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TABLE OF CONTENTS.

OIL QUESTION INVADES HAVANA LABOR CONFERENCE	RAIL UNION HEADQUARTERS ASSAULTED IN YUCATAN
SUPREME COURT CONTINUES OIL HEARINGS	

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OIL QUESTION INVADES HAVANA LABOR CONFERENCE.

MEXICO CITY. (MLN) -- Mexico's outstanding controversy with the foreign oil companies was the cause of a sharp discussion at the Inter-American Conference of the International Labor Office currently being held in Havana, Cuba.

During the session of November 25, when the report of ILO Director Winant was being discussed, the Cuban employer representative, Wilfredo H. Brito, made an attack on the Mexican government for its expropriations of the oil company properties and of large landed estates in the development of its agrarian reform program.

Mexico, Mr. Brito said, is engaged in a frontal attack against capital and private property; he denounced the oil expropriation as an unwarranted and unjustified measure and said that the government's measures had brought Mexico to the verge of economic chaos.

Replying to this criticism of the Mexican government, Vicente Lombardo Toledano, General Secretary of the CTM (Confederation of Mexican Workers) and leader of the Mexican labor delegation to the Conference, charged Mr. Brito with being a spokesman for the foreign oil companies, since he is one of the Cuban lawyers of the Sinclair interests.

"I should not want this Conference," Lombardo said, to conserve the impression of a violent and unjustified attack made against my country by the Cuban employer representative . . . There is no worse source of inspiration than ignorance, and the Cuban employer delegate has proffered an attack on my country based on the most complete and sublime ignorance of what is happening in Mexico . . . It is not true that Mexico's policies consist of a direct assault on capital. The simple truth about Mexico is that,

for my country, as for any other country of the world, the supreme law of the land is the Constitution and the legislation derived from it. Mexico does not attack private property, since property is an institution recognized by the Constitution and the law; what Mexico desires, not merely today but what it has always desired throughout its history, is for capital invested within its territory to respect the laws of the country.

"Mexico's national sovereignty may not be subjected to the interests of an individual, of a company, or of a foreign government. The autonomy of Mexico is not only the greatest right which we Mexicans possess, but at the same time the only thing which remains, and must remain, uninfingable. Mr. Brito has presented a series of false and incomplete statistical data for the purpose of impressing this Conference with the idea that the Mexican Revolution has produced an economic unbalance which has brought the country to the brink of ruin. This is false. Not in the agrarian reform, nor in industrial production, nor in any of the aspects of the Mexican national economy has any such unbalance taken place which would place the country in a condition of bankruptcy. On the contrary, the bases on which the new popular policy of the country is being erected are just, scientific, and creative bases which are demonstrating that the living standards of the industrial workers, of the peasants, of employees and technicians are many times superior to those of only a few years ago"

Immediately following Lombardo's reply, the labor delegations at the Conference met to formulate the following formal protest:

"The labor delegations, fully endorsing the reply of Vicente Lombardo Toledano, regret that the employer delegate of Cuba, Mr. Brito, has utilized the floor of this Conference for the purpose of defending the interests of foreign companies which refused to comply with the law and to respect the sovereignty of Mexico. This attack on the Mexican people is an attack on the workers of the entire Continent, who energetically reject the slanders of Mr. Brito, the paid agent of the oil companies and enemy of the independence of the American peoples."

The incident ended, for the time being, with this protest, but two days later, on November 27, the controversy was renewed when the Mexican employer delegate, Maximiliano Camiro, took the floor to defend his Cuban colleague.

Brito's speech, he said, did not represent an attack on Mexico; he added that "certain measures against private capital adopted by Mexico are considered an aggression by the employer group. Brito's attitude did not constitute an attack on the Mexican government but was merely the undeniable exercise of the right of opinion. The revolutionary reforms applied to certain industrial branches and to certain categories of property have not yet resulted in greater well-being."

In support of the position taken by Lombardo Toledano at the previous session, Victor Andrade, Bolivian government delegate, took the floor to echo the Mexican delegate's words to the effect that "The New World can only be one of two things: a Metropolis (that is, the United States) with twenty colonies, or else a free association of twenty-one independent republics." He added that he chose the latter alternative.

The incident was closed when the president of the Conference, Labor Secretary Portuondo of Cuba, announced that Mr. Brito had agreed not to use the floor of the conference for further remarks of the same nature.

