

INTERNATIONAL

COUNCIL

CORRESPONDENCE

For Theory and Discussion

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INTERNATIONAL

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CORRESPONDENCE

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The period of progressive capitalist development is historically closed. The decline period of capital, a permanent condition of crisis, compels to ever greater convulsions of economy, to new imperialistic and military conflicts, to ever increasing unemployment and to general and absolute impoverishment of the workers. Thus is given the objective situation for the communist revolution in the capitalist countries. For the working class, there is only the revolutionary way out, which leads to the communist society. No one can deprive the workers of this task, which must be carried out by the class itself.

The publishers of Council Correspondence see in the acting self-initiative of the workers and in the growth of their self-consciousness the essential advance of the labor movement. We therefore combat the leadership policy of the old labor movement, and call upon the workers to take their fate in their own hands, to set aside the capitalist mode of production and themselves to administer and direct production and distribution in accordance with social rules having universal validity. As a fighting slogan and statement of goal we propose:

All power to the workers' councils! The means of production in the hands of the Workers!

THE END OF A STRIKE!

What are the results of the recent auto strike? To Secretary Perkins the settlement between General Motors and the Union is an achievement creditable to both parties and the "finest example in labor history of cooperation between State and Federal officials." Both sides are to be congratulated as far as the liberal bourgeoisie is concerned. William Green of the American Federation of Labor considers the settlement a surrender of the Lewis unions and a defeat for the whole working class. The auto strikers and their union claim victory. In reality, the strike settlement was a compromise: both factions wanted to bring the strike to an end and, at the same time, save their faces. The original demands of the union were rejected but the stubbornness of General Motors' officials was somewhat broken. For the next six months, the individual plant managers in about twenty enterprises will accept the union as the bargaining agency for their members. Little was gained for the workers in the recent auto strike; it could have been less: nor would it mean much if it had been more.

Union workers are paid higher wages than those unorganized. The unions are job trusts, holding or attempting to hold a monopoly position to maintain higher wages for their members regardless of the position of the rest of the workers. Union workers are likewise a minority,

and it is worthwhile for the ruling class to grant them privileges, the result of which keeps the working class divided. Privileges granted unionized workers, including higher wages, are not very costly, for what is given the unions can be taken from the low-paid unionized majority.

The depression and increasing unemployment weakened the A.F. of L. The disintegration of this organization was in sight when the National Recovery Act stopped the process of its decline. The government favored organized labor in order to enforce its policy of "fair competition," which meant ruination to the smaller enterprises, reducing their profits and helping big business to pull thru the depression easier. The curbing of competition and the growing power of monopolies makes the workers powerless. Competition on the labor-market, forced upon the workers by necessity, brings about low wages. The gains of the big enterprises made by those low wages became so great that the "reduction of competition" became in reality an increase in cut-throat competition. This situation had to be reversed in order to secure a degree of balance in society. Too much had been given to big business, and society is more than just big business. The N.R.A. eliminated some of the profits of the smaller capitalists. The government, therefore, had to reject the N.R.A. or it would have become too destructive. In other words, the government had to take back some of the gains from big capital and return them to the smaller capitalists.

The increased unionization of workers in some of the industries was supposed to check the ruthless policy of big capital; to keep big capital in check if the latter should interfere with the general necessities of capitalism. Furthermore, Roosevelt and his administration favored industrial unions because the craft unions do not fit into the requirements of big business. Craft unions are too impractical, a waste of energy, money and efficiency at this period of capitalist development. Convinced that unions can be controlled sufficiently, Roosevelt made his well-known promises to Lewis. The big trusts play too important a role in present-day society but are not as yet well enough coordinated with the general needs of capitalism. These trusts might embarrass the government at any time and make it difficult to rule wisely. Therefore, industrial unions, if properly controlled, would become an instrument of the government, to balance and safeguard itself against attacks from the "economic royalists." That is why we have the amusing situation at this time, namely: the best capitalist policy and government that business can have are not only opposed by the smaller bourgeoisie but also by a large section of the big capitalists. The former were afraid of a new N.R.A. designed to cut down more of the extra profits of small

capital, which paradoxically, can be made during times of crisis. Big capitalists, on the other hand, realized that the coordinating attempts of the government would impair the rapid and upward trend of their profits. They feared the government's refusal to serve big capital exclusively. Recognizing in the government's support of the C.I.O. a threat against them, big capitalists tried their own power of attempting to oppose the government's labor policy.

