

# **SOCIALISM**

**WHAT'S IN IT  
FOR YOU**

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## ABOUT THE AUTHOR

A. B. Magil is a journalist and political writer who has been active in the labor and progressive movement for nearly twenty years. He joined the editorial staff of the *Daily Worker* in 1928, later becoming a member of its Editorial Board. In 1930 he covered for the *Daily Worker* the Ramsin treason trial in Moscow. In 1933 he went to Detroit where he edited the *Michigan Worker* and later the *Auto Workers News*. Mr. Magil's pamphlet, *The Truth About Father Coughlin*, published in 1935, was the first exposé of that fascist demagogue and sold 300,000 copies. His book *The Peril of Fascism* (1938), written in collaboration with Henry Stevens, was the first comprehensive analysis of fascist and semi-fascist trends in the United States. His other pamphlets include *Steve Katovis: The Life and Death of a Worker* (in collaboration with Joseph North), *The Real Father Coughlin*, and *Battle for America*. Since 1938 Mr. Magil has been on the Editorial Board of the magazine *New Masses*, of which he is now Executive Editor.

The illustrations in this pamphlet are by Charles Keller.

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### **100 VETERANS ASK TO SLEEP IN PARK**

The year is not 1932. It is 1945. This headline or one like it may not have appeared in your hometown newspaper. But it appeared in the papers of what is hometown for some 930,000 Americans who helped beat fascism in Europe and Asia—in the papers of America's biggest and richest city, New York. That headline looks like a typographical error. But it's far worse—a crime. Think of it: men who risked their lives to save this country return to the U.S.A. to find they have no homes, not even a hotel room. In desperation they ask permission to put up tents in the open where they and their families can stay.

Their request is turned down. It's against park regulations. But the fact that no homes were provided for them was evidently not against regulations!

In one form or another this story has been repeated in cities and towns throughout the country. OPA Administrator Chester Bowles has estimated that by the end of 1946 "two million service families will be homeless unless they can double up with relatives. This is in addition to the million and a half families already living doubled up." (New York Times Magazine, November 11, 1945.)

Housing is, however, just one of the problems that is worrying our returning veterans—and millions of non-veterans too. What our ex-GI's have been most concerned about is finding a job. And not ex-GI's alone. Finding a job or keeping a job—a job that will pay enough to meet the bills—this is what has

been giving plenty of us the jitters ever since V-J Day. The American payroll has taken a cut of about twenty billion dollars a year since the end of the war. That's why some two million workers, including such major industries as steel, auto, electrical and meat slaughtering, went out on strike at the end of 1945 and beginning of 1946. In view of the attitude of the big corporations it was the only way to prevent takehome pay from being slashed far below wartime levels. No wonder veterans and workers alike are worried about the future.

Farmers too are uneasy. In a pamphlet published in May 1945 entitled *Farmers Look at Postwar Prospects*, the United States Department of Agriculture reports the results of a survey. While a majority of farmers "are optimistic about farm incomes remaining good for the first two or three years after the war," "most of them expect a drop in farm income and eventual depression." Among small business and professional people there are similar anxieties.

And next to worrying about full-time employment and decent incomes, most Americans are worried by all this talk of another world war. After six years of terrible war, in which the peoples of the world combined to smash the fascist aggressors and make possible for mankind a new birth of freedom, peace in the real sense has not yet come. The atomic bomb has sown death among the Japanese enemy, but our government's atomic diplomacy has sown division among the victorious allies. This diplomacy is part of something deeper that gnaws at the structure of peace even before the foundation is laid. American troops in China shooting Chinese, American tanks, planes and guns being used to shoot Indonesians demanding their freedom, American military officials coddling German and Japanese fascist bankers and industrialists—that doesn't look much like peace or the ideals for which we ordinary Americans fought.

Why these worries? Haven't we emerged from the war the wealthiest, most powerful nation on earth? Didn't our industries achieve something like a miracle of production, pouring out staggering quantities of war goods and providing jobs for everyone? We've got the same brains, the same energy, we've got the factories, the machines, the raw materials, the

people. Why shouldn't we Americans be able to do in peace what we did in war? And why shouldn't we be able to make it a real peace instead of this uneasy armed truce, filled with suspicion of our Russian allies who by giving millions of their lives saved millions of ours?

Yes, why shouldn't we? *But will we?*

### Sixteen Abnormal Years

If we look at the past sixteen years, we can see that whether we've gone uphill or down, these have been years of *abnormal life* for the American people. Sixteen years of unemployment and war. Sixteen years of peace-made hunger and war-made "plenty." Sixteen years of suffering and sacrifice and strain. And with the coming of peace has come a great fear: the fear that it may happen all over again, that the last cycle of boom and bust which began after World War I may repeat itself, that the abnormal may become "normal" and end in World War III.

For many of us this is as yet only a half-conscious fear: it is still difficult to imagine our flourishing industry laid waste and millions of hands forced into idleness. Yet not even four years of so-called war prosperity have burnt out of our minds the memory of the unhappy decade from 1930 to 1940.

Who can forget those days? It was not only the stocks that crashed in October 1929. Something bigger crashed: the myth that all was well with America and the world. President Hoover kept seeing prosperity around the corner, but what millions of Americans saw was the staring face of hunger. From the autumn of 1929 to March 1933, industrial production dropped about 50 per cent—even more in the heavy industries. Factory employment declined 44 per cent and factory payrolls 65 per cent. From 1929 to 1932 net cash farm income per family dropped from \$564 to \$116 a year. Hundreds of thousands of small manufacturers, merchants and professional people went bankrupt. Nearly two million small homeowners were foreclosed. Hoovervilles scarred the land. The heroes of 1917 became the bums of 1932, shot down by Hoover's troops when they marched to Washington to plead for their bonus. Writers, artists, scientists, teachers, engineers were on the breadlines.

