A LABOR PARTY

for the

UNITED STATES

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FOREWORD

THE Social Economic Foundation, Inc., has for its purpose the promotion of intelligent support among the American people for movements related to the improvement of social and economic conditions of workers in industry, agriculture, the professions, and other occupations in the United States. Toward this end, its charter permits it to carry on research and to issue publications or to aid the activities of other agencies and institutions within the field of its interest.

In issuing this pamphlet, the Foundation is not to be understood as taking a position with reference to any political party. The discussion of a Labor Party at the recent Convention of the American Federation of Labor constitutes, however, material of importance for all who are interested in the labor movement in this country. Its wide dissemination seems to the Foundation important and timely.

The Foundation cannot undertake to fill orders for the publication, or to answer inquiries about it. Letters of inquiry may be addressed to any of the twelve members of the Committee which supported the resolution for a Labor Party at the A. F. of L. Convention. (See pages 7-8.)

The pamphlet may be ordered by addressing Francis J. Gorman, care of United Textile Workers of America, 701 Carpenter Building, Washington, D. C.

The Social Economic Foundation, Inc. 10 East 40th Street, New York, N. Y.

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To Every Union Man and Friend of Labor

THE 55th Annual Convention of the American Federation of Labor, held at Atlantic City, October 7-19, 1935, will go down in history as the occasion on which indisputable evidence was presented that a large section of organized labor in the United States is ready for independent political action.

Almost a score of resolutions were presented on the issue of a Labor Party, virtually all of them calling upon the Federation to declare for independent political action by labor. Many international unions sent their delegates to Atlantic City with instructions to fight for a Labor Party, and many delegates, uninstructed, joined forces with these unions. Internationals in both categories include Amalgamated Clothing Workers; International Fur Workers Union; International Ladies Garment Workers; Hatters, Cap, and Millinery Workers International Union; Hotel and Restaurant Employees' International Alliance; International Jewelry Workers' Union; International Union of Mine, Mill, and Smelter Workers: International Brotherhood of Paper Makers; Pulp, Sulphite, and Paper Mill Workers; Sheep Shearers Union of North America: American Federation of Teachers: United Textile Workers; International Union of Brewery Workers of America; International Brotherhood of Foundry Employes; Federation of Flat Glass Workers of America; United Automobile Workers of America; and International Rubber Workers of America. A majority of the delegates who represented State Federations voted for the Labor Party, as did the delegates of city central bodies. Representatives of federal unions gave practically unanimous support.

At the outset of the Convention a caucus of all of these delegates

was held, and a Committee was elected to further the work for a Labor Party during the 55th Convention. Headed by Francis J. Gorman of the United Textile Workers, the Committee included William F. Kelley, also of the U.T.W.; Isidore Nagler, International Ladies Garment Workers, New York City; Joseph Schlossberg, Amalgamated Clothing Workers, New York City; Paul Rassmussen, Workers Alliance, Milwaukee, Wis.; William Kuehnel, Hartford, Conn., Central Labor Union; Wyndham Mortimer, United Automobile Workers, Cleveland, Ohio; Myra Kamaroff, Detroit, Mich., Federation of Labor; Edith Braun, Baltimore, Md., and Sam Baron, New York City, Bookkeepers, Stenographers and Accountants Union; Paul Peterson, Mine, Mill and Smelter Workers, Park City, Utah; and N. H. Eagle, Rubber Workers, Akron, Ohio.

Several caucuses were held, and a foundation was laid for a Labor Party on a nation-wide basis. Despite many attempts on the part of the delegates who favored a Labor Party, it was impossible to have this issue brought out on the floor of the Convention until only a few hours before final adjournment. The forces for a Labor Party came within four votes of a majority, the vote by delegates being 108 against, and 104 in favor, while on a roll-call vote, the 104 delegates would have cast about 5,000 votes in a total of 30,000.

In view of these facts, and in view of the fact that the demand for a Labor Party is fast gaining momentum throughout the country, it is imperative that the members of the American Federation of Labor, and the friends of labor, have a genuine understanding of the economic forces which have brought about these conditions.

This pamphlet makes this knowledge readily available. In the pages which follow will be found the leading speeches made for the Labor Party at the Convention, the Resolution around which discussion centered, and news of developments in this field since the Convention was held.

American Labor on the Move

Labor Party Developments Since the A. F. of L. Convention

Hose who supported the National Labor Party at the American Federation of Labor Convention held last October in Atlantic City made a flat, unqualified statement when discussing the question of independent political action for the workers. It was said that the people of America are not only ready for a National Labor Party, but that they want it. They were not only telling the truth, but were unprepared for the rapidity and extent with which the movement has spread since those Atlantic City days.

In every section of the United States, Labor Party movements are being launched, either on a state or municipal basis. A brief summary of the developments to date is presented here. The list is necessarily incomplete, since until now, there has been no central office for gathering this information. But, incomplete as it undoubtedly is, it indicates the widespread support which the Labor Party now has:

New England States

Rhode Island: Rhode Island Federation of Labor passed Labor Party resolution at last convention, based on Resolution 135, introduced by the United Textile Workers in Atlantic City. . . . Mass meeting being called to enlist support of all trade union locals affiliated with the State Branch.

Connecticut: State Federation holding state-wide referendum of all trade unions to determine whether or not Federation will

officially sponsor Labor Party. . . . Movement for Labor Party is very developed in Connecticut, with several municipal movements already under way. Eastern Connecticut has set up its Labor Party Council, based on the Textile Locals. Labor Party endorsed by central labor bodies of Hartford, Danbury, New London, Stamford and Waterbury.

Vermont: Vermont Federation of Labor at Barre voted in favor of State Labor Party.

New Hampshire: Farmer-Labor City Administration elected in Berlin with Arthur Bergeron as mayor. Bergeron heads Provisional State Committee elected at Concord Conference. . . . Newport has Labor Party movement.

Massachusetts: Springfield United Labor Party polled good vote in last election. . . . Labor Party movements started in Lynn and Lowell (Lowell Textile Council sponsoring Lowell movement). . . . Sentiment reported growing for Labor Party in Boston. . . . Western Massachusetts is going to set up its Labor Party Council. . . . Labor Party movement has started in New Bedford.

Maine: Maine Textile Council launching vigorous drive for promotion of State Labor Party. President and Secretary of State Federation support Labor Party.

Middle Atlantic States

Pennsylvania: 23 Philadelphia local trade unions on record in favor of Labor Party... Campaign to set up Labor Party machinery now under way... Labor Party started in Ambridge, Lancaster, and Emaus... York County Central Labor considering sponsoring movement for Labor Party already started there... Lancaster has Labor Party movement... Emaus has Labor Party movement... District 5, United Mine Workers putting up vigorous fight for endorsement by District Council for Labor Party... Some of victorious Reading Socialists have declared that Labor Party must be next move for that town.

New Jersey: Essex County (Newark) with support of Central Labor Union had Labor Party ticket in last election. . . . Paterson also entered elections with Labor Party ticket. . . . Camden County Labor Party entered last election. . . . Bridgeton, through Agricultural Workers, plans vigorous Labor Party campaign in Cumberland County.

New York: Gloversville Labor Party entered last election.... New York City, through 140 trade union locals, plans to push drive for Labor Party.... Rochester is forming Labor Party movement as is Schenectady.

Middle West

Ohio: Lucas County Labor Congress (Toledo) organized by Central Labor Union, elected two City Councilmen, and two members to the School Board in last election... Canton had ticket in the field... Girard, through the Buckeye Local, Amalgamated Iron, Steel and Tin Workers, plans to start Labor Party campaign... Barberton has started Labor Party drive... Akron has organized Labor Party Promotion Committees... Cleveland, through the Auto Workers Council, composed of nine locals of the United Automobile Workers, plans to launch Labor Party campaign... Labor Party movement has started in Youngstown.

Minnesota: Revising the program somewhat. All of the trade unions in Minneapolis interested in the Labor Party meeting held together with the leaders of the Farmer-Labor Party and the Socialist Party, to form working class platform.

Wisconsin: "Progressive" bloc, including State Federation and farmers' associations formed on Farmer-Labor Party principles, pledged to support of working class program.

Illinois: 61 trade unions in Chicago endorsed Labor Party, and have founded Cook County Committee for the Promotion of a Labor Party. . . . Radio station of Chicago Federation of Labor

expected to be given over to Labor Party work since this central body is very sympathetic. . . . Efforts being made to draw entire Chicago trade union movement into campaign.

Indiana: Gibson County Central Labor Union (Indianapolis) passed Resolution based on same principles as outlined in Resolution 135, calling for Labor Party. . . . Terre Haute, through its Peace Conference, has endorsed the Labor Party. Most of the important civic organizations, such as the Parent-Teachers Associations, the Y.M.C.A., various religious organizations, in addition to representation from many trade unions, participated. A committee of trade unionists has been set up to further the movement. . . . Gary Central Labor Union on record for Labor Party. . . . Called on State Federation to do likewise. . . . Bicknell Union, voting on Labor Party already endorsed by Local 5803, U.M.W.A. . . . Labor Party endorsed by several locals in South Bend. . . . District Auto Council of Indiana-Illinois has taken steps for joint action by farmer and labor groups.