The government has not as yet settled its labor policy definitely. It operates with the existent tendencies and forces, with an experimental attitude. It will neither speak against nor foster unionization. It will not, unless absolutely necessary, unmask its real character to aid big capital openly in subduing labor struggles. The government will remain "neutral" to a certain extent, watching the development of situations and enforcing its own policy by taking advantage of rifts in various groups of opposing interests. Of late, the war danger makes it necessary for the government to show a more friendly attitude toward labor in order to be able to create proper unity should the war-need arise suddenly.

The workers know that union wages are higher wages and will, therefore, at first strike for higher wages by the familiar union form. In the big industries such as steel, automobile, rubber, etc., craft unions are useless. The industrial form was shown by the United Mine Workers. Organizing on industrial lines in the so-called basic or key industries was looked upon as a more permanent way to secure better living conditions. More of a modern attitude, taken from the trade-union experiences of European capitalists, made one part of the capitalist class agreeable to unionization even on an industrial scale. In the long run, unionization is just as acceptable to the ruling class as was the eight-hour day or the social security act. But the bourgeoisie is not unified. It is forced to always act only on its immediate individual problems.

The foregoing changes will take time. Labor organizations and workers' action, which find the support of one part of the ruling class, hastens the establishment of the new instruments in labor relation policies. The upward trend in business, recognition by part of the A.F. of L. that union policy had to change or the union would disappear, the supporting attitude of the government, struggle for control in the union movement itself, desire of the workers to fight pauperization, new increased productivity - all these factors brought about the existence of the C.I.O. and the strike wave, in which the more effective weapons such as the sit-down were tried out on a larger scale. The strike in the automobile

industry was a struggle of more than forty days. As the New York Times wrote, "...by more apprehension than violence, more threats than action, and a multitude of conferences." None of the real demands, expressed in wages, working hours and conditions were won. In some of the plants compromise left the workers' real demands to be met by further negotiations between union officials and officials of General Motors.

No strike can ever be lost from a revolutionary point of view; not only because daily conflicts are precisely the way in which class consciousness develops among the workers and that those conflicts make for experience and are a necessary prerequisite to greater and more intense struggles, but also because each loss in profits by withholding labor power sharpens the contradictions within capitalism and forces the class struggles to keener issues. Therefore, the strike, from a revolutionary viewpoint, was not lost. It was a cheap compromise from a union point of view. It was not a defeat; for the union leaders were able to save their faces and the strikers displayed to a great extent an excellent fighting spirit, a spirit which does not even becloud their illusionary outlook towards the value of the C.I.O. in spite of the compromise which had to be made. The newly adopted and in the meantime already often repeated sit-down method in Flint (compare Council Correspondence Vol. III, No. 2) is an achievement of great importance, with unaccountable revolutionary possibilities. The workers acted, and in so doing created for themselves, to an extent, the instruments which shall be most necessary to them in the future. The C.I.O. is already recognizable as an organization which will in the last instance serve the interests of the ruling class. There remains, however, the strike itself and the fighting spirit of the workers behind the present organization fetish. The illusions of workers within the C.I.O. will be shattered in time, for it is impossible to organize a majority of workers and secure for this majority what the C.I.O. calls an "American standard of living". If workers are to be organized into an independent organization, then this organization will not be the present-day union; for such an organization cannot function for long. The reason being that capitalism is unable to better the living conditions of the majority of workers. The unions can only grow so long as it is objectively possible to increase the wages by a simultaneously faster increase in productivity. Today the productivity cannot be raised sufficiently to enable capital to give a bigger share of commodities to the workers. While the unions may be able to develop further to some extent, they will in time lose the character of being labor organizations of any value to its members. Union ideology will be destroyed in the actual struggle for unionization itself. There is no hope for the workers and no danger to the capitalists that the C.I.O. or

any other labor organization may become forceful. The present steel drive is unlikely to lead to better results, no more so than the past automobile strike. Lewis and Company know quite well where the limits are. They will be satisfied to have a part of the workers organized and to secure privileges for this part at the cost of the masses. Even in such a situation they will be able to exist, but only if they keep within capitalist boundaries. With this in mind, the C.I.O. in its own interests will turn against its over-enthusiastic members and become like the A.F. of L., a hindrance to the emancipation of the working class, in spite of the fact that today it is also an expression of the aspirations of the working class; even though the workers still move in the dark.