Under President Roosevelt things improved. The New Deal social reforms, which were made possible by the struggles of the people, gave some aid to those whom Hoover had forgotten. Yet the fact is that in July 1940 there were still nearly eight and a half million unemployed. The fact is that it took a world war to "cure" our depression—a war in which, thanks to the Axis criminals, millions of human beings and billions in wealth were destroyed. We won the war, but have we licked depression?

Well, you may say, depressions come and go; we always get over them somehow. But the last one *was* different. Never before had we gone through a depression that lasted ten years. Never before had we had one in which at one time 17,000,000 were without jobs. Never before had there been one which ravaged country after country and shattered the economic life of the entire world. Never had there been a depression which led to the rise of fascism as a menace to the liberties of all nations. And never had there been one which ended in frightful world war.

But all that belongs to the past, you may say. What is the outlook for the future? Full employment in 1944 meant a production of nearly 200 billion dollars, of which close to half was for war. Because of increased labor productivity (output per worker) it is estimated that a return to 1940 production levels would mean 19 million unemployed. Once the pentup demand for civilian goods is satisfied, can we keep our factories running at approximately the wartime level?

It's certain that the American people and the peoples of other countries can *use* all the goods our factories can produce. But will they be able to *buy* them? Because if they're not, we're headed for another crash. Yet the fact is that big business, as well as many Congressmen and government officials, are fighting labor's effort to maintain and expand purchasing power. And they are shying away from the whole idea of full production and full employment.

### **It Happened Before**

Let's take a look at this America of ours and try to find out what's wrong. People think of 1929 as the year of greatest

peacetime prosperity. Business was booming, it seemed as if everybody had a job (actually two and a half million were unemployed), wages were supposedly high. One would have expected that the majority of Americans were decently fed, clothed and housed.

Yet in 1929 twelve out of every hundred city families could not afford to spend more than \$1 a day for food; they were forced to live close to the starvation level on what the U.S. Department of Agriculture calls an emergency diet. This consisted largely of flour, potatoes, canned vegetables, canned milk, oleomargarine and a little pork. In addition, sixty-two out of every hundred city families lived on what is called a subsistence diet, which isn't much better than the emergency diet. In other words, in the gilded prosperity year of 1929 three-fourths of all city families didn't have enough to eat.

There was a similar situation in clothing and housing. In 1929 two-thirds of all American families didn't have decent homes. More than one-third of the city homes and nearly 80 per cent of the country homes had no sanitation and running water.

Farmers were particularly badly off in 1929. One-quarter of all farms yielded a gross income (before deducting any costs of operation) of less than \$600 a year. Nearly one out of every three farms in 1930 were no longer operated by their owners, but by tenants and sharecroppers. Of those fully owned by the farmers, 42 per cent were mortgaged.

And if you happened to belong to that one-tenth of our people who are Negro, whether you were a worker, a farmer, a small business man, or a professional person, you were likely to be much worse off than your white fellow-citizens in 1929—and after.

Yet in 1929 we had the highest production in the world—higher than in any later year until our war program got under way in 1940. But if you think we had full production even in 1929, you're mistaken. A study has been made by a group of technicians of what America could have produced in that year if all its economic plant had been fully utilized. Sponsored by the Civilian Works Administration (CWA), the report of the National Survey of Potential Product Capacity showed that in

1929 this country could have produced and consumed—if our people had the buying power—\$135 billion of goods and services.

Actually we produced and consumed only \$94 billion. In other words, our economic plant was operating considerably below capacity. Yet, as we have seen, the majority of Americans were badly in need of the \$40 billion of goods and services we failed to produce.

The National Survey of Potential Product Capacity also estimated that full production in 1929 could have made possible for every American family goods and services equal to an income of \$4,370. Yet consider how badly distributed was the income that we did produce. Nearly six out of every ten American families received *less* than \$2,000 in our most prosperous peacetime year. And remember, \$2,000 in 1929 was, according to the conservative Brookings Institution, "sufficient to buy only basic necessities."

Here is something to think about: in 1929 the 96,000 families at the top—one-tenth of one per cent of the total—received as much of the national income as the twelve million families at the bottom. A rather lopsided situation, wasn't it?

Of course, things got much worse in the depression years. That is, much worse for the folks at the bottom of the heap and for most of those in the middle. But the big corporations and wealthy individuals continued to make profits even though at a reduced rate. Besides, they had accumulated so much fat that they could afford a few lean years.

### The New Deal

The American people refused to take all this lying down. Hunger marches of unemployed swept the country. Farmers battled against foreclosures. People fought eviction from their homes. And in January 1933 strikes began in the automobile industry even though few were employed.

The financial and industrial interests were frightened. Some of them began clamoring for a Mussolini and their pleas were echoed in Congress. In Germany the big business interests, facing a similar situation, decided to abolish by terror and fraud all democratic rights and installed Hitler's fascist dicta-

torship. In America the great trust magnates were playing around with the same idea. Hoover was too discredited, but they were hoping Roosevelt would be their man.

One of their pet projects was the NRA. It is well known that the NRA was actually dreamed up by the United States Chamber of Commerce in 1931 and 1932, while Hoover was still President. The proposal was to suspend the anti-trust laws in order to permit "self-government by industry" under codes written by the big boys. These codes would enable them to fix prices, restrict production, and engage in other monopolistic practices. The setup the economic royalists had in mind was in many ways similar to Mussolini's fascist "corporations." And they got almost everything they wanted. What they hadn't bargained for was Section 7-A of the National Industrial Recovery Act (NIRA), guaranteeing workers the right to organize and bargain collectively. This was inserted by the government as a concession to the workers who were already moving toward organization and struggle.

The workers took advantage of Section 7-A to organize and fight for better conditions. But the employers also took advantage of it to launch the greatest company union drive in our history. And the government, with Gen. Hugh (Iron Pants) Johnson heading up NRA, sided time after time with the employers. Before long the NRA began to be called the National Run-Around.