Michigan: Port Huron elected two Commissioners on Labor Party ticket in last elections, candidate for mayor missing election by 363 votes. . . . Detroit United Labor Ticket suffered defeat by very slim majority, when its principal candidate, Maurice Sugar, was not elected. He received 55,574 votes, one out of every three. . . . 70 A. F. of L. unions participated. . . . Ann Arbor Central Labor Union has voted in favor of forming Labor Party. . . . Labor Party movement already started in Muskegon. . . . Several successful Socialist candidates in last election have declared themselves in favor of Labor Party in Dearborn.

Far West

Utah: Utah State Federation voted in favor of State Labor Party, with International Union of Mine, Mill and Smelter Workers playing active organizational role. . . . Intends to call state conference to draw up plans for a Labor Party.

Oregon: Oregon State Federation of Labor has declared itself in favor of a State Labor Party.

California: San Francisco launched united ticket in last election on Labor Party platform. . . . Alameda County organizing Labor Party campaign, backed by forty-five organizations.

Nebraska: Sentiment reported spreading in Omaha for formation of Labor Party, with active role being played by streetcar men, recently out on strike.

South Dakota: Labor Party sentiment reported spreading because of Sioux Falls meat packers' strike. Conference to launch broad state Farmer-Labor Party called by South Dakota Farmer-Labor Progressive Association... Movement publishing weekly paper.

Washington: Labor Party ticket in field and some candidates elected in Aberdeen. . . . Seattle Central Labor Union interested in independent political action. . . . Everett and Goldbar had united Labor tickets in last elections.

South

South Carolina: South Carolina State Federation of Labor plans active campaign for State Labor Party in coming State Convention.

Tennessee: Chattanooga Central Labor Union voted in favor of Labor Party, with textile workers pushing endorsement of Resolution 135.

Texas: Houston pushing drive for formation of a Labor Party.

Florida: Orlando Federal Labor Union (citrus workers) voted in favor of formation of Labor Party.

Why a Labor Party?

Address by
FRANCIS J. GORMAN
United Textile Workers of America
BEFORE THE 55TH CONVENTION OF THE
AMERICAN FEDERATION OF LABOR

APPEAR before you today in behalf of the United Textile Workers of America, and in support of Resolution No. 135 submitted to you by this organization. We come to you, as a matter of fact, with a mandate from our membership which represents the will of the organized textile workers of the United States. They ardently desire that the American Federation of Labor go on record in support of this movement, lending it all the dignity and prestige of the Federation's position.

I. ECONOMIC DESTRUCTION OF WORKERS' RIGHTS

The textile workers are not the only people who want a Labor Party; the textile workers are not the only group of men and women thoroughly disillusioned in the two old political parties, and in the Federation's "rewarding your friends and punishing your enemies" policy. Workers in every walk of life are moving spontaneously in that direction. Reports pour into the Washington office of the United Textile Workers, and have come in dozens here to me in Atlantic City, supporting our efforts at launching this movement, and telling us that the Labor Party is almost the sole topic of conversation in the communities from whence these reports come. And, fellow delegates, they do not come from an isolated

section of the United States. On the contrary, they come from the East, where the Party is already in an advanced stage of formation; from the Mid-West, fast becoming one of the strongholds of a militant labor movement; from the Far West, traditionally a land of fighters; and from the strike-torn South, where live the Bourbons of industry—those proud, staunch supporters of "Democracy," whose hired thugs murder our people, whose conception of "Democracy" has long since departed from the hopes and aspirations of our forefathers; those industrial barons to whom, in fact, the word "Democracy" means not "Democracy" for the workers, but the right of the financially mighty few to trample over the destitute majority. These Southern workers, long schooled in the bitter traditions of slavery, have been taught, sometimes by death, that under the iron rule of the Kings of Southern Democracy there can be no justice for the workers. These people, having learned their lesson, turn now to themselves-to the organized strength of the workers-for protection of the rights granted them in the Constitution by the founders of this country.

Let us be very practical here today. The stronghold of the Democratic Party is in the South; the stronghold of the Republican Party is in the North, and particularly the Eastern part of the North (which section, in fact, is the supreme dictator for both parties). The Democratic South is under a Bourbon control that has not changed perceptibly since the war between the states. They do not even need company unions in the South. They need only the hired thugs and state troops. Even the President of the United States, for all his prestige, finds his policies bucked in the "Solid South". There is no hope for change, for reasons too well known to be stated right here.

Seventeen Dead, Many Wounded

Now, a year ago during the general textile strike, when I had the privilege of standing before you, I said that 16 of our workers had been killed and a score wounded. Most of these casualties occurred in the South. In the year that has passed, violence against us has continued, and within the past two months many of our people have been shot—one, a woman, fatally.

We are up against the guns. I ask those of you who may think we are impatient to remember that; and to remember that the interests of the textile workers are precisely the same as the interests of the miners, the teamsters, the oil workers, the electrical workers and every other kind of worker. The textile workers, though, are the unfortunate possessors of one distinguishing characteristic—we are, with two exceptions, the lowest paid workers in the country. We are not only destitute—we are up against the guns of the bosses, and the last ones fired were the newest type of Browning machine guns, bought for the scabs by the company.

We looked with what now seems to us to be naive faith to the proponents of a "New Deal"-believing, I guess, that it meant a New Deal for labor as well as a New Deal for industry. We have been sorely disappointed. We do not impugn the honesty of the President of the United States, because whether or not Franklin Delano Roosevelt is sincere is of little consequence here. He cannot, out of the very nature of our economic and political machinery, do other than what he has done. We know, for instance, that his electoral success depends upon the "Solid South", and the Southland is composed of the most bitter anti-labor, most viciously unmerciful employer groups in the United States. The Administration has done nothing effective about protecting the Southern workers against the cruel persecution of the Southern boss-not because the New Dealers revel in the blood spilled on the economic battle front, but because Franklin Delano Roosevelt must have the Southern employer in order to be re-elected President of the United States. So, what difference does it make if he be the most ardent of the so-called friends of the working man? There is nothing he can do and at the same time stay within the limits of our present order.

Labor's Progress Under the New Deal

Miss Frances Perkins, Secretary of Labor, said to you here in Atlantic City that one dependable sign of "recovery" was the fact that industrial unrest has abated during the New Deal Administration. The plain truth of the matter is that during the New Deal Administration some of the most bitter struggles in the history of the American labor movement have taken place. There were, furthermore, according to Miss Perkins' own Bureau of Labor Statistics, approximately two hundred more strikes, involving 500,000 more workers, in 1934 than in 1933. The monthly figures for January, February and March, 1935, indicate that the number of strikes is constantly increasing, there being 71 more strikes in progress during March, 1935, than there were during the same month in 1934. Industrial unrest, then, is not abating. On the contrary, it is increasing!

Let us at the same time examine industry's progress, and compare the two.

1. Reconstruction Finance Corporation

Under the Hoover regime and continuing under the New Deal Administration, the Reconstruction Finance Corporation handed out billions of dollars to the financial and business institutions of this country—to banks and corporations which were grossly overcapitalized, at the public's expense, during the World War. How much of this refinancing done by the government's R.F.C. ever reached the masses of our people? It did not go out in wages, for

the total manufacturing wage bill increased only 4 per cent from 1932 to 1934.

From 1932 until May 31, 1935, the R.F.C. had loaned a total of seven billion dollars, and had authorized an additional two billion dollars, in loans to private financial and industrial institutions in this country. On the other hand, the Federal Emergency Relief Administration and Rural Resettlement, Works Progress Administration and all the other government relief agencies had spent (by May 31, 1935) or had authorized to be spent, only eight billion dollars—or one billion less than has been laid aside for the banks and corporations. (Actually, of course, we know that nowhere near eight billion dollars have been spent, since much of the widely publicized \$4,500,000,000 have not yet been put into actual operation except in the form of administrative expenses.) Let us examine this more closely.

According to the Congressional Digest there are more than nineteen million people, either dependent on direct relief, or working on relief jobs. This is 16 per cent of our population. In other words, a total of only five or six thousand banks and corporations, representing a pitiful minority of our population, received from the government an authorization of over nine billion dollars, while 16 per cent of our population was considered worthy of an authorized grant of only eight billion dollars, much of which has not yet reached the people in the form of relief wages. Yet pressure is applied, and, worse still, has been felt, for a cessation of the "spending joyride".

Nine Billions for Industrialists

Does it seem fair to you that the government should lay out over nine billion dollars in authorized loans to industry and the banks, while at the same time it begrudges relief workers even the miserable privilege of working at the prevailing wage rates? It is not fair, and furthermore it is not economically sound. The ever-widening breach between wages and profits is the cause of these devastating crises. And, here another thought strikes us. Remember, fellow delegates, that the government cannot continue to lay out the present inadequate sums for relief purposes without resorting either to a drastic increase in taxation or to further inflation.* It refuses to levy effective excess profits and corporation taxes, and so the whole population—those of us who are in no way responsible for depressions-must be made to liquidate the public debt. If the inflationary movement continues any further, we—the majority of the people—are ruined. Prices on necessities have already increased manyfold, and under the crop and stock restrictions, together with the "voluntary" and mandatory production restrictions, it is inevitable that these prices will climb even higher. In fact, they are climbing at the present time. Thus, we see, on the one hand, rising prices and increased profits for the employers, and, on the other hand, a steady reduction to even below a subsistence level in the real wages of the workers!