Meanwhile, the action of the workers, their direct activity, is as important for the present as it is for the future. Each strike must be supported even if the strikers want so little as the recognition of their union, and this paltry measure seems today a great deal to the working class. Each strike must be used to help develop the self-initiative of the workers, to point out that they themselves are able to deal with their own problems; that they are best led and served when they lead and serve themselves. Now that the automobile strike is over, let us prepare for more strikes -- for anything that will bring class-struggle to the recognition of every worker.

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The next issue of Council Correspondence will contain an article on "Trotsky and Proletarian Dictatorship"; also an article on "Shop Delegations in France", as well as other interesting subjects.

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International Council Correspondence
1237 N. California Ave.,
Chicago, Ill.

SUPREME COURT REFORM

New Blood in the Judiciary

Roosevelt's proposal to revamp the federal judiciary is an attempt to remove an obstacle from the path of further social legislation dictated by the increasing contradictions in the capitalist method of production.

The President's plan in the main is to increase the number of justices of the supreme court from nine to fifteen; and this proposal has resulted in divergent views among those in opposition to it, each opposing point of view claiming to safeguard democracy.

Those Against the Reform

Groups opposing the President's plan are the Republican Party, bar associations, the Liberty League (big business), bourgeois liberals, as well as a number of senators and congressmen in Roosevelt's own party, with whom "the Chief" holds many conferences in the hope of bringing them around to his way of thinking.

The main opposing view is held by those who assert that the President has already too much leeway in governmental affairs; that if congress authorizes him to appoint six new justices to the court all functions of government will be vested in one man. The six appointees will be quite dependable upon the President's viewpoints; they will not whittle away the Chief's reform schemes by their interpretations of the Constitution. Two senators think the reform in this respect so drastic a measure that they have offered a compromise program instead.

Another reason for opposing the reform is the manner in which the President presents his proposal. This section of the opposition are "stickers" for form. Their opinion is that if the supreme court is to have fifteen instead of nine justices, then let this addition be made, after due deliberation, by an amendment to the Constitution and not by a show of hands by congress. Note that this view does not oppose the judiciary change itself, but the President's method in attempting to make the change. They say, "If you insist upon having fifteen justices, then Mr. President by all means go about such work with a little more care; for we are a democratic people and oppose to the last dig any attempt at eliminating our rights accorded us by the Constitution. Your

scheme is, in no sense, an issue with us. In many respects we find it quite laudable. What we deplore is your technique, the outcome of which will be the most dangerous attack upon the government established by the people, for the people, etcetera, etcetera".

Those in Favor of the Reform

Those in favor of judicial reorganization are the labor leaders in the American Federation of Labor, the Committee for Industrial Organization and in the Labor Defense League. The Progressives and Farmer-Laborites are also on the President's side.

The labor leaders' fight for the additional judiciary power coincides with Lewis' drive to "consolidate" labor. In fact, the President must rely chiefly upon labor (and farm lobbies) to put pressure on the members of congress in his behalf. The support of Lewis is a foregone conclusion; for Lewis must balance his accounts with the President for the latter's so-called support of the C.I.O. in the recent automobile strike. Furthermore, labor leaders look in no favorable light upon the present justices who invalidated in the past a number of their pet social legislative measures. In supporting the measure, labor leaders unanimously agree (1) that the proposal in actual practice will not tinker with the Constitution, neither will it curb the supreme court nor destroy the constitutional rights of the people; (2) that if the bill is not passed by congress immediately, the President is sure to be frustrated in his large program of economic recovery.

