, which, despite the overweening power which history has thrust upon it, suffers from a capitalist class which in many respects is almost as politically backward as is its working class.

Behind the liberal charge of "troglydite" against the reactionaries, then, is an important truth—one which points to the basis for the existence of conflicting factions within the framework of the same capitalist interests.

The liberal might ask himself: When a "reactionary," unenlightened and primitive, becomes enlightened and sophisticated with regard to his own interests, what does he begin to look like? A Fair Dealer? We will not yet answer that. "His own interests," however, are still those of Property versus the People, to use the liberal formula.

## LIBERAL STATE-FETTERISM

The third consideration is really a special case of what we have already discussed. It is the tendency (of liberals) to identify liberalism with state regulation and intervention in economy. In few countries is this as much true as in the United States.

In the United States, it was the liberals (as well as the socialists) who first demanded increased state regulation to eliminate the abuses of uncontrolled private ownership of industry. This marked a change in the very nature of liberalism, which previously had been associated with the very opposite notion, *laissez-faire* and the freedom of the individual from control by the state power. But as business grew bigger and coagulated in powerful monopolistic combines, this horse-and-buggy liberalism had to go. The interests of the people demanded protection from the depredations of big business, and the liberals had to realize that the economic



oligarchy could be countered only by the organized power of society as a whole. This was the socialist idea also—but the socialist added that in the long run the state could successfully control the economy in the interests of the people only if it became a state freed from capitalist control, itself. But through the united struggles of the labor movement as well as some great liberal allies, the grosser abuses of monopoly were reined in and curbed, though sometimes merely forced into subtler forms. Victories were won.

But this relation between state regulation and progressive reform was characteristic of one era. Today, more and more like its European similars, American capitalism needs state controls, on itself and on the people, for quite different reasons which we have already indicated. Most prominently, it has a cataclysmic war to prepare for. Its own life is at stake.

Today, it is far from true that state regulation and control are *per se* progressive. Today these tend to turn more and more into the bureaucratization, militarization and (eventually) totalitarianization of capitalism.

Yet—partly still fighting yesterday's battle, partly disoriented themselves by the spectacle of "unreconstructed" elements of the capitalist class who shortsightedly fight "controls" in the name of a mythical "free enterprise"—liberals still tend to look upon the state-interventionist features of the Fair Deal as being earnest and tokens of its liberal heritage.

## COMMON DENOMINATOR

It is time to give the floor to an objection.

—Is this, then, all that Fair-Dealism means to you? Don't you grant at all, at least as an important component of Fair-Dealism, the sincere desire of Fair Deal liberals to win real reforms for the people—equitable price control, health insurance, higher wages, abolition of Jim Crow, etc.? Don't you grant that by and large the Fair Deal is pro-labor whereas the reactionaries are anti-labor? In other words, don't you grant that Fair Deal liberals can be for the typical Fair Deal measures for their own sake, and not merely as devices to preserve capitalism?

Of course, we grant that, unreservedly. If that were not true, a discussion such as this, concerned as it is with the supporters of the Fair Deal, would be entirely pointless! For one very important thing we have not yet mentioned is that there are all kinds of liberals and various kinds of Fair Dealers.

One cannot throw into the same bag, under the same label, Fair Dealer William O. Douglas, who blasts Fair

Dealer Truman's witchhunt apparatus and laws, with Fair Dealer Paul Douglas, who votes for concentration camps in the McCarran Act. One cannot lump the Fair Dealers of the CIO leadership, who denounce Fair Dealer Acheson on Franco, Tunisia and a number of other questions, with the Fair Dealers of the *New Leader*, who try to make a policy of anti-Communism. One cannot even lump Fair Deal Senator Kerr with Fair Dealer Mrs. Roosevelt.

Individuals and groupings within the disparate Fair Deal coalition lean in different directions. This will have to suffice to leave the door wide open on the question, since we cannot call the whole role.