The wave of strikes in 1933 and 1934 and the failure of the NRA to stop them proved a great disappointment to big business. A split developed in its ranks. The most powerful monopolists, led by the Morgan and du Pont interests, turned against the Roosevelt administration. They organized the American Liberty League to lead the fight for a crackdown policy toward labor and a sharp reduction in relief to the unemployed, the farmers and other needy sections of the population.

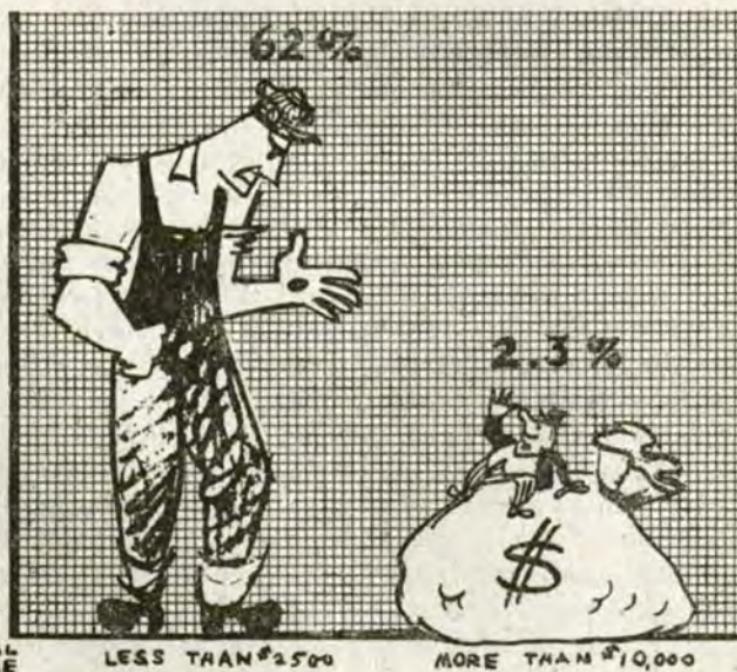
There were, however, other business men who felt it was necessary to give some help to those at the bottom of the economic ladder in order that those at the top should remain secure. President Roosevelt agreed with this point of view. Under pressure of labor and other progressive groups he undertook the program which led to the enactment of such major

social legislation as the Wagner Labor Relations Act, the Social Security Act, the Utility Holding Company Act, the Wage-Hour Act, and the Farm Tenancy Act.

Yet consider what conditions were even in the best days of the New Deal. Unemployment never dropped much below 10,000,000. On the WPA average earnings in 1937, after many struggles by the unemployed had succeeded in pushing up rates, were still only about \$12 a week. For those on direct relief in their communities the amount paid in March 1938 averaged for the entire country \$22 per month per family, or 18 cents per person per day to cover food, rent, clothing, medical care and other necessary expenses! Hardly enough even for slow starvation.

Then came the war and once again we had prosperity. Or did we? Of course, compared to WPA wage scales and relief handouts, the war years seemed like paradise. But the gilt was just on the surface. In 1942 it was estimated that the minimum

TOTAL U.S. FAMILIES



required for the "standard health, decency and moral well-being" of a wage-earner's family of four was \$2,500 a year. But in that year the Office of Price Administration (OPA) found that 62 per cent of all American families had incomes of less than \$2,500. Since most of these families had to pay taxes, they were no better off as a group than the 60 per cent who in 1929 received less than \$2,000 (tax-free). When one considers the efforts to bolster purchasing power made by the trade unions and the Roosevelt administration throughout most of these years, it looks as if we Americans are like the Red Queen in Alice in Wonderland: we are running very hard in order to stand still.

But in 1929 we didn't stand still. We plunged into the worst economic disaster in our history. Why? Why did we fail to produce all that we could have produced in 1929? Why did we in the depression years lose \$350 billion of production—more than the whole of World War II cost us—at a time when millions were in dire need of food, clothing, homes and medical care? Why did it take a war to "cure" the depression? Why is there no assurance that the "cure" will last?

Let us try to find the answers.

## How Our System Works

Some 43,000,000 Americans work for wages in the factories and other non-agricultural business enterprises of our country. But only a relatively small number of individuals own and control these enterprises. In fact, ownership of business, especially big business, is concentrated in the hands of a few. Official government figures show that in 1937 fewer than 75,000 persons, or less than one-fifth of one per cent of all Americans who had any kind of income that year, received one-half of all dividends paid out by corporations.

It's as plain as a pikestaff that to own business, especially the major production and distribution units, is to control the nation's economic life. The small number of owners, by holding the power to hire and fire, to raise or lower wages, to close their factories or run them at half capacity, *to do whatever is*

*most profitable to them*, virtually hold the power of life or death over the majority of the people.

The workers own, outside of their personal possessions, only their capacity to work. Naturally, since the capitalists want more profits, they try to pay as little as possible and to work their employees as long and hard as possible. The workers just as naturally try to improve their lot. Sometimes the resistance of the owners to giving their workers what they need for a livelihood is so great that the workers have no other recourse than to withhold their labor power and go on strike. This means a loss of income and suffering for the workers, but it also means a loss of profits for the employers. And if the strike is won, the workers return with better conditions and greater strength.

In 1936-37 workers in the auto, steel and other industries struck to compel the big corporations to recognize their unions. In 1945-46 they struck to win wage increases to compensate in part for the reduction of wartime takehome pay. Whatever the issues involved, strikes are a sharp expression of the unceasing conflict or class struggle between those who own the nation's wealth and those who create it. This conflict lies at the very core of our economic system.