2. "New Deal," Wages and Profits

Let us further examine the "New Deal". Under the present administration the average weekly manufacturing wage increased only 4 per cent from 1932 to 1934—that is, money wages as compared to real wages. Actually, we find that increases in the cost of living, together with the stretchout and speedup, have decreased real wages, have, in other words, reduced the purchasing power of the worker's dollar.

^{*} This statement has recently been substantiated by the liquidation of the Federal Emergency Relief Administration, and the shifting of the burden of relief from the federal government to the over-burdened tax payers of the states and cities.

The Government's Bureau of Labor Statistics shows us how this reduction in real earnings came about, through a study of wages in the cotton textile industry. Their conclusions are startling proof that labor did not reap the advertised benefits from the New Deal, and the New Deal's prize baby, the National Recovery Administration.

In studying the average weekly wages in this industry the Bureau discovered that, because of increases in the prices of commodities necessary to our everyday life, real earnings, both in the North and the South, have fallen drastically.

"For a family with a single wage earner," the study states, "at average weekly earnings prevailing in July, 1933, the cost of goods purchased rose from June, 1933, to August, 1934, by 9 per cent, and rose by 12 per cent to October, 1934. . . ." (Reports from the National Industrial Conference Board, and from governmental statistical agencies reveal that the steady climb in prices is continuing in 1935 at an even more rapid pace.)

Estimating the effect of this increase in the cost of living on real earnings, the Bureau of Labor Statistics states:

"When a comparison is made between August, 1933, the month with the largest average real earnings after the codes, and August, 1934, the loss of real income to the workers . . . is seen to be large. In the North the purchasing power of the average worker's dollar was 15 per cent less in August, 1934, than in August, 1933. In the South it was at least 25 per cent less."

Not only real earnings decreased, then, according to the government's own figures, not only, that is, did the few dollars the workers earned buy less goods, because of increases in the cost of living, but the number of dollars he was able to earn—and remember they are crippled dollars—decreased also. (But the "New Deal" was created to restore purchasing power! The "New Deal" is a government for the "Forgotten Man"!)

The Bureau of Labor Statistics graphically shows us what has

happened to the weekly earnings of the textile workers, North and South. It shows us the extent to which the "New Deal" has maimed our dollars. It states:

"The decline in money incomes from August, 1933, to August, 1934, becomes more serious if change in prices is considered. The average money earnings of males and females in the North declined about 8 per cent. Their real incomes declined about 18 per cent. The average weekly earnings of males and females in the South decreased about 18 per cent, but the purchasing power of these earnings diminished about 25 per cent." (Italics ours.)

The New Deal, then, actually progressively decreased the living standards of the workers by cutting down the amount of food, clothing and other necessities they were able to buy! Though this study is confined to cotton textiles it does not take an economist to see that the rise in prices and the consequent decline in real incomes applies to every single wage earner in this country. We do not have to stretch our imaginations to know that meat, bread, shoes and shirts cost just as much for a miner, or a boot and shoe worker, as for a textile worker.

But what was happening to profits all this time? What was happening to the income of the very rich? All this time profits were soaring! The rich were becoming richer and the poor poorer!

I could quote figure after figure, source after source, to prove the phenomenal increase in corporation profits. But let us take sources closest to high moguls of the New Deal Administration.

Profits-Not Wages-Up 600 Per Cent

In Raymond Moley's Today (Sept. 19, 1934) there was featured a compilation of net profits of 392 companies in 26 different

kinds of industries. This compilation showed an increase of 609 per cent in profits from the first half of 1933 to the same period in 1934.

Senator Robert F. Wagner, New York, in a recent defense of the Democratic Administration, declared that the profits of all manufacturing and trading corporations rose from six hundred and forty million dollars in 1933 to one billion, fifty-one million dollars in 1934—an increase during that period of 64 per cent. This figure is for all manufactures and trading, big and little, rich and poor. The Moley figure quoted above, however, indicates that when selected corporate units (probably the largest) are chosen, the rate of increase in profits is exorbitant. In other words, these figures, together with many more which we won't burden you with today, but which are available for you if you desire to go into this further, demonstrate that small business men did not reap anywhere near the proportionate return of "prosperity" which has been enjoyed by the biggest banks and corporations. It makes us feel sure that eventually the lot of the small business man is really with the worker.

3. Distribution of Income

Let us turn to the distribution of the nation's wealth and income. Commenting on the income tax figures of 1933, as compared with 1932, Robert H. Jackson, counsel for the U. S. Internal Revenue Bureau, stated at the Senate Finance Committee's tax hearings in Washington August 6, 1935:

"Even the informed observers were startled at the tendency to concentration, and the rates of concentration indicated by the 1935 returns. The number of persons filing income tax returns decreased from 1932 by 3.8 per cent... only 1,747,740 persons out of our entire population" (less than one-tenth of one per cent out of 125,000,000) "reported taxable incomes and the total amount of incomes fell by 5.5 per cent.

"Yet in the face of generally declining incomes . . . the number of

persons who reported net taxable incomes of \$1,000,000 or over, more than doubled. . . .

"The base for our income tax has become seriously narrow and results in part from the fact that the number of persons having taxable incomes above a generally accepted subsistence level is seriously small." (Italics ours.)

This comes from an official in the New Deal Administration! Even the Internal Revenue Bureau has to admit that there has been no "redistribution of wealth" but that actually the rich are becoming richer and the poor poorer.

Brookings Institution made a study of income distribution in the United States, which applied to 1929 when the distribution of the country's income was far more equitable than it is now. Among other things in this study the research institution discovered that over 12,000,000 families (or 42 per cent of the families in this country) had incomes in 1929 of less than \$1,500. A similar study made by the American Federation of Labor discloses the fact that now, in 1935, this figure has soared to 70 per cent of the families in this country (or nearly 20,000,000 families). On the other hand, we know of no estimate of a decent income for the average family, government figures or otherwise, which sets the annual income figure necessary for a *subsistence* existence at less than \$2,000.

In conclusion of this section, let me quote Brookings Institution again. According to their study, 12,000,000 families with annual incomes of less than \$1,500 (in 1929) received a total income of about \$10,000,000,000, while at the other end of the scale, 3,000 families, with annual incomes of more than \$75,000, possessed an aggregate income of \$9,800,000,000—or approximately \$10,000,000,000. "Thus it appears," states the Brookings Institution, "that one-tenth of one per cent of the families at the top received practically as much as 42 per cent of the families at the bottom of the scale." And this was in 1929!

4. "Social Security"

The present Democratic Administration passed a "Social Security" Act. The plan is designed to protect the workers against the limitations of our system, guaranteeing them a "security" wage during our periodic depressions. Consider the contradictions of this Act. Consider the lunacy of asking the employed workers, scarcely able to keep body and soul together, scarcely able, with their crippled dollars, to buy bread and clothing for their wives and children, to support their fellow-workers who are without jobs! Is it any fault of the employed worker that his friend next to him is laid off? It cannot be denied that any such scheme as a payroll tax is passed right back to the workers in the form of higher prices and decreased earnings. In our opinion there is no logical reason, no sane nor humane reason, why those members of society who are responsible for unemployment, responsible for the limitations and incompetencies of our present industrial order, should not be made to bear the burdens of their own selfishness and mismanagement, aided by the government whose historical function is to protect the broadest interests of the people.

Yet the New Deal Administration plans to squeeze out of the meager earnings of those who can't afford to pay—the workers, the small business men, the bankrupt farmers and the unemployed (who must eat if they live)—the penalties for our recurring crises!

5. Leaders of the A. F. of L. See Something Wrong

Leaders of the American Federation of Labor have already discovered the fallacies of our "national economics". It but remains for them to put their economic criticism into logical and effective action. In July, 1935, one of our most outstanding trade unionists, John P. Frey, Metal Trades Department, published an article in the *American Federationist* entitled "The Calamity of Recovery". Our analysis of the "calamity" of our present order runs remarkably parallel to that of Brother Frey.

"Something has been radically and vitally wrong with our national economics," Frey's article states. "Something has been most unsound in our finances, our industry and our commerce. . . .

"The National Bureau of Economics in its Bulletin for June 28, 1934, estimated the increased per capita production in the manufacturing industries from 1929 to 1933 to be 27 per cent. . . . This tremendous increase in the workman's per capita production in industry since January, 1933, would leave the country with an added army of unemployed in the manufacturing and mining industries even if we should return to the per capita production of the year 1932. . . ."

Thus, we see that Brother Frey is fundamentally in agreement with us in our statement in the Resolution and this speech to the effect that, under the present economic controls, there must of necessity be an ever-increasing army of permanently unemployed; that increased mechanization, speedup and stretchout must, under the present order, rob the workers of whatever theoretical benefits they may have been supposed to receive under the N.R.A. through increased wage rates and decreased hours.

The Pursuit of Profits

In this same article Brother Frey points to the dangerous, everincreasing concentration of our nation's wealth. He cites the fact that there can be no return to prosperity as long as mass consuming power remains at the bare subsistence level. He proves the fact that pursuit of private gains at the expense of the workers, small business men and farmers, proceeded apace during the depression and is even more rapidly increasing under the New Deal. I beg to quote him once more.

"Since 1929," Brother Frey states, "the larger corporations have increased their share of the goods purchased, strengthened their assets and increased their cash on hand, or its equivalent. It was during these years that labor was displaced by technological methods more rapidly than before."