Ballyhoo For and Against the Issue

Considered from the standpoint of their own merit, the opinions pro and con are contradictory. In their attack on one another, both sides of the camp employ the same abstract phraseology, similar in tone to campaign ballyhoo. Those in opposition to the measure charge that the reform is nothing short of political debauchery; that the choice of the people is an independent supreme court and democratic government, not a one-man government with a rubber-stamp supreme court. Those who support the reorganization plan maintain that there already exists a handful of justices who exceed their lawful authority by elevating their own personal opinions concerning economic or social policy above the Constitution of the United States, by stamping "unconstitutional" those necessary legislative measures proposed by Roosevelt and passed by congress; such as the N.R.A., A.A.A., the Guffey Coal Act, the Railway Pensions Act, the New York Minimum Wage Law, moratorium on farm mortgages; and that two bills at present in the mill are likely to be con-

sidered unconstitutional - the Public Utility Act of 1935 and the Wagner Labor Relations bill.

A reply to the foregoing is, "We have a liberal court with statesmanlike achievements to its credit, -- the reciprocal trade agreements, foreign policy, revision of the banking laws, reorganization of the Federal Reserve System, regulation of the Stock Exchange, control of the issuance of securities, to say nothing of the social security legislation".

The Supreme Court is a Bulwark of Capitalism

The judicial, legislative and executive functions of the government arise from the social relations of capitalist production. This three-fold superstructure cannot extend beyond the material boundaries of capitalist production from which it springs. The supreme court is the most important part of capitalist legal machinery in the judiciary. It must interpret the Constitution, and once a decision is made there is no repeal from the supreme court. The nine trustees in the high tribunal of capitalism are responsible to no one. The question, "How does the supreme court come by its power?", is another matter and cannot be discussed here. The fact remains that the function of the supreme court is to interpret the Constitution in the interest of capitalism. The court must interpret capitalist law in a manner harmonious with the general development of the system. The interpretations of the court may vary as development proceeds; that is, the court's decisions may seem "reactionary" at one period and "liberal" at another time. Aside from this, supreme court decisions cannot extend beyond the boundary of capitalist ideology. Remarks dropped by the justices now and then reassure us in this respect. Chief Justice Hughes, for instance, said: "We have a constitution, but the supreme court says what it is". From Justice Brandeis: "A few years ago we had a liberal court. Now it is reactionary; but in two or three years there will be a change and the court will be liberal again".

These statements from the justices reflect the changing sectional interests of the capitalist class. In actual practice, the Constitution lends itself to so many varied and sundry interpretations that the supreme court in its decisions is "continuously making a new constitution, changing it and rechanging it at will, so that its will is, in fact, the Constitution".

Because the will of the supreme court is the will of capitalism regardless of whether the number on its bench increases from nine to fifteen or from nine to twenty-nine justices, the two-fold phase of the much-

talked of judiciary reform is of no concern to us: (1) whether there is need for an amendment to the Constitution to reduce the power of the supreme court to declare laws unconstitutional or (2) whether it would be advisable to amend the Constitution, giving congress the power which the supreme court says it has not got. The reform can be of interest to us for two reasons only: (1) it provides the opportunity to explain to fellow-workers the necessity for capitalist politics, and (2) it furnishes ample material for the study of the struggles of small capitalists against monopoly capitalism as the system proceeds to the breaking-point.

As for the Constitution - it is a document written in the interests of the petty bourgeoisie of 150 years ago and has long since out-lived its real use to the petty bourgeoisie. It refers to their rights, their freedom, their liberty to carry on trade and commerce, and to exploit labor-power without governmental restrictions from domestic or foreign powers. Anything further that the capitalist class might do is of little historical account. The greatest forthcoming achievement of mankind will have to be performed by the slave-class of the capitalists when of necessity this class will be forced to examine not the Constitution but the wage-labor and capitalist relations of social production and find in these relations the contradictions that give rise to their class degradation.

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WAR PREVENTION SCHEMES

There exists from time to time groups advocating measures for war prevention. The issues of these quasi-public organizations are usually the lukewarm anti-war variety, or they may be political in point of view.