In 1945 American corporations made net profits after taxes of about \$10 billion. Where did those profits come from? A corporation is often said to have "earned" so much and so much in the course of a year. Does this mean that the owners of the corporation, its stockholders, have actually worked in its factories and together earned that much? Of course not. Few of the stockholders of General Motors, for example, and certainly none of those who own a large number of shares work at making automobiles. The automobiles are **built** by the corporation's 350,000 workers, and it is their labor that is the source of GM's profits.

### You and Mr. Jones

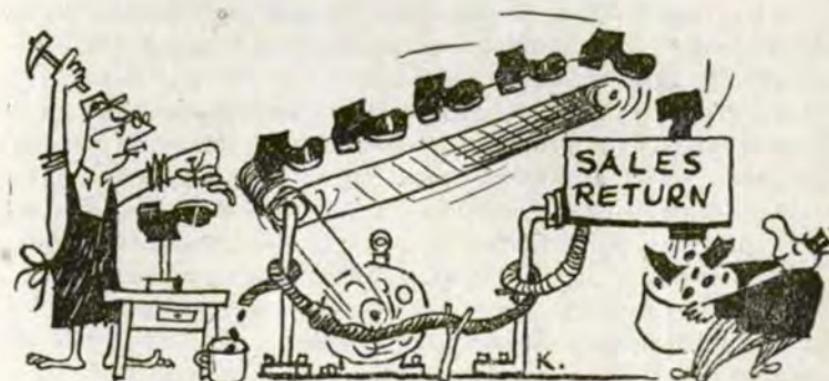
Suppose you are a worker in a shoe factory. In the course of a day you produce two pairs of shoes, each pair selling for \$8, or a total of \$16. (This is an oversimplified example, for in actual practice a pair of shoes is made not by one worker, but

by a group of them, each producing a particular part. This, however, does not affect the point I am making.)

Mr. Jones, the owner of the factory, has had to pay \$3 for the raw materials that went into the shoes and another \$1 for the electric current used in making them and for the wear and tear on machinery. Deducting those \$4, this means that you have added \$12 to the original values of the materials. But let's assume you are receiving \$6 for your day's work. In that case, in half a day you have produced enough to repay your wages. You are actually not being paid for the value you create in the second half of the day. The other \$6 goes into Mr. Jones' pockets when he sells the two pairs of shoes you have produced.

It is true he doesn't keep all of it. Part of the \$6 he must pay in the form of rent to Mr. Brown, the man who owns the land on which Mr. Jones' factory stands. Another part he must pay in the form of interest to Mr. Smith, the banker, who lent him the money with which to buy his machinery. Then there are administrative expenses, costs of distribution, taxes, etc. On a single day's labor of a single worker there may not be much profit left for Mr. Jones. But multiply this by the labor of several hundred or several thousand workers for an entire year, and Mr. Jones' take becomes substantial.

The profit, the interest, the rent all came out of your labor. And all of it goes to capitalists who had no part in the actual



making of the shoes. Of course, if Mr. Jones does essential work in supervising the affairs of the company, he deserves a salary in keeping with the nature of the work. But surely you will agree that he and Mr. Brown and Mr. Smith are not entitled to take for themselves any part of the value you and your fellow-workers have created. This is what is meant by exploitation. And this is the root of the conflict between capital and labor.

Since the total of profit, rent and interest represents value created in excess of wages, it is called *surplus value*.

Now all the workers in thousands of factories throughout the country work and are paid in the same way. The factories keep turning out more shoes, coats, radios, automobiles, etc., so long as there are customers. Who are the customers? In 1929 twelve million of the poorest families received the same slice of the national income as 36,000 of the richest. Did this mean that the 36,000 at the top bought as much food, as many shoes, hats, dresses, etc., and rented as many homes as the twelve million at the bottom? Of course not. There's a limit to what even the wealthiest person can buy for his own consumption.

A large part of the income of the 36,000 richest families was not used to buy any consumers' goods, but was invested where it would bring them further income in the form of dividends and interest. In other words, these families had too much purchasing power. On the other hand, after spending practically the whole of their share of the national income, the twelve million poorest families—each of whom received less than \$1,500 a year—still lacked enough food, clothing and housing for even a minimum of decent living. They had too little purchasing power.

In fact, the bulk of the nation's customers consisted of people with too little purchasing power. As a result, even though our factories in 1929 were operating far below capacity, they were producing more goods than could be sold here or in foreign countries. This is what is meant by over-production. And it happened not only in 1929, but in the years that went before. Until a point was reached where the weight of over-production broke down our economic machine. The Mr. Jones' of 1929-30 began shutting their factories. Business is bad, they said. What they should have said was: we have paid our work-

ers too little to enable them to buy back the goods they have produced.

The story is told that the little son of a coal miner asked his mother: "Why don't you light the fire? It's so cold!"

"Because we have no coal. Your father is out of work, and we have no money to buy coal."

"But why is he out of work, mother?"

"Because there's too much coal."

### Why It Works That Way

The periodic breakdown of our economic machine is what we Americans call a depression; it should be called an economic crisis. We have been having these depressions every few years since 1819. But far from learning to control them, they have been more and more controlling us. The last one was a national disaster of major proportions. It left us with millions unemployed, impaired health and incalculable damage to the national well-being.

Not a very efficient system, you may say. Some call it the free enterprise system. Some call it a system which robs the worker at the point of production. Scientifically it is called capitalism. We are accustomed to thinking of this system as one which has always existed and always will exist. But capitalism is only about 300 years old and its modern industrial form goes back only some 150 years. It is a system under which goods are produced not for the purpose of satisfying people's wants, but because a few individuals—the Mr. Jones', Browns and Smiths—can make a profit out of them.

Profit is the dynamo of capitalist production as well as its regulator. It's a dynamo that constantly drives production forward only to have it crash head-on against the limited consumption of the masses. *And what capitalism chiefly produces even in its best years is, as we have seen, poverty for the many, wealth for the few.*

You can't fundamentally change this state of affairs by raising wages so long as private ownership of the means of production—the factories, mines, machines and raw materials—and the private pocketing of surplus value remain. Wage increases are certainly necessary to make life more bearable for those

whom the present system shortchanges. Furthermore, the struggle for such improvements prevents the capitalists from driving down living standards and helps prepare the way for more basic changes in the future.