In conclusion Brother Frey says:

"It is in the division of wealth created by industry that the trouble lies—the grievous, destructive trouble. . . . The production of wealth should not be restricted; instead it should be stimulated and increased by every legitimate method possible . . . so that the creation of wealth and its control cannot be carried on in a manner which works injury to the welfare of the nation and its individual citizens."

Workers Enrich Employers

We heartily concur with Brother Frey in that. We believe that, according to his own pronouncements, we should have a very staunch ally in our Metal Trades leader. We wish he would carry his argument but one step further, to its logical conclusion. We know that out of the very nature of our system the maintenance of profits can only be carried on at the expense of the workers. We said that in comparisons made earlier between profit rates and payrolls. In Brother Frey's own words, the creation of wealth is being carried on "in a manner which works injury to the welfare of the nation and its individual citizens". If, as we believe we have proved, the workers are the source of profits, it must be immediately apparent to Brother Frey that, unless he wishes to see wages -real earnings, that is-progressively reduced, a government controlled by the majority of the population, not a handful of profiteers, must be achieved. He must become immediately aware of the fact that until the workers control the government, together with their allies, the farmers and small business men, we cannot hope to stop exploitation, or to put an end to the depression.

Events in the past, present tendencies and our knowledge of what is happening in other countries tell us the grim tale that there can be no equitable distribution of wealth, no curbing of the concentration of the nation's wealth, until we have a workers' and farmers' government, until, in other words, we have a government of the people! It is we, the workers, together with our dispossessed allies among the farmers and small business men, who are the people—not a handful of rich merchants and bankers and industrialists! And only through a people's government can we hope for any measure of justice and security for the majority of our population.

6. Workers and War

War is at hand. The world waits in strained anxiety for the next development in the Italo-Ethiopian conflict, and for the possible war between England and Italy. What will France do? What will Germany do? What will the Soviet Union do? What will the United States do? We must ask ourselves these questions and remember that the answer lies with the working classes of all these nations, for it is we, not the bankers and bosses, who fight the wars.

We know one thing right now. Industrialists will profit with war. Already the textile manufacturers are mobilizing their industrial forces with an eye to the possibility of war.* And already our American industries have felt a stimulation in business activity as a result of the universal war scare. Remember, we may not ship ammunitions to warring countries, but there is no compulsion, save public pressure, to stop our manufacturers from shipping raw products and manufactured goods, other than munitions, to warring countries. Fabrics will have to be woven and made into uniforms; Great Britain, Italy and Japan have been buying our cotton by the millions of pounds, our copper and iron and steel scrap by the millions of tons, a recent New York Times dispatch informs us. According to Barron's, a financial journal, reports from the

^{*} George Sloan has, since this was written, addressed the War College, at which time he assured them the textile industry was already "mobilized for war."

canning industry show phenomenal prosperity, and never, since the beginning of this last crisis, has the wool industry been in such a prosperous condition.

What does this mean to labor? You may say increased wages. You may say labor profits by war, although we know by your Executive Council's report that most of you do not cling to that illusion. Remember, labor's share in war-time profits is always negligible. Wages may be increased, to be sure, but profits treble, quadruple, and prices shoot sky-high.

Wanted: A Docile Labor Army

Increased war-time prices, however, are not the only, not the gravest, consequence labor faces with war. The most devastating thing which can happen to labor has already begun to occur. Employers have been viewing with alarm increased labor "unrest"; their eyes have been on the possibility of war. And during a war there must be no strikes. There must be no interruption in the pace and the limit to which they may exploit labor, both on the battle field and in industry. Thus, the efforts to destroy the organized labor movement have been redoubled within the past year or so. They seek to destroy the entire trade union movement, because organized workers at such periods of international crisis, due to the universal bankruptcy of the economic order, are a constant threat to profits. Nobody can truthfully deny that this is happening—that is, nobody who has any knowledge whatsoever of the tactics being currently employed by big business to defeat organization. We know that it is an historical fact that as militancy develops in the labor movement, the efforts of the employers to kill the trade union movement increase in scope and viciousness. We have already seen that they stop at nothing to stamp out the constitutional rights of the workers to organize and bargain collectively. They murder our people; they frame our leaders; they arrest our pickets; in short, they resort to the crudest and most vicious forms of coercion and

intimidation in order to maintain a "docile" labor army.

This we have learned to expect from big business and the financial tycoons of the country. But we have learned an even more important lesson—we have learned that the efforts to destroy the trade union movement will go on, uninterrupted and untrammeled by the government. We have learned that the government leans on big business. We have learned that the Republican Party means destruction to the workers, and the New Deal means a New Deal for big business and a Raw Deal for labor.

7. "New Deal" and Company Unions

Labor's right to organize and bargain collectively was not protected under the New Deal. We can prove this by the phenomenal growth of company unions under the New Deal. We can prove this by looking at facts, facts presented to us by the government's own Bureau of Labor Statistics.

The Bureau of Labor Statistics declares, in a study on company unionism, (euphemistically referred to as "employee representation" plans, or "industrial association", or "industrial democracy"), that it increased 64 per cent under the New Deal. The government agency's sample was small, but represents an unmistakable trend. It reported that these company unions affected 20 per cent of the total number of workers found in the industries reporting wages and hours and employment figures to the Bureau of Labor Statistics.

The Company Union study referred to above recognizes that company unionism is bound to continue at an even more rapid pace as time goes on. It states: "Almost 15 per cent of the company unions in the study were established during the period of the N.R.A. Reports of trade union membership show that these two periods were also times of rapid increase in union membership."

In other words, the government's own statistical agency not only substantiates our contention that the New Deal acted as a stimulus to company unionism, and thus to the further destruction of the workers' civil rights, but also substantiates the previous statement to the effect that as workers move into a period of organization and militancy, as a result of economic necessity, the efforts of the employers to defeat trade unionism become more intensive and desperate.

Government for Whom?

Let us, then, look at this government more closely. We are coming to a point in our analysis when we begin to wonder on whose side our government really is. What protection, for instance, can we expect from a government which, on the one hand, recognizes through the statistical facilities of one of its agencies the drastic increase in company unionism, and on the other hand, actually promotes that growth through legal sanction of company unionism through another of its agencies? I refer here to the Wagner Disputes Act. The Bureau of Labor Statistics' study specifically refers to the "employer unit and employe representation" plan as a form of company unionism, which scheme the Wagner Disputes Act recognizes as a bonafide collective bargaining unit!

On whose side, then, is the government which promotes company unionism? On whose side was the government in our thousands upon thousands of cases of discrimination? Not on the side of the workers, for the roads are strewn from Maine to California with the broken bodies of trade unionists—victimized for taking the letter of Section 7 (a) as the law. On whose side is the government which promotes starvation wages, through subsistence work relief and constantly increasing prices? On whose side is the government which contributes to the destruction of organized labor, not only through sanction of company union-

ism, but through the use of troops in times of economic struggle? How can we defend a government which promotes the open shop and sweat-shop, through its own system of government contracts to the lowest bidder? Some of you may have profited by the government contracts, but most of us have not. The Kohler workers did not. The textile workers have not. The garment workers have not. I could cite many other instances. We can only come to the conclusion, then, that the government which is a party to the actions named above is not on the side of the workers. Your present government is guilty of every single one of these indictments.

II. POLITICAL DESTRUCTION OF THE WORKERS' RIGHTS

WE have discussed the destruction of the economic rights of the majority of our population. Let us now turn to the destruction of their political rights.

1. Use of Troops

The Republican and Democratic parties have completely broken faith with the workers by placing at the disposal of open shop, anti-labor industrialists (few in number) forces designed and created under our Constitution for the maintenance and protection of the general public welfare—the welfare of the many. We speak, of course, of the use of the National Guard, or state militia, in times of economic struggle.

By what right, by what mandate from the people, may we ask, does the state government take upon itself the privilege of crushing the trade union movement by means of forces over which the people themselves should have sole control?

There can be no justification for that. Yet, we are forced to admit that the very presence of state troops in areas in which there are strikes, in any other capacity than that of protecting the strikers, shows unmistakably that the government's allegiance lies not with the workers, not with the overwhelming masses of our people, but with the bosses, with the small but mighty minority.

One of the most illustrious of our forefathers foresaw this danger, as indeed, he foresaw most of the evils which we are now facing when during the drawing up of the Constitution of the United States, Patrick Henry said:

"My great objection to this government is that it does not leave us the means of defending our rights; or, of waging war against tyrants. It is urged by some gentleman that this new plan will bring us an acquisition of strength, an army, and the militia of the several states. This idea is ridiculous. . . . Have we the means of resisting disciplined armies when our only defense, the militia, is put into the hands of Congress?"

Workers Versus Autocratic Government

Patrick Henry was right. We have not the means of defending our rights. We cannot defend ourselves against the tyranny of autocracy; we cannot resist the disciplined armies of capital which confront us. Why? Because the people's army is in the hands of the government and the government is not a people's government!