But what we have described is the COMMON DENOMINATOR of the Fair Deal, that which gives it its political physiognomy as a going concern as distinct from the overleaping term liberalism; and by the same token, that which determines its nature AS A GOVERNMENTAL REGIME IN THE SEATS OF POWER.

## LIBERALISM VS. FAIR-DEALISM

And since we have to distinguish, let us make a very important distinction: the distinction between the Fair Dealers who actually wield the state power and Fair Dealers who consider themselves such because they support the former. There is a big difference.

The latter have the privilege of giving freer rein to their genuinely liberal sentiments. The former have the responsibility of steering the course of the world's most powerful imperialism within the framework of a capitalist war economy.

Fair Dealer No. 1, President Truman, is by no means much (if any) beyond the common denominator; but let us put the connection between Fair-Dealism and government responsibility in its most favorable light:

Any government which sets out to "make capitalism work" (Fair Deal style or any other) runs up against the overwhelming fact that, in this system based on the private ownership of the economy and its operation for profit, it is the capitalist owners of the productive machinery who, when the chips are down, determine whether to produce or not and who hold the commanding heights of power over the economic life of the country.

Any government which, in advance, draws the line at encroaching on this fortress of their power also announces in advance that on any vital issue it must and will retreat. Retreat means that it must confine itself to the policies, the weapons, which are compatible with the basic capitalist interests of the country.

But the overweening social needs remain, and they must still be solved somehow or other. If the progressive means are denied to you, the reactionary ones must be used, with whatever reluctance and heartburning. The retreat is made only more palatable to discomfited liberals in that it is "their" administration which is leading it; it only ties their hands and gags their mouths.

Inflation must be fought, if the society itself is to survive; if the means of fighting it which will put the burden on the rich are denied to you, then you have to use those means which put a disproportionate burden on the lesser privileged. You want, perhaps, wage controls and price controls; but if price controls are torn to tatters, partly in Congress and partly in the everyday operation of business, would it not be worse for the economy "as a whole" if wages are also allowed to "run wild"? You want to stop Stalinism, and you want a democratic foreign policy to stop it; but if this is barred by the commanding heights, is it not the next best thing to use all available means to do so—i.e., an undemocratic foreign policy, an imperialist policy, an atom-bomb diplomacy?

## THE ACID TEST

Here we come to the Great Divide, on each side of which the waters of liberalism run into different seas.

On the one side are the liberals and Fair Dealers (with or without quotation marks as desired), "practical" realists all, who follow the Truman-institutional-governmental-official Fair Deal down the line.

On the other side are the liberals, Fair Deal well-wishers with whatever degree of enthusiasm, who are willing to take their stand on this simple minimum:

If the Property Interests (capitalism, or whatever one wishes to call it) stand in the way of the needs of the people, and insofar as it does, we do not retreat. We dare to infringe on the sacred rights of property to whatever needful extent. We dare to exercise the power of democracy to break the resistance of the privileged-class obstructionists. If the monopolists will not play, put "their" plants and factories to work without them. That means nationalization (not a fake or temporary "seizure" to stall a strike.) We dare to carry through a program of economic progress and a democratic foreign policy regardless of the vested interests of capital.

The liberal who stops short of socialism presumably believes this is possible within the framework of capitalist property relations—some kind of reformed capitalism perhaps. We will argue this some other week. All we propose to begin with, to the Fair Deal liberal who claims that he means business, is: Follow this course through wherever it may lead—and do not apologize for, whitewash, or keep silent about those in power who do in fact shuffle their deal in accordance with the rules of the capitalist game, handing out the marked cards to those who are ordained to get royal flushes and to those who have to be content with busts.

For our part, this must mean a socialist democracy, as it must mean the organization and mobilization of the working class from below against their capitalist rulers. If that is for tomorrow, then for today it must mean the organization of the labor (and liberal) forces in their own independent political party dedicated to a genuine Fair Deal, not Truman's. To any liberal who thinks this is a "dogmatic" opinion, we confidently propose: Fight and speak out along these lines, and we will be the same variety of "Fair Dealers" also.