But we have to face the fact that the capitalists will fight any attempt to abolish or even curtail their surplus value. They will try to compensate for wage increases by getting more production out of the workers through speedup and labor-saving machinery, by hiking up prices, and in other ways. They don't always succeed, but they try.

When industrial capitalism was young and vigorous, as in the nineteenth century, production would expand and rise to higher levels after each periodic convulsion. But now world capitalism is in a *general crisis*. The entire system is chronically sick and in decline. That is why the last depression was never really overcome. It required the hypodermic of heavy war orders—with Uncle Sam consuming half the total product—to bring an artificial flush to capitalism's cheeks and give the ailing system the appearance of health.

### **Capitalism as We Know It**

Let's take a look at capitalism as we know it. Is it "free enterprise," as the big business spokesmen claim? Mellon's Aluminum Corporation of America doesn't look much like free enterprise, nor does the U.S. Steel Corp., nor General Motors. The fact is the competitive small business capitalism that existed before the Civil War has long since been replaced by monopoly capitalism. And the big business empires built by men like J. P. Morgan, John D. Rockefeller, Sr., Cornelius and William H. Vanderbilt—the robber barons, as they have been called—carry on today on a grander scale the robbery that is the essence of capitalism at all times.

The giant financial and industrial corporations exploit and rob not only the workers whom they employ, but farmers, small business men, professional people and the consumers as a whole. The trusts control our economic life, they rig prices, restrict production, corner raw materials, squeeze out competitors, aggravate depressions, and impose their will on gov-

ernment. It was William H. Vanderbilt who coined the phrase: "The public be damned." It remains to this day the unuttered watchword of monopoly.

As far as these trusts are concerned, it's also the country be damned. When our country had to prepare to defend itself against Axis aggression, the big corporations sabotaged conversion and had to be bribed with tax rebates, guaranteed post-war profits and other special favors. After the war they sabotaged reconversion in an effort to beat down labor's demands and to force the lifting of price ceilings. And what American has not read with anger the shocking story of how Standard Oil, the du Ponts and other firms collaborated in international cartels with Nazi trusts. These firms turned over secret patent processes that helped Hitler prepare his war of conquest.

Despite anti-trust laws and government investigations monopoly marches on. How slim a chance of survival the average American business has is indicated by the fact that between 1900 and 1939 16,000,000 new enterprises were born and 14,000,000 died. Of course, it was the little fellows that did most of the dying. In its final report in 1941 the Temporary National Economic Committee (TNEC), the latest government investigation of monopoly, stated: "We know that most of the wealth and income of the country is owned by a few large corporations, and that these corporations in turn are owned by an infinitesimally small number of people, and that the profits from the operation of the corporations go to a very small group."

Though \$1,000,000 was spent on the TNEC investigation, nothing happened except that in the war years the fatcats of monopoly grew fatter and sank their teeth still deeper into the nation's economy. One hundred large corporations received 73 per cent of the value of all Army and Navy prime contracts between June 1940 and September 1944. "Small businesses are being gobbled up by big businesses," stated a report of the Smaller War Plants Corporation, a government agency set up to help small business in securing war contracts, loans, etc. "There are now 500,000 fewer small businesses than existed before the war," stated another SWPC report on the eve of V-J Day. And before many days of 1946 had passed the Smaller

War Plants Corporation, which could have been converted into a peacetime agency, was itself put out of business!

### Murder, Inc.

And what a record our "free enterprisers" have made in their dealings with labor. Violence and murder have, since the seventies of the last century, been part of their regular routine. Except in the countries of fascist dictatorship, nowhere have the capitalists made such extensive use of gunmen, spies, frame-ups, anti-labor injunctions, state and federal troops and other despotic devices to suppress labor organization.

Even after the passage of the National Labor Relations Act in 1935 employer violence and coercion were so widespread that the United States Senate appointed a special committee, the La Follette Civil Liberties Committee, to conduct an investigation. The hearings of this committee presented case after case with damning proof of the big business assault on democracy. Such events as the Chicago Memorial Day massacre in 1937, when ten striking workers of the Republic Steel Corp. were shot dead by police, are an illustration of what profits and power for the few can do to the liberties of the many.

From strikebreaking it is not such a long step to the larger effort to cripple and crush the rights the people have won through centuries of struggle. It is a step which the monopolists of every capitalist country have taken or tried to take ever since World War I. It is now generally agreed that it was the bankers and industrialists—war criminals like Schacht and Krupp—who were the backbone of the fascist system in Germany. The same was true of Japan and Italy.

But without the aid of the bankers and industrialists of other countries the fascist conspiracy against mankind would have been still-born. It's no longer a secret that the first fascist gangster to muscle his way into power, Mussolini, would not have lasted for long if it had not been for loans from the House of Morgan. Henry Ford was for years sympathetic to the Nazi movement and himself engaged in anti-Semitic propaganda—perhaps he showed his sympathy with more than words. General Motors, Ford, General Electric and other American

firms had large investments in German industry which were used to prop up the Hitler regime.

Nor is the big business interest in fascism confined to the foreign brand. In our own country the economic royalists support financially and politically fascist demagogues like Huey Long, Charles E. Coughlin and Gerald L. K. Smith. They secretly back organizations like the Ku Klux Klan, the (un-Christian) Christian Front, and the American Nationalist Party, which stir up hatred of Jews, Negroes, the foreign-born and the labor movement, and use the Goebbels bugaboo of Communism to divide our people.