Since the general textile strike last year the Guard has been called out many times. In Terre Haute, for instance, where the Columbian Enameling and Stamping Co. brought in a squad of gunmen from Chicago to break the strike, and where labor throughout the city rose in protest against this importation of thugs and declared a general strike. Did the Governor of Indiana, in response to the indignant protests of the majority of the people, demand that the Chicago racketeers be sent home? No. Instead, he ordered out the troops against the people, in order to preserve

"law and order". On whose side was the government in this case? When the West Coast lumbermen struck for their economic rights, and for abolition of the company union, the Loyal Legion of Loggers and Lumbermen, (which union was organized, incidentally, by the Regular Army, under Col. Brice P. Disque, during the World War, according to Walter Wilson, who has just published a study on the use of troops in strikes), the troops, called out by the Governor of Oregon, played a vicious part in protecting the scabs.

Sympathizers Also Killed

Other recent instances are too numerous to allow for more than a citation. The troops called out in Omaha, to break the strike of the streetcar men, were brutal and ruthless in their tactics. Two strike sympathizers were killed and scores wounded in one incident. Governor Cochran, according to Mr. Wilson, said to the general of the National Guard troops: "The strike is going to be settled immediately. If the disputing parties can't agree on a third member of an arbitration board, I'll name one myself, and the troops will see that the Board's decision is enforced." This comes from the governor of one of our principal states!

I could name many, many other incidents occurring in 1935 alone, but the time is too short.* I merely wish to state that we need not expect the American people to submit to this persecution indefinitely. They never have in the past, and they will not in the future. It is for this reason that we urge the American Federation of Labor to sanction, through approval of a Labor Party, the people's resistance to tyranny, to the destructive efforts of the bosses, and their

^{*}Labor Research Association states that up to Nov. 1, 1935, 13 Democratic and 2 Republican Governors called out the troops during strikes. Armed forces were used 22 times during this period.

agents, the Democratic and Republican parties. The American Federation of Labor must do this if it is to live up to its position as the leadership of the American working class.

III. FASCISM

We turn now to the gravest of all dangers, to the fast-approaching, universally despised danger of fascism. To deny this danger is to play ostrich and betray the entire American labor movement.

1. Germany and Italy

We have only to look at Germany and Italy, at Poland and Austria. We have only to remember the hasty events which led up to the ascendancy of Hitler, and we can see what is happening in this country. The labor movements in Germany and Italy were unprepared for this monster. German workers looked with unseeing eyes to Italy and said: "But this is Germany. This could never happen in Germany." And as they were saying this, Thyssen, Krupp and the big German financiers were equipping Hitler with uniforms and troops, were coaching him in his role of dictator! At the time of Hitler's ascendancy to power, the workers, through their various political parties, had a majority in the Reich. But they did not use this majority. The Social-Democratic workers went to sleep; they refused to use their power, by refusing to join hands with the rest of the workers' political factions in a united program of resistance to Nazism. What were the consequences? Brother Woll gave us his report on the subject. They were too terrible to describe. Hundreds upon hundreds of German working class leaders lie in torture in the barbarian Nazi concentration camps. Thousands of militant German workers have been beheaded for resisting the oppressive cruelties of the Nazi regime. Thousands of others have been completely disfranchised, robbed of every single constitutional and civil right. The German trade union movement has been completely destroyed, except for its underground activities. Democracy lies torn and bleeding in the mire of German fascism.

2. France

On the other hand, let us look at France. In France the workers were more wary. They looked to the mistakes of their fellowworkers in Germany, and when the fascist organization, the Croix de Feu, attempted a coup, a banding together of all workers, regardless of race, religious creed or political affiliation, prevented it. Could they have done this had they been separated into several political cliques? Certainly not, for one group would refuse to act in unanimity with another group, even though all factions might have had the same end in view. The continuance of this valiant resistance on the part of the French workers has made a repetition of the fascist attempt impossible so far, and, indeed, has been the vital factor in determining France's pacific policies. But, remember, only if the French workers strengthen their ranks can fascism be warded off.

3. United States

You may ask: And what has this to do with the American workers? It has everything to do with the American workers! We cannot close our eyes to the parallel development of the fascist menace in this country. We would be caught unawares like the German workers if we did.

Remember, Governor Eugene Talmadge, of Georgia, used concentration camps during the recent textile strikes in that state! Remember, the Governor of Nebraska said he would enforce the decision of his self-appointed arbitration board, through the use of armed forces!

We cannot close our eyes to the significance of the Amer-

ican Liberty League; of the National Association of Manufacturers; of the subsidized press, which screams for Americanism on the one hand, and prints tales lauding the accomplishments of Herr Hitler and Premier Mussolini on the other; of the subsidized trade papers, house organs of the most powerful industrial units in every business, and which express the fascist trend locally and in isolated instances. There are many other manifestations into which we do not have the time to go today.

We must not forget, for instance, that the corporate state is but a partnership between the biggest industrial interests and the government, and that this is precisely what the New Deal turned out to be. And we must not lose sight of the fact that at present certain people are contemplating a revival of the "Blue Eagle" scheme, this time without even the pretense of labor provisions in the codes!

IV. BASIS FOR NATIONAL LABOR PARTY

1. Must Be Trade Union Movement

The impetus and motive force of a successful Labor Party must come from the organized labor movement. Organized workers are already schooled in the methods and techniques of fighting for and achieving their economic demands. We have the machinery to use against the well-organized, determined opposition from controlling employer groups. Furthermore, the wage earners of our nation, together with those other sections of our population which have been stripped of their fundamental rights, form the overwhelming majority of our population. Also, in the present state of extreme economic insecurity, groups which hitherto were not part of the working class are in ever-increasing numbers finding their ways into our ranks. I refer, of course, to the so-called small independent business man, who has been unable to



A farmer and his family evicted under the "New Deal." Would it have been any different under a Republican administration?

stay in competition with the powerful monopoly-breeding trade association groups. I refer also to the vast army of technically trained young men and women, graduated from our colleges into a world of hopeless confusion, into a world in which employment opportunities are constantly and inevitably in the very nature of things decreasing. I refer likewise to the small farmer, crowded out of existence by the burden of debt, by rising prices of processed commodities necessary to their existence. I refer, also, to the large body of farm laborers and tenant farmers, scarcely able to eke out a bare existence and so necessary to that portion of the labor movement which finds itself in agricultural areas. And, lastly, I refer to the ever-growing ranks of unemployed, driven from their jobs by circumstances over which we have no control, and who are today in a position in which we, still employed, will find ourselves tomorrow if we do not immediately step into the picture and do something for ourselves. The Labor Party must be for everybody whose right to live under decent conditions, whose right to take a decisive hand in the guiding of his own destiny, has been denied, but which must be revived and protected. But, let me repeat, if it is to be successful in the protection of this vast body of people, the basis of the Party must be the organized labor movement.

2. Labor Party a Second Party

There have been in the past, and there are at the present time, "third party" movements, based on the discontent of the destitute farmers, which movements have as yet been unsuccessful in their attempts at expanding this restricted base. They have been unsuccessful because their programs have been nebulous rambling allusions to "security", to social reforms, not clearly stated nor concisely enunciated. These movements must always fail, if their programs do not search out the fundamental difficulties, and if their base is not as broad as the underprivileged population itself.

The program of a successful Labor Party must be for all the dispossessed and must be built on the immediate demands of the workers, farmers and small business men, but with a definite and ever-watchful eye toward an expanding, even more inclusive program. It cannot hope to succeed on any other basis.

We do not wish, however, to exclude those "third party" movements, no matter under what banner they may develop. Instead, we wish to include them. If they do not wish to join us completely, then we must unite with them on whatever parts of their program we do agree with.

But let us not talk of "third parties". The Labor Party, as we see it, must never be confused with a Third Party. The Labor Party is a Second Party. It has become clear to all of us here, I think, that there is slight differentiation in the two major political parties. Both are dominated by the same financial and industrial groups. Thus, we see that to confuse the Labor Party with a Third Party will be a confusion of the fundamental principles, declarations and aims of the Labor Party. We are the "haves" against the "have nots" and between the two there is no room for a third political faction.

An Opportunity for Liberals

If the large body of liberals who form the foundation of the Third Party movement, and who have been declaring themselves against the destruction of democratic rights, be really sincere, we do not need to invite them to unite with us. They will do so of their own accord. And to those people we look with expectation and confidence. We feel sure they will cast their lot with ours.

It must be even clearer to the trained economists and intellectuals than it is to us that the working man and woman can no longer protect themselves against the onslaught of employer groups, of rich plantation farmers, of banking and financial interests, unless they enter the political arena. And labor must enter that political arena with an understanding of the struggle into which we are going, and with the grim, uncompromising determination to win. Therefore, our aims must be as clear as crystal, and our program as bold and true as our aims.

Until we have a new economy, permitting of the full utilization of our productive capacities, abolishing the destructive, demoralizing consequences of unemployment and guaranteeing a decent annual wage, the rights of the people to achieve a maximum in this life cannot be preserved. For the workers, it means the preservation of the fundamental, absolutely necessary right to organize and bargain collectively, to achieve their economic demands by strike, if necessary, without the intervention of state militia. For the small business man it means the right to stay in business, the freedom from coercion and pressure from trade associations and the attending right to earn a living for his wife and family. For the small farmer it means freedom from the burden of debt, and the right to buy new equipment, new farm implements with which to compete with the large, wealthy plantation or chain farmers. For the unemployed it means the right to work, to be self-respecting and free from the fear of starvation. We could go on indefinitely down the line but time presses.

Fight for the Right to Work!