Although the Conference is expected to last still another week, Lombardo Toledano left Havana on his return to Mexico City on November 27, due to the pressure of business in Mexico. As General Secretary of the CTN, the most important single labor organization of the Latin American countries, and also as President of the CTAL (Confederation of Latin American Workers, which includes the national trade union centers of nearly all the countries of America, Lombardo was clearly the outstanding figure at the Conference. His addresses to the assembly, not only on the specific and local problems of Mexico, but on the position and the attitude of the labor movement of the Western Hemisphere with respect to the European war, were heard with the greatest interest and received the approval of the majority of the delegates. The Conference, in addition to its own tasks, has incidentally served to ratify the position of Lombardo as chief spokesman for the workers of all Latin America.

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SUPREME COURT CONTINUES OIL HEARINGS.

MEXICO CITY. (MLN) -- Public hearings in the injunction suit brought before the Supreme Court by the foreign oil companies have continued throughout the past week. After some discussions between the various justices composing the Chamber of the Court before which the companies' "amparo" plea has come, it was decided to read in open session almost the complete record of the case, that is, the brief of complaint, the replies of the government agencies (the Presidency, the Department of National Economy, and the Department of Finance which are complained against, and numerous other pieces of supplementary documents, allegations, and writs adduced as evidence.

The companies' brief alleging the unconstitutionality of the Expropriation Law and of the Decree of Expropriation of their properties based on it has now been read in court. The last few days have been given over to the reading of the government's brief, which sums up the Mexican government's attitude towards this particular case and towards expropriations in general.

The argument presented by the Department of Finance on the question of compensation for expropriation of private property is vital to an understanding of Mexico's position. "Since the concept of indemnification," the brief says, "is one of the capital points in the oil expropriation, it is pertinent to note that, in conformity with International Law and the established practice of nations, it is not true that expropriations carried out by States, of properties belonging to foreigners, for public or social ends, must necessarily be accompanied by an adequate indemnification. This latter concept is of an exclusively ethical, and not political, order, except when expressly provided for by the text of a law or a treaty."

The brief goes on to cite the classic examples of the abolition for public ends, of the property of nationals and foreigners without compensation, in the United States; the emancipation of the slaves during the Civil War and the Prohibition Amendment to the Constitution.

"The Constitutions of Russia, Spain, Germany, and Czechoslovakia," the document continues, "authorize expropriation without compensation, and Austria, Bulgaria, Greece, Yugoslavia, Estonia, Finland, Lithuania, Poland, and Rumania authorize expropriations with deferred compensation. Finally, in the famous controversy between Hungary and Rumania over the application to Hungarian nationals of Rumanian agrarian legislation, payable in State bonds, eminent international jurists (there follows a long list of names, including Edouard Deschamps and Sir Austen Chamberlain) unanimously upheld the faculty of the State to modify in general the regime of private property, as there exists no international rule making payment of a compensation imperative. In spite of the foregoing, Mexico in its expropriations has recognized its obligation to pay a fair and reasonable indemnification within a period of time which is wholly in consonance with the amount involved and the economic capacity of the nation."

The reading of the documents included in the record was concluded on November 29 and it is expected that discussion of the draft verdict already prepared by the justice assigned to the case will begin on December 1. Final decision should be handed down within the next two weeks.

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RAIL UNION HEADQUARTERS ASSAULTED IN YUCATAN.

MEXICO CITY. (MLN) -- A group of some three hundred armed men attacked the headquarters of the Yucatan Railroad Workers Union on November 27, at an hour when no more than a dozen persons were occupying the building. Two men were killed and twelve wounded in the assault.

The attackers were identified as adherents of the recently deposed executive committee of the union, removed from office by vote of the members after it had refused to obey an order of the CTM (Confederation of Mexican Workers), with which the organization is affiliated, for the reinstatement of several workers excluded from the union in 1937.

Federal troops and local police put an end to the riot and the assailants were placed under arrest. The internal dispute within the union over this matter has been going on for some months and hearings were currently being held before an official of the Federal Labor Department in an effort to reach a settlement when the attack occurred. It is reported that considerable blame is imputed, in some Yucatan labor quarters, to the Labor Department conciliator, whose attitude during the negotiations is held to be partly responsible for the outbreak.

All the worker organizations affiliated with the CTM in the State of Yucatan, as well as a good many ejidos (cooperative farming communities), staged a general strike of six hours on November 29, as a public demonstration of protest.

The National Committee of the CTM has also sent telegrams of protest to various federal functionaries and to President Cardenas who at present is on tour in the neighboring Territory of Quintana Roo.

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