Politically these fascist-minded business men, while favoring the Republican Party nationally, operate through reactionary politicians of both major parties. They also use such agencies as the House Dies Committee on un-American Activities, now the Wood-Rankin Committee. And they attack the government itself, even though it is a capitalist government, if like the Roosevelt administration it upholds the Bill of Rights and seeks to provide some small measure of security for the common man.

## **Capitalism and War**

Capitalist monopoly is the mother not only of fascism, but also of modern imperialist war. With the domestic market choked by lack of mass purchasing power, big business frantically hunts for markets in other parts of the world. It also tries to get control of foreign sources of raw materials and to find places where it can invest its excess capital more profitably than at home.

For this purpose huge undeveloped areas of the world, with hundreds of millions of population—India, China, the Netherlands East Indies, Africa, the Philippines, etc.—are brought under the rule or economic domination of this or that capitalist country. The big business interests in the United States, Britain, France, Holland and other capitalist countries (including before the war Germany, Japan and Italy) engage in a cutthroat struggle for these economic advantages, each na-

tional group trying to get hold of a larger share of the loot. Trade wars eventually lead to military wars.

That's how the first world war came about. It was primarily the result of the commercial rivalry between German and British imperialism. The United States sided with Britain to establish itself as the financial topdog of the world. Similar rivalry was at the bottom of World War II. But in this case other factors entered the picture which changed the character of the war. As a result of the Axis drive for world conquest, its assault on the weak nations of Europe and Asia and on Socialist Russia, the war became a people's war for liberation and the destruction of fascism.

Yet what a price mankind has had to pay twice in a quarter of a century for the existence of capitalism. Let us never forget that despite the differences between them, in both these gigantic wars, as well as in the aggressions against Ethiopia, democratic Spain and China, capitalist profit-hunger, capitalist rivalries, capitalist inability to solve the problem of poverty, capitalist fear of democracy have been both tinder and flame.



## The Government's Role

What is the role of the government under capitalism? To some extent I've already touched on it. Did you ever see cops shooting down the officers of a corporation because they refuse to raise their workers' wages? But they shoot or beat workers who strike for their bread and butter. If you look around you, you will see a thousand evidences that in the struggle between capital and labor the government is anything but a neutral referee. And the fact that in a few places local officials, elected with the support of organized labor, may behave differently, doesn't change the basic national pattern.

In recent years, because of the strength of labor, which can vote as well as strike, the national government and many state and municipal governments have had to discard some of the crude strikebreaking methods of the past. But there's more than one way to skin a cat.

In the 1945-46 strikes, for example, the tax laws, by guaranteeing for two years after the war profits at least equal to those of the pre-war years, created a huge strikebreaking fund out of the federal treasury.

But it's not only in strikes that you can find evidence that the government is the servant not of the whole people, but of a minority class, the capitalists. The government's activities in both domestic and foreign affairs prove it. This is true of even the most democratic capitalist regime. Despite the attacks made on the late President Roosevelt by reactionaries who called him a "Communist," he always insisted that his purpose was to preserve and strengthen the capitalist system. That is, the system which every moment of the day robs the workers and the nation, which produces depressions, unemployment, insecurity and war.

Even though Roosevelt, responding to the struggles of the people, helped better the lot of the common man and curbed some capitalist abuses, the figures on both corporation profits and distribution of income prove that most of the economic advantages during his twelve years in office were reaped by the rich. This was because they possessed the most fundamental advantage of all: ownership of the means of production. And

nothing Franklin D. Roosevelt did altered this advantage in the slightest.

Look at the individuals who constitute our government. Is there among them a real representative of the workers or dirt farmers? In all the shuffling and reshuffling of the Roosevelt and Truman cabinets did even a single labor man manage to get in? In the executive, legislative and judicial branches of the government there are men who are called liberals and men who are called reactionaries. These differences have to be taken into account by all who work for the people's welfare. But they are not fundamental differences. At bottom liberals and reactionaries simply differ about the best way to keep alive a corrupt, reactionary and immoral social system.

### **Big Business in the Driver's Seat**

Our war and postwar agencies have been staffed almost exclusively with men directly from the ranks of big business. Typical is President Truman's right-hand man, the St. Louis banker, John W. Snyder, whom he appointed director of the Office of War Mobilization and Reconversion. Snyder's secret promises to the steel companies while they were refusing to yield an inch to their striking workers led the well-informed Washington correspondent, I. F. Stone, to write: "There is no doubt whatever in my mind, after on- and off-the-record talks in various places, that Snyder's office thinks pretty much as the steel companies want it to think. . . ." (PM, Jan. 24, 1946.)

Then there are those other two intimates of Truman, the millionaire oil man, Edwin W. Pauley, whom the President nominated for Under Secretary of the Navy, and George Allen, named head of the Reconstruction Finance Corp. The latter, a close pal and adviser of the President, once he had gained Truman's ear, found himself made a director of the Republic Steel Corp., Consolidated Vultee Aircraft Corp., Hugo Stinnes



Corp., American Cable and Radio and some sixteen other corporations.

The domestic policy of the Truman administration has been summed up by the Washington commentators, Joseph and Stewart Alsop, who, despite their reactionary views, let the cat out of the bag in the following words: "Today the Truman line is to keep labor in the Democratic column, if possible, but to grant any concessions the business men really insist upon." (*New York Herald Tribune*, February 1, 1946.)

This is even more nakedly the Truman line in foreign affairs. In Europe, the Far East, the Middle East, Latin America and elsewhere the Administration is using this country's tremendous economic power in an effort to make American big business boss of the world. Sometimes our government has to shift ground and execute retreats because of the resistance it meets, but its general direction is toward smashing Big Three unity and lining up the other capitalist countries against the Soviet Union.

Here is what the Alsop brothers wrote concerning our so-called national defense planning. "Its aim is to create a chain of air bases, from Okinawa through the Aleutians, across the Arctic extension of this hemisphere, and onward to Iceland, which will in fact encircle the Soviet Union and place at our mercy both European Russia and the great new industrial region in the Urals." (*New York Herald Tribune*, January 1, 1946.)