We cannot in faith to ourselves and to the people whom we represent continue to support political machinery, and an economic system which constantly enlarges, makes permanent and concentrates in subsistence areas an ever-growing army of unemployed. Let us give them more than lip-service. We must protect the right of our people to work. We must do that not only because the unemployed constitute a constant threat to our wage levels and employment conditions, but because we know, each one of us here

today, that inevitably we, too, shall be unemployed; that mechanization of industry and the desperate battle being made by industrialists to maintain their fat profits at the expense of the workers, will eventually claim us—if we do not fight it now. The right to work is the basic right of everybody in the world. And the right to work is being denied millions of our people because we find ourselves within the rigid limits of an economic program based on the restriction of production, based on the restriction of our productive facilities, human, mechanical and natural.

Shall we continue to permit a small group of selfish private interests to destroy us? To deprive us of our constitutional rights? Obviously not. When in 1776 the American people could no longer bear the oppressive yoke of their imperialist Mother Country they rose together as a man and threw off that yoke. When the American people can no longer live under the misery and degradation of our "scarcity economy" will they lie quietly on their backs and die of starvation and disease? Obviously and certainly not! The American people have historically been a nation of fighters. They have never been quitters, and they are still able to fight for their rights!

3. The Role of the A. F. of L. and Its Stated Policy

Shall the American Federation of Labor, the spearhead and bulwark of the American labor movement, sit smugly back and refuse the leadership now being proffered by their own people? The American Federation of Labor must assume the leadership which is naturally theirs.

In its recently released report to the 55th Annual Convention of the American Federation of Labor, the Executive Council of the Federation clearly recognizes the validity of the remarks I am making here today. It recognizes the changing economy, the fact that our system of mass production has wrought necessary changes

in the structure of the economic system. It merely remains for the Council to accept the only logical method by which this reorganization can take place—through a National Labor Party.

"Clearly," the Council's report states, "the United States like all other industrial nations is passing through a period of fundamental changes in economic institutions and practices. Wage earners must be alert and prepared to take advantage of this change to secure recognition of their rights and increasingly adequate acceptance of them in the habits and practices of business."

Clearly, we wish to state, the Council is correct in this statement. We feel, however, that we have adequately and faithfully demonstrated here today that the only way the workers may find themselves "alert and prepared" for the "fundamental changes in economic institutions and practices" is through a political party of their own, based on the protection of their own economic needs and demands.

Do the People Govern?

The Council finally enunciates the principles and policies as set forth by the American Federation of Labor in 1925 right here in this same city. It adopts these declarations of ten years ago as the Council's own today. It states:

"... that convention, among other things, declared that 'the American Federation of Labor stands unequivocally for Democracy, for the right of the people to rule themselves and to control their destinies through political machinery of their own making'."

That is precisely our belief—those of us who advocate independent political action for the workers. We believe, however, that the people no longer rule themselves, that they no longer have much of a hand in the guiding of their own destinies. We believe that the people are ruled over, that their destinies are decided for them by a small group of selfish, special interests. We believe that the

people can never rule themselves again unless they own the party through which they seek to achieve their aims. Labor wants this party, and by the pronouncements of the American Federation of Labor, labor has an indisputable right to the creation of this party!

4. "The Time Is Not Ripe"

You may say: "The time is not ripe. We are not yet strong enough for a Labor Party." In answer to you I would like to quote again from Patrick Henry, who on the eve of the American Revolution, when faced with the same answer, said:

"They tell us, sir, that we are weak; unable to cope with so formidable an adversary. But when shall we be stronger? Will it be next week, or next year? Will it be when we are totally disarmed, and when a British guard shall be stationed in every house? Shall we gather strength by irresolution and inaction? Shall we acquire the means of effectual resistance by lying supinely on our backs and hugging the delusive phantom of hope until our enemies shall have bound us hand and foot?"

Remember that, fellow delegates—for the German workers forgot until the enemies had bound them hand and foot. Remember that—for the enemy is today at our gates.

In 1776 the revolutionaries were a minority. It was the American courage and independence which led them to victory. Today we are faced with no such drastic problem, and today the workers are in the majority. It will be a betrayal of the working population if the leaders of organized labor do not endorse the vitally necessary move on the part of the workers to create and develop to the point of victory, a party of and for the workers! It will be a betrayal of the American people if the leaders of the American workers do not follow in the traditional footsteps of our forefathers and muster up the courage to move when a move is necessary if we are to survive as free people!

For a Labor Government!

There is foresight and there is intelligence in the leadership of the American workers. But if this foresight and intelligence are not to be spent uselessly they must be spent in helping the workers develop into a strong political group. The brains, integrity and conscience of the labor movement must be mobilized behind a concerted drive for a labor government.

It is high time we faced the situation as workers—not as obligated members of existing political parties, or as officers of trade unions. Our interests are the workers' interests, and it would be folly to forget that. We can fail to meet our responsibilities but we cannot evade the consequences of such evasion.

Whatever may be the proclamation of either of the two major political parties, the fact remains that the one great party is the creature of reaction in the South, and the other is the creature of reaction in the North, and it cannot be otherwise within the scope of our present economic and political machinery!

I know it will be said if we adopt this resolution, or any like it, that we shall lose whatever influence we may have with whichever party is victorious in the coming election. Remember, brothers and sisters, that the only impression we have ever made on either party has been by the simple expedient of throwing the fear of God and the wrath of man into that party.

We make no claim for perfection in this resolution. We make claim only that its purpose is sound, that its premise is sound, and that whether it comes now or next year, it must come and it cannot be otherwise.

5. Fascism, the Alternative to Labor Party

There is no boyhood economic stronghold to which we may go back, tired and hungry, as if to a parental roof. The ravages of time and poverty have precluded this possibility. If we are to live, we must march on, and if we march on, we must march toward a new goal and by a new road. For all of the old ones are torn up and useless. You know that, and so do I.

Why do we stand there then, in fear and trembling, as though there were some curse upon doing what a decade ago should have been done?

There is before you but one alternative to the course of action which we suggest. While the dead past has always been reluctant to bury its dead, and the live future has ever been afraid of its own possibilities, such fallacies have never served as alibis for reason. Your alternative is a long, long road of agony such as eleven million travel today, in which these millions are but products of decay. Your alternative is a plunge into fascism, and if there is any among you who sees an escape from this, except through the proffered program of united political action under our own trade union banner, then we should like to hear it. We think we are thoroughly conversant with your arguments.

We can make a sound decision on this floor, but that decision if it be sound must look forward to the independence of this labor army from reaction, from deception, from demagogy, whether it be from the Bourbons of the South, or the financial magnates of the North.

Our Machines-Their Dividends

Remember, fellow delegates, we are here to represent our people, to speak for them, to fight for them, to see the way clear for them—not to falter, not to be tied to the chariots of those who sit in the seats of the mighty and watch their dividends increase even as their new machines which we have made send more of our fellow workers to the breadlines and the scrap heap; even as these machines which we have made dig the pit for the next depression.

This country is ours, it belongs to the workers. We have made everything in it. We created the wealth, made the machinery with which more wealth can be created, and yet we do not even receive enough in return to buy food and clothing for our wives and children. The way is clear, the path lies ahead of us and we can see further ahead than around the first bend.

There is very little difference of opinion between President Green and those of us who are supporting the formation of a Labor Party. He said in substance that the A. F. of L. would lend itself to this principle when the workers of the country were ready for it. We contend that the workers of this country are ready for it. We contend that the A. F. of L. should be preparing its lines now, not waiting for the crash. The workers of America want a Labor Party. The movement springs fresh and clean from the hearts of the people. It does not come from some "foreign capital," as has been charged here today.

We must remember the sage words of our forefathers who sought to protect us against the tyranny of special interests. We must recall the words of one of these honored men when he said:

Oppressed Versus Oppressors

"Our situation will be deplorable indeed, nor can we ever expect to get this government amended, since we have already shown that a very small minority may prevent it; and that small minority interested in the continuance of oppression. Will the oppressor ever let go the oppressed? Was there ever such an instance? Can the annals of mankind exhibit one single example where rulers overcharged with power willingly let go the oppressed, though solicited and requested most earnestly? . . . Sometimes the oppressed have got loose by one of those bloody struggles that desolate a country. But a willing relinquishment of power is one of those things which human nature never was, nor ever will be capable of."

Again, this came from Patrick Henry. I say to you here today, fellow delegates to the American Federation of Labor Convention, that we are the oppressed people! That we, the majority of the people, have been robbed of our constitutional and civil rights by a powerful minority. I warn you with utmost seriousness and emphasis that we shall never free ourselves from oppression unless we take the reins of the government ourselves. Our only salvation lies in a militant, courageous and statesmanlike Labor Party movement, based on the organized workers of America and pledged to a program protecting the rights of the people. If you turn us down here today, fellow delegates, do not for one moment think that the Labor Party movement will die. It will not. It will go on, growing and growing. The people want it, and once the people get in motion neither you, nor I, nor the hired assassins of the employers can stop them. We want your approval and your official sanction for this resolution. We want you to go on record as leaders of the American workers, not as followers. But if you do not, the American workers will lead you, for the will of the majority ultimately wins.

Forward!