Take for example the ideas on war prevention in America during the 19th century which were predominantly pacifist. "Wars cause much suffering and death and therefore must be eliminated", reiterated the pacifists of fifty years ago. The Brotherhood of Man and its ladies' auxiliaries - Elihu Barritts' Olive Leaf Circles - spent countless hours ohinwagging about the horrors of war. There were the Julia Ward Howes of those days, as well as the celebrated Mothers' Day for peace about the time American warships in the Bay of Yedo, at the command of Commodore Perry, forced the Japanese capi-

talist class to open its markets to American capitalists.

As the further development of capitalism forced capitalist groups of the world to war, there arose in response to the international character of modern warfare and its methods of destruction, organizations seeking the cause and cure for war and to limit armaments, such as the International Peace Congresses, the Hague Permanent Court of Arbitration, the Permanent Court of International Justice, which later became the League of Nations. These organizations, some no longer in existence, are aware that economic expansion - rivalry for markets and fields for investment capital, are among the basic causes of modern wars, but the actions of these groups are limited by the economic interests of the particular capitalist nation which they represent; hence their desire to arbitrate, disarm, intervene. Confusion and misunderstanding is apparent from the measures they advocate as cure-alls for wars. Preparedness, disarmament, government ownership of munition plants, and the taking-the-profit-out-of-war idea, are some of the schemes they advance as war preventatives.

The slogan "arm for peace" was on the lips of millions during the years 1910-14 when the great powers stepped up their war appropriations for the forthcoming mass slaughter. Expressing his approval of preparedness during the Senate Munitions Investigation, Dupont, the American armsmaker, contradicted himself in one breath: "...the only way to wage a war is to prepare in advance, otherwise you are going to have a hell of a time. If we are well enough prepared, we will never have a war." (New York Sun, Dec. 20, 1934).

But the World War illustrates the fallacy of preparedness; arming to have peace is as meaningless a statement as it is a sad reminder to the world working class that preparedness is the step best calculated to preserve the world for capitalist democracy.

After the war to end war, the greatest concern of the ruling classes was to settle their economic differences without resorting to arms. International lawyers of the World Court (part of the machinery of the League of Nations) were engaged to write treaties. Treaties, indeed! Treaties which soon brought their authors face to face with the claptrap of capitalist legality. For instance, when English capitalists in their dispute about the Mogul case questioned the Court's legal authority to define the meaning of a boundary.

While the matter of disarmament was up for settlement by the League, the manufacture of armaments continued

unabated; in fact, increased during the five-year period 1925-30 and continued to increase after the Disarmament Conference of 1932.

Along with the other war prevention schemes, the idea of disarming to have peace is utopian. Armed forces are essential to the rule of the capitalist class; at home, to suppress the rebellions of the working class; and on the international field the armed forces are used by the capitalist class to open trade routes, to protect invested capital in foreign countries, such as the oil interests of British and American capitalists in South America and in China. This two-fold function of the armed forces explains the inability of capitalist nations to disarm.

Government ownership of munitions is no war preventative. A nation at no time depends entirely upon private concerns to furnish munitions. Up until recently, the United States Government has made contracts with 15,000 industrialists, instructing them in detail what will be expected of them in war. International loans require the backing of governments and bankers and this money is in many cases used for the making of armaments. German and French munition manufacturers were in competition for the armament contracts of pre-War Serbia. Krupp, the German armsmaker, was the lowest bidder yet did not receive the orders. A French loan had been made to Serbia with a stipulation that the loan must be used in part for French armaments. Bolivia was granted a private loan from the English munition makers, Armstrong-Vickers, with the understanding that the entire amount must be spent in England for English-made munitions.

The taking over of munition plants by the government may facilitate the manufacture of arms and eliminate the political entanglements of private munition makers, but whether government or privately owned, munition industries manufacture war materials for modern warfare.

Taking the profit out of the manufacture of armaments is also a meaningless proposition. A capitalist country finances wars from taxes which the capitalist class pays. Capitalists are, therefore, interested in saving on this burdensome item. Hence the attempts to prevent a section of their class from making huge war profits which increases the total cost of war. Profit elimination from the arms industry is not the solution; for wars are not made by munitions makers alone, but arise out of the conflicting interests of the world capitalist class.