Is this the kind of "peace" American boys fought for?

In a speech on February 4, 1946, former Secretary of the Treasury Henry Morgenthau, Jr., who was a close friend of President Roosevelt but was forced out of the cabinet by Truman, stated that "two paths are open to us: one is the path of moral leadership; this path leads to peace and prosperity for all peoples. The other is the path of commercial advantage—business as usual; this path leads to struggle for markets, imperialism and war. . . . I submit that on the basis of our actions to date it looks as if we are following the second path."

This, then, is the face of capitalism: want in the midst of potential plenty even in good years; hunger and degradation in depression years; denial of opportunity for millions; Jim

Crow and anti-Semitism; assaults on democracy and imperialist enslavement; universal threat of fascism; war and furious preparation for war; civilization become a beast.

### Is There Another Way?

Not a pretty picture. But, some may say: aren't we better off than our grandfathers were? Maybe—though our grandfathers never had to face so many years of unemployment or the menace of fascism and global war. The test is not whether we are living better than people were a hundred years ago, *but whether we are living as well as we can and ought to live today*.

What would have happened if Washington and Jefferson had said in 1775: aren't we better off than the Pilgrim Fathers were, and called it quits? There was a time when our country was poor, but today it is rich. America can be a land of plenty for all. Not in some distant future, but *today!* It is because a handful of corporations and millionaire families have hogged our nation's wealth that the rest of us must live in poverty and insecurity. And unless we do something about it, we won't remain where we are. Things will get a great deal worse as they did for the peoples of Europe and Asia who were conquered by fascism.

Capitalism was an improvement over the system of serf labor called feudalism; is it possible to work out a new system that will be an improvement over capitalism? Is there some other way, some more sensible, just and humane way of organizing the life of mankind?

We have seen that the bottom of the trouble is the fact that the factories which produce the things the entire nation depends on for its existence are owned by a small number of individuals whose primary interest is not production, but their own profit. How is production itself carried on? If you work in a factory or visit one, you quickly find that production requires teamwork. No one man builds an automobile, for example, or even part of an automobile. One person makes dies, another works on steel castings, a third operates a punch press, a fourth helps insert the steering wheel as the chassis passes on the assembly line. The production of the car, in other words, is a *cooperative* process.

Yet come to think of it, if production is cooperative, why not ownership? Why should a few individuals and corporations decide whether cars should be produced or not produced, shoes made or not made, houses built or not built, in accordance with what is most profitable to them? Why should they decide whether you starve or eat—and how much?

Suppose, instead, the factories were owned by those who work in them. Not the auto plants by the auto workers, the textile mills by the textile workers, but suppose the working class as a whole, together with the farmers, owned all the means of production and distribution. And suppose goods and services were made and distributed to satisfy the needs of all rather than to yield profit for a few. In that case there would be no limit to production except the physical limit of our factories and farms and natural resources.

In other words, in 1929 there would have been at least \$135 billion of goods and services produced and consumed instead of \$94 billion. And instead of the national income being divided so that 36,000 families got as much as twelve million, it would have been distributed so that the typical American family would have received in the neighborhood of \$4,370—some more, some less, according to the work each family did in producing the nation's wealth, but with no family living in poverty and none in idle luxury.

### That Word

And with exploitation abolished and private profit eliminated as a regulator of production, it would be possible to introduce a different regulator—national planning of every aspect of our economic life. Production would then keep pace with constantly expanding consumption and there would be no overproduction. Just imagine: *no more depressions, no more unemployment, no more Hoovervilles, no more WPA "made work," no more fear for the future!* What a country this would be. How quickly poverty would vanish and the slums that cover our cities like sores would be replaced by modern, beautiful homes. What a full, free and prosperous life there would be for all.

But, you may say, that's socialism. Right you are! It is. Per-

haps you've grown up prejudiced against that word. In school, in the newspapers, over the radio you've been told that socialism is something alien to America. Actually the word socialism is of strictly Anglo-Saxon origin. It was first used in England more than a hundred years ago to describe the ideas and the movement organized by a great English reformer, Robert Owen. Himself a wealthy textile manufacturer, Owen came to the conclusion that capitalism was evil and devoted his life to efforts to establish cooperative ownership of the means of production and a cooperative society. He founded communist colonies in England and the United States—one of the most famous was at New Harmony, Indiana.

In the United States, besides Owen's communist settlement, many others sprang up, particularly in the 1840's. The best known was Brook Farm. Associated with it and similar experiments were Ralph Waldo Emerson, Nathaniel Hawthorne, Margaret Fuller, Horace Greeley and other famous Americans.

Actually communist practices and ideas in some form are as old as civilization itself—and older. They are as old as humanity's struggle for freedom—first, freedom from the tyranny of nature and later, freedom from the tyranny of man over man. Primitive man hunted and fished not by himself, but in family groups; all weapons were owned and the food shared in common. And, though today communism is sometimes denounced as "un-Christian," early Christianity was in certain respects communist. Many of the followers of Jesus lived in communities organized on communist principles. The Book of the Acts of the Apostles says of the church of those days: "And all that believed were together, and had all things common; and they sold their possessions and goods, and parted them to all, according as any man had need." (Acts, 2: 44-45).

During the long struggle in Europe against the feudal darkness that blotted out progress communism emerged as a social and political movement of the poorest peasants, expressing their desire for freedom and democracy. John Wycliffe, who made the first English translation of the Bible, preached communism, and men like John Ball and Wat Tyler, who led the English peasants' revolt of 1381, also advocated communism. In France, Bohemia and Germany communist movements

developed as part of the revolutionary struggles which paved the way for the rise of capitalism. The communist political current also appeared in the two major revolutions that placed the capitalist class in power, the Cromwell revolution in seventeenth century England and the French Revolution in the eighteenth century, which drew so much inspiration from our own in 1776.