We put the question to you bluntly. Is the American Federation of Labor ready to accept its sacred duty to lead, bravely and without compromise, the workers of this country? We must meet the challenge of the American Liberty League, of the National Association of Manufacturers, of all the incipient fascist organizations in existence today, who flatly declare that the age of trade unionism and democracy is dead. You can only meet this question one way—through a militant, organized coalition of the working class and other oppressed classes into a National Labor Party.

The Principles for a Labor Party

This is the Resolution which the United Textile Workers of America through Thomas F. McMahon, Emil Rieve, Frank Schweitzer, Francis J. Gorman, and William F. Kelley, presented to the American Federation of Labor.]

TO THE DELEGATES OF THE AMERICAN FEDERATION OF LABOR CONVENTION: WHEREAS: Throughout the length and breadth of the United States there is a constant movement amongst the workers away from the Democratic and Republican Parties, and toward a Labor Party, as the only means of protection for the masses of our people against the oppressive, autocratic control of big business

and powerful financial and industrial interests; and

WHEREAS: This sentiment is caused by the knowledge amongst the people that the Republican and Democratic parties have failed to preserve the constitutional and civil rights of the workers, farmers and small business men; that, in fact, both parties are subservient to the same minority groups of selfish, special interests represented by the bankers and powerful corporations; that the Republican and Democratic parties serve as mechanisms through which the American standard of living has been severely and progressively reduced, in that these parties have handed out billions of the financial reserves of the country to large financial and industrial interests, while at the same time they have kept the unemployed at starvation levels, and the employed at subsistence wages; that, in addition, the Republican and Democratic parties assist the special interests in pursuit of private profits by offering no effective resistance to the bitter opposition of open-shop employers to trade union development, and that under the two old parties an ever-growing army of unemployed is being isolated in subsistence areas; and

WHEREAS: State Republican and Democratic machines have further broken faith with the working population, first, by placing at the disposal of special property interests forces created under the constitution for the maintenance and protection of the general public welfare, namely, the National Guard or the State Militia; and, second, by maintaining courts of law to which, theoretically everybody has access, though to which actually the poor man has but little or no recourse because of financial handicap, or because almost invariably he finds our courts controlled by the most powerful financial and industrial interests in the community; so that, in fact, the right of the workers to protect their constitutional and civil guarantees, such as the right to organize and bargain collectively and by so doing to protect themselves against intimidation, discrimination, unemployment and starvation wages, and the right of the common man to justice in our courts has been denied, thus demonstrating that the Republican and Democratic parties are, on the one hand, working directly against the broad interests of the masses of our population, who are the wage-earners, both industrial and agricultural, the small, bankrupt business man and farmer, and, on the other hand, directly in the interests of the minority groups of special interests; and

Whereas: The ever-mounting discontent and disillusionment of the masses of our people has already in the past and will, in the future, cause the minority groups of special interests to clothe their efforts at preserving and extending their concentrated, oppressive control of wealth and income by one of two methods: first, by an emotional, anti-New Deal, anti-labor "Back to the Constitution" campaign, designed to capitalize on the discontent of the people and plunge them directly into fascism; or, second, by a third party movement of a mugwumping, illusory nature, the base of which is the discontent of the small farmer, robbed of his holdings through the burden of debt, but which will not be based on the broadest sections of our population, including the small farmer

and business man, but which finds its strength principally among the workers, organized and unorganized, industrial and agricultural, and which must depend in its organization upon the trade union movement; and

Whereas: The American Liberty League, the United States Chamber of Commerce, the subsidized press, the subsidized radio, and all other agents of Wall Street and big business, are striving harder to cut wages, destroy trade unionism, and completely shatter the constitutional and civil rights of the workers, to which efforts neither the Republican or Democratic party have shown effective resistance, the majority of our population finds itself faced, not with fighting one or the other of the two old parties but with fighting the powerful interests which control them, and which will of necessity control any party not having as its base the trade union movement, which represents the majority of our population; and

WHEREAS: For reasons outlined above it has become increasingly apparent to the workers themselves that their only protection against anti-labor, open-shop fascist oppression is by entering the political arena with a party of their own, based on the American labor movement; and

WHEREAS: The American Federation of Labor is the bulwark of the American labor movement; be it therefore

RESOLVED: That the American Federation of Labor go on record in strong support of a Labor Party based on the above-outlined conditions, and inclusive of all affiliated trade unions—Internationals, nationals, departments, councils, local and federal unions, central labor bodies and state federations—and exclusive of no worker according to the principles outlined in the Federation constitution, because of race, religious creed or political affiliation, the program of which party shall be based on immediate economic demands, such as unemployment insurance, the burden of expense for which falls not on the workers who are in no way responsible for unemployment, but upon those directly responsible,

namely, the employers and the government; on higher wages and shorter hours; on resistance to higher prices and increasing cost of living; on a moratorium of farm debts; second, upon prevention of all armed intervention in times of economic struggle; third, upon release of our productive facilities, natural and mechanical, and immediate liquidation of the army of permanently unemployed; and fourth, upon a militant coalition of the working classes and other sections of our population against the growing menace of fascism, as manifested in the American Liberty Leeague, and the subsidized press, and against the imminent danger of world war; and be it further

RESOLVED: That the President of the American Federation of Labor shall, within three months after the close of this convention, communicate with all affiliated unions, recommending and encouraging the formation of State Labor Parties, based on the above-outlined conditions and principles, also recommending the calling of state conventions, the delegates to which shall be elected from local unions, councils, city central bodies, and all organizations affiliated with the American Federation of Labor, and that steps shall be taken at these conventions to draw into the Labor Party movement all other groups of workers, industrial, agricultural, fraternal, benevolent, unemployed and consumers' leagues, etc.; and be it finally

RESOLVED: That the President of the American Federation of Labor shall, within one year after the close of this convention, call for a National Congress of State Labor Parties, at which Congress the delegates shall determine whether or not to launch a National Labor Party ticket, upon which decision, if it be affirmative, the candidates of the National Labor Party shall be nominated; or upon which decision if it be negative, the delegates shall determine upon another National Congress, and shall set the date and the place.

Should We Continue to "Reward Our Friends and Punish Our Enemies"?

Address of

ISIDORE NAGLER

International Ladies Garment Workers' Union

BEFORE THE 55TH CONVENTION OF THE AMERICAN FEDERATION OF LABOR

ANY issues have been discussed on the floor of this Convention within the past two weeks which are of great importance. I consider the subject matter before the house at this time is a great principle for the American Labor movement, and it is of vital concern to the American laboring masses. I realize, Mr. President, the intensity that exists at present among the delegates. The time is short, limited, and therefore I would ask you fellow delegates for your indulgence and to be patient and bear with me for a few moments.

In listening to the report of the Committee on Resolutions, I feel that the committee has made an error, and passed up a great opportunity, in failing to recommend favorably Resolution Number 83, as proposed by the delegation of the International Ladies Garment Workers' Union. What does this resolution say?

It reads:

"Resolved, That the American Federation of Labor, in 55th convention assembled in Atlantic City, New Jersey, instruct the Executive Council to study the subject of independent labor political action, with the view of taking the initiative in the formation of such a labor party."

The President of the American Federation of Labor has stated on numerous occasions that when the minds of the workers are crystallized sufficiently on the subject, we shall not hesitate to change our present policy. Let me quote from our President's opening address to this Convention.

President Green on the Labor Party

"There are some in our ranks who believe that the American Federation of Labor should declare in favor of independent political action, that we ought to favor the adoption of an independent political labor party. Well, my friends, the American Federation of Labor will, in my judgment, declare itself in favor of an independent political party, when the crystallized opinion of the workers indicates that they believe their interest can better be served through such action, rather than through the pursuit of a non-partisan political policy, but, when that matter is decided, it will be decided because a majority opinion of the workers believe that the time has come to take such action."

Let it be clear from the outset that the American Federation of Labor is not tied hand and foot to the non-partisan policy. As a matter of fact, there is an ever-increasing number of international unions, state federations of labor and local bodies which are going on record for a Labor Party. My friends, there is an upsurge, there is an aroused interest on the part of the trade unions affiliated to this Federation. And that explains the first part of our resolution. We request that the Executive Council be instructed to study the subject of independent labor political action today. We did not and do not attempt to commit this Federation of Labor without study and due deliberation. We ask that the Executive Council study the situation and then take action. Even this limited study, however, the Resolutions Committee refuses to endorse. This is a refusal to learn the facts. This is a refusal to ascertain the reasons why there is this growing interest in a Labor Party among our constituent bodies.

The Fruits of Non-Partisanship

If you will pardon a personal reference, I have never been affiliated with any political party. I have adhered to the policy of the American Federation of Labor, of rewarding friends and defeating enemies of labor. Now, in the city and state of New York, from which I come, it is a matter of record that I supported the election of Honorable Herbert Lehman as governor, a Democrat, and also his predecessor, the present President of the United States and the then governor of our state. I have also advocated the election of our present mayor, F. H. Lå Guardia, who is a Fusion Republican. I have been truly non-partisan.

And yet, there are a great many, like myself, in all parts of the country who are becoming increasingly dissatisfied with the non-partisan policy. And this is on good hard, practical trade union and labor grounds. Gentlemen, there is no "ism" about me, except trade unionism. I am a practical trade unionist. I am one of a delegation of trade unionists who have fought on the economic field. If you will pardon the expression, we have delivered the goods to some extent at any rate. And I want to tell you that we are passing up a great opportunity, if we do not enter the political field as an independent labor force.