The causes of modern wars are (1) rivalry among nations for the possession of sources of raw materials, such as oil, coal, tin, iron; (2) the protection of foreign investments; (3) the sale of the products of heavy industry (continued on page 19)

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WHAT NEXT IN SPAIN?

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In concluding our last article on Spain (Council Correspondence Vol. II, No. 11) we said, "from a military point of view, the fascists seem to be gaining the upper hand. Toledo has fallen; the march upon Madrid continues". Since then - again from a military viewpoint - almost nothing has changed. Malaga is in the hands of the fascists; the siege of Madrid continues. Lately attempts were made by the loyalists to go into the offensive, at the Madrid front as well as near Oviedo, but in general the odds are still against them in spite of their strengthened resistance. As we said in the conclusion of the article mentioned above, so we have to say again today, that the further course of the Spanish civil war cannot as yet be accurately predicted. However, at present there are less probabilities to be taken into consideration than five months ago.

"Non-intervention" is again the topic of the day. Once again all capitalist powers, including the Russian, want to leave Spain to the Spaniards. Even the fascist countries speak about stopping the further influx of military aid to Franco, but this renewed play with non-intervention agreements should not be taken seriously. As before, "non-intervention" is just another form of intervention. The old rivalries among the imperialist powers are still in force. Italy still expects its pay, that is Ceuta; and Germany still hopes to get some of the islands of the Balearics and Fernando Po before Africa. England is still unwilling to yield these concessions. France and also Russia maintain their position on the side of England.

Italian and German interests are opposed to French and English interests, but these two fronts are of a temporary character. Changes in the present alignments are not excluded; only the actual outbreak of war would exclude further variations. The German-Italian front may be broken at any serious danger of war. Russia's support of England is explained, on the one hand, by French necessity to support its interests in the Mediterranean, which run parallel with the English interests, and on the other hand as an attempt to urge England into Russia's "United Front of the White Powers" against the "Yellow Menace", by playing England's game of today.

Obviously, the imperialist powers are not as yet ready for war. Their present policies are reduced to exchanges of one compromise solution with another. The general show-down is to be delayed. The unwillingness of England to go to war at present allows Italy and Germany to do some blackmailing. It is not always possible, but sometimes necessary, to call their bluff which then means a new "non-intervention" pact. The blackmailers have to withdraw temporarily just as much as England and France have to become very energetic from time to time. Situations are thereby created which seem to lead directly toward war; but up to now all powers have not really been interested in its early outbreak, and each precarious situation was dissolved into another compromise.

The question of "prestige", behind which economic interests are hidden, plays also its part in the game. Situations arise from which a fast withdrawal might prove to be impossible. The gamblers might become victims of their own game. The fascist countries may be willing, and yet unable, to reverse their policies soon enough, and find themselves in a real war before they can help it. To eliminate the war-danger implied in the question of prestige, attempts are made to allow the fascist countries to retreat without harm to themselves. "Face-saving" compromises are discussed which, however, necessitate some more bleeding on the part of the Spanish workers. Although there may be more reasons to explain the policy of hesitation on the part of the different imperialist nations, it is obvious that as yet each country carefully avoided to overdo itself.

England's position (and with this France' and Russia's) is not one-sided. There are strong tendencies within these powers to favor Franco rather than to help the loyalists to regain their former position. It looks as if Italy and Germany are forced to play into the hands of England. There is no reason why a fascist government in Spain, brought into power with the help of Germany and Italy, should, after that, remain the servant of those countries. A Spanish fascism might call for credits and protection from England and France; protection even against their present allies. This explains also the attitude of France and England to remain as much as possible "neutral". Franco may become the vassal of England for which minor concessions may be granted to Germany and Italy, so that everybody might gain from the bloodshed in Spain. The questions in Spain would then boil down to the one: will Franco be able to bring a period of "peace" and "reconstruction". And this is still questionable.

France must have a friendly Spain for her neighbor. She must be able to rush her African troops unimpaired to