I want to emphasize this thing, therefore, before I go any further. I am not urging that we give up our trade unions, that we give up economic action and concentrate on independent political action alone. The organization which I represent stands for a Labor Party. But no delegate will deny that we have never hesitated to fight to the limit on the economic field. But there is this to be said. New times create new policies. We do not need to slacken our economic efforts one bit. And yet at the same time we can adopt a fundamental and broad program and educate the workers in it through a Labor Party. At a time like this labor needs political power as well as economic power. You will never

have real political power, unless you seriously build a Labor Party, and above all, educate the workers and the people in the program of that Labor Party. You must educate the masses in the use of their political as well as economic strength. Otherwise you will never solve our great economic and political problems of today. And I emphasize today. I am not interested in what took place in the past. That is buried for all time.

Economics and the American Federation of Labor

A majority of the delegates here may not adopt our resolution for even a study of the problem. But I know that things are in flux. The American Federation of Labor is undergoing tremendous changes these days, and so-I am willing to wait. This body—as late as 1931—was opposed to unemployment insurance. Today it is on record in favor of government unemployment insurance. Why did you change? Because some of us advocated this piece of labor legislation? No. It was because the entire economic structure of the nation had crumbled. It was because over ten millions were idle, and twenty millions were on relief. It was because industry could not any longer give work to these millions. Then, it was, that you declared for government unemployment insurance.

And so, today, some of you may be opposed to a Labor Party, to even a study of the problem. I am convinced, however, that if the present economic depression continues, if industry does not provide an American standard of living for the people, you will change on this proposition also and you will come out for a Labor Party. To refer back to the words of President Green, I wish to state that the present depression is the most powerful educator and crystallizer of the opinion of the workers for a Labor Party, independent of the two old parties who never had, do not have today, and never will have a solution of the depression in the interest of the people, the masses, and not the exploiters.

No Individual Solution

The solution of our economic ills today will not be made by any individual, no matter how exalted a position he holds. I said a little while ago that I supported the Honorable Herbert Lehman for governor of New York State. His excellency is in favor of the adoption of the child labor amendment to the Constitution of the United States. There is a Democratic legislature in the state. With all of the governor's power, however, he has not been able to force his own Democratic Party colleagues in the legislature to pass that child labor amendment.

I will gladly admit that this governor is in sympathy with some of the demands of labor. But, my friends, there are governors, Democratic governors in the North and South, and Republican governors as well, who have sent the militia into strikes and have broken these strikes. There are Democratic and Republican judges who have issued injunctions in strikes to help break these strikes. There are Democratic and Republican mayors who have used the police in strikes in an effort to break these strikes. It is this bipartisan combination of the legislatures, the executives, and the judiciary which are being used against labor and the masses. And in self-defense, in justified resentment against this combination, in a determination to secure justice, labor bodies are coming out for a Labor Party.

I said a moment ago that our economic ills will not be solved by an individual, no matter how high a political post he holds. I repeat that there are some old party leaders who have assisted in the passage of beneficial labor legislation. These times cry out for a great deal more. Labor and the great masses cannot and will not be satisfied with doles and charity. They want work, they want purchasing power, they want a decent American standard of living.

Raskobs and Mellons Always Cry "Halt"

In every crucial test on this proposition, there is always a Johnny

Raskob or an Owen D. Young in the Democratic Party, or an Andy Mellon in the Republican Party to call a halt. It is these Bourbons of industry and finance who compel the President of the United States to declare a "breathing spell"; it is these men who compel Congress to knuckle under and become the servant, not of the suffering people, but of the exploiting industrialists and financiers.

More and more, labor will be put on the defensive. Less and less money will be given to the unemployed. I say to you, that the great American Federation of Labor, as the spokesman of labor and the masses, must answer the Youngs and the Mellons, must throw the challenge into the teeth of big business, and say: Labor will organize its political strength. It will not traffic with agents of big business. Labor will not merely lobby for measures. Labor will put its own party into the field, with its own program, with its own candidates, financed and controlled in every respect by labor. Then and only then, will labor know who are its friends, and whom it can trust to the limit in these trying times. These occasions, such as exist today, demand independence, aggressiveness, and 100 per cent loyalty to labor and the masses.

From the most practical standpoint, let labor assert itself independently on the political field, and then the old parties will make greater concessions than they ever did. Let labor have its own party, and there will be no "breathing spell", until every worker has a job, purchasing power, and a decent standard of life.

The Old Story-Wages Down, Profits Up

What has really caused the collapse of our industrial structure with its misery for the people? Every one here is aware that this collapse was caused primarily by the lack of balance between production and distribution. We have solved the problem of production. We produce enough and more to satisfy everyone's normal

needs in this country. This is then the difficulty: while production has made such tremendous gains, distribution has lagged. The purchasing power to buy these goods is not in the hands of the people. What is more, wealth is being more and more concentrated in the hands of the few. At a time like this, for example, with millions out of work, the owners of the industries are increasing the productive power of labor through the introduction of labor-saving devices and not putting on more labor.

Now, my friends, as long as the balance between production and distribution is not equalized, as long as the people are not given the purchasing power to buy the goods that are produced so abundantly, they will not, they cannot, and they should not remain quiet, contented and satisfied to be thrown a crumb by the two old parties, or their masters, the owners of industry and finance.

Labor must hammer out its own program to balance production and distribution. Labor must also organize its own party to put that program into effect, for the two old parties will never do it for labor and the masses. The issue cuts too deep. It threatens the greed and the power of the exploiters. And in a crisis the two old parties will never support labor and the masses in that kind of a fight to the finish.

New Times-New Methods

I have faith in the intelligence of the delegates of the American Federation of Labor to draft a program and to organize a Labor Party to put it into effect. We have built a splendid trade union movement. We can also build a successful Labor Party, all the doubting Thomases notwithstanding. We have never tried. These are new times anyway. They call for a study of the problem. All we have asked in this resolution of our organization is a study by the Executive Council. It is a serious neglect of a great opportunity and the Committee on Resolutions refuses to see the needs

of the people of this country for life, liberty, and the pursuit of happiness.

I know, however, that the delegates will respond, if not today, then in the very near future, just as you have responded on government unemployment insurance. I know that you will not rest content until you have found a solution of our economic ills. I close, Mr. President and delegates, confident that you will work out the program, and will launch a Labor Party to give the workers hope and courage to carry on in these dark days. I hope that you will vote against the committee's report.

A Sample Platform

HERE have been many requests for sample leaflets, for suggestions as to platforms, for a declaration of principle. In response to those requests, it should be pointed out that Resolution 135 lays down the broad principles for a Labor Party. Further declaration of principle must come from the elected representatives of the many Labor Party movements themselves.

However, the platform of the Labor Party of Chicago and Cook County is a fine example of a local Labor Party platform. It contains many of the immediate demands of the workers in that vicinity, together with other demands which are broader in their scope. This platform was adopted on August 25, 1935, before Resolution 135 was made public.

Platform for the Labor Party of Chicago and Cook County

- 1. A general six-hour day and five day week with no cuts in weekly pay.
- Union wages for all relief work, and work for all ablebodied unemployed.
- 3. Laws against eviction of farmers from the land they cultivate, and of all who labor from the homes they live in, when they are willing to meet their obligations but are unable to do so; these laws to include government compensation to small property owners, the expense to be borne by big landlords and capitalists.
- Unemployment, sickness and accident insurance, and old-age pensions, based on living standards in accordance with the recognized ability of modern industry

- to produce an abundance for all, and paid for by taxes and levies on large incomes and capital.
- Establishment of a vocational training system for youth, including the provision of living expenses during training and a job under union supervision at union wages when training is complete.
- Laws positively prohibiting Company Unions and all bargaining associations of workers controlled by employers or their agents.
- 7. The bitterest contempt for, and opposition to, all fascism, Nazism, and fascist tendencies, and a tireless and militant struggle against them.
- 8. All power to make laws, amend, alter and interpret the constitution and decide all policies and acts of government to be vested in representatives elected by popular vote and subject to popular recall.
- The full right to organize, picket and strike without intervention by injunctions, soldiers, police or private thugs.
- Complete freedom of speech, press, assembly and public demonstration.
- 11. Equal pay for equal work, and equal rights for all regardless of race, color or sex.
- 12. A national minimum wage law based on the recognized ability of modern industry to produce an abundance for all.
- 13. Organized opposition to all measures aiming to bar citizens from voting on any grounds which, directly or indirectly, discriminates in favor of the rich, and repeal of all laws tending to deny new political parties a place on the ballot.
- 14. The establishment of the initiative, referendum and recall.

- 15. Nationalization of banks, transportation, communication, public utilities and other vital industries, the collective ownership of which is essential to the general welfare.
- 16. Militant opposition against wars in the interest of bankers and capitalists, including laws prohibiting the declaration of war except by general referendum, and laws confiscating all war profits.
- 17. Cash relief for the unemployed to provide a comfortable living until employment or unemployed insurance is provided.
- 18. Abolition of child labor, and free primary, secondary and college education for all.
- 19. Permanent legislation against the sales tax and repeal of those already passed.
- 20. Brotherhood and co-operation with the workers of all nations.
- 21. Friendly greetings to, and co-operation with, all oppressed or exploited sections of the population who stand on the side of labor and not on the side of capital in the struggle for a better life.