### Defining the Terms

At this point you may be asking: what is the difference between communism and socialism? Well, they are closely related. Communism is simply a higher development of the system of cooperative ownership of the means of production and distribution. Socialism still bears the birthmarks of the capitalist society from which it came. The inequality resulting from private ownership of the means of production is abolished. But it still is necessary to pay people and distribute goods unequally, in accordance with the amount and quality of the work that is done.

Before communism becomes possible there must take place a tremendous increase in the productivity of labor and an entirely new attitude toward work must be developed. Only when men have completely solved the problem of producing everything they require, when they have learned to work together harmoniously and to enjoy their work so that it ceases to be a burden, is payment by results no longer necessary. You get whatever you need and you contribute whatever labor to the common pool that you are able. That is communism.

Not till the capitalist epoch broke the shackles of feudalism, released science from bondage to superstition, substituted machine industry for hand labor, and converted the serf into a farmer and the artisan into a worker, was the basis created for providing the whole of humanity with everything necessary for a prosperous and healthful life. Only then was mankind able to tackle *scientifically* the problem of ending poverty by ending capitalism. Only then did socialism and communism become a practical possibility rather than a utopian dream.

Primitive communism fulfilled a definite social need. With-

out cooperative labor and cooperative ownership of the tools and products of labor men in those early times would have starved. But it was a communism based on very simple tools made of stone, before the human race discovered the use of iron and learned to raise cattle and till the soil. Necessarily the level of production was very low.

The communism of Robert Owen and of Frenchmen like Saint Simon and Fourier was what is known as utopian communism. The word "utopian" means something visionary or impracticable. Utopian communism was spun out of the heads of talented individuals rather than derived from the actual conditions and conflicts of society. Owen, for example, knew that socialism and finally communism was the way out of the injustices of the capitalist world, but he didn't know how to get there. He thought that by appealing to the moral sense of the rich, to the intelligence of princes and potentates, he would persuade them to abandon the profit system. And he thought that by creating little islands of communism within the great oceans of capitalism he would in time, by the power of example, attract men of all classes to the communist way of life. He was like a man who knows that an airplane can fly, but tries to construct it out of his head without any knowledge of aerodynamics, the science of flight.

### **The Man Who Showed How**

It was a younger thinker, who grew to maturity in Owen's lifetime, the German Jewish man of genius, Karl Marx, who discovered the laws of social change, fathomed the mysteries of the capitalist economic system and showed how to unlock the vast pentup energies that can provide abundance for all. Just as Darwin discovered how evolution works in nature, so Marx discovered how it works in society. In the words of the famous biologist, J. B. S. Haldane, who is a member of the British Communist Party: "Marxism is simply scientific method applied to human history."

Karl Marx was one of the giant intellects of all time, a social prophet and man of action who founded a science and a movement that are international.

Together with his close friend and collaborator, Frederick

Engels, Marx transformed communism from inspired guess-work and wishful thinking into a science which directs and equips mankind in the fulfillment of its deepest aspirations. The principles which they proclaimed in the *Communist Manifesto*, written in 1848, have demonstrated their substantial truth for nearly a hundred years.

This famous document, which has been translated into practically every language, has become the guide and inspiration of the working people throughout the world. The *Communist Manifesto* makes clear that it is the working class that is the engine of progress in the modern world and that only through determined struggle against the capitalists can mankind advance to a higher civilization.

It was Marx who first laid bare the mainspring of capitalist production, surplus value. He showed that only the collective ownership of the means of production and the ending of exploitation could abolish depressions and establish planned abundance and a larger democracy than any hitherto known. Marx's epoch-making economic ideas are contained in his greatest work, *Capital*, written largely on the basis of his study of capitalism in England where he lived the greater part of his life. If you are interested in getting some of these ideas in simpler and shorter form, you can find them in his pamphlets, *Wage-Labor and Capital* and *Value, Price and Profit*.

The scientific principles formulated by Marx and Engels are known as Marxism. They have been further developed and applied to the problems of our own time by two other great men, V. I. Lenin and Joseph Stalin, founders and builders of the Soviet state.

### Will Socialism Work?

Getting back to the question of socialism, you may be thinking by this time: all this sounds fine, but will socialism work? This is the crucial question. The best scheme in the world isn't worth a nickel if it isn't practical. There was a time when people used to debate whether socialism would work, but they weren't able to settle the argument because socialism had never been tried. Now it is possible to settle the argument. Socialism

does work—and how! For twenty-eight years it's been tried in the largest country in the world, Russia.

What handicaps it had to overcome. Taking over in the midst of World War I a backward, ruined, hunger-ridden land, the socialist system had to fight for its life at the outset against external aggression from both groups of belligerent powers and internal civil war. Surrounded by hostile neighbors and refused diplomatic recognition by the United States for sixteen years, the new society had to lift itself by its economic bootstraps. In fact, no capitalist country, including our own, has had to develop its economy with so little outside aid. And finally Socialist Russia was compelled to bear the full fury of the most powerful military assault in the world.

*No other social system in history has withstood such tests. If socialism works in Russia, there is every reason to believe it will work anywhere, especially in the favorable environment of the United States.*

No doubt you have read and heard many things about Russia and socialism that aren't so. You know now you were lied to about Soviet military weakness—a lie which hurt our own country more than it did Russia—but are you aware of all the other lies? Are you aware that the same newspapers which told you that the Red Army would fold in six weeks to three months have been systematically lying about the Soviet Union since the Socialist Revolution of 1917? When Quentin Reynolds, famous war correspondent (who, incidentally, is a devout Catholic), went to Moscow shortly after the Nazi attack, he cabled back: "It is now plain that more lies have been told about the Soviet Union in the last twenty years than about any other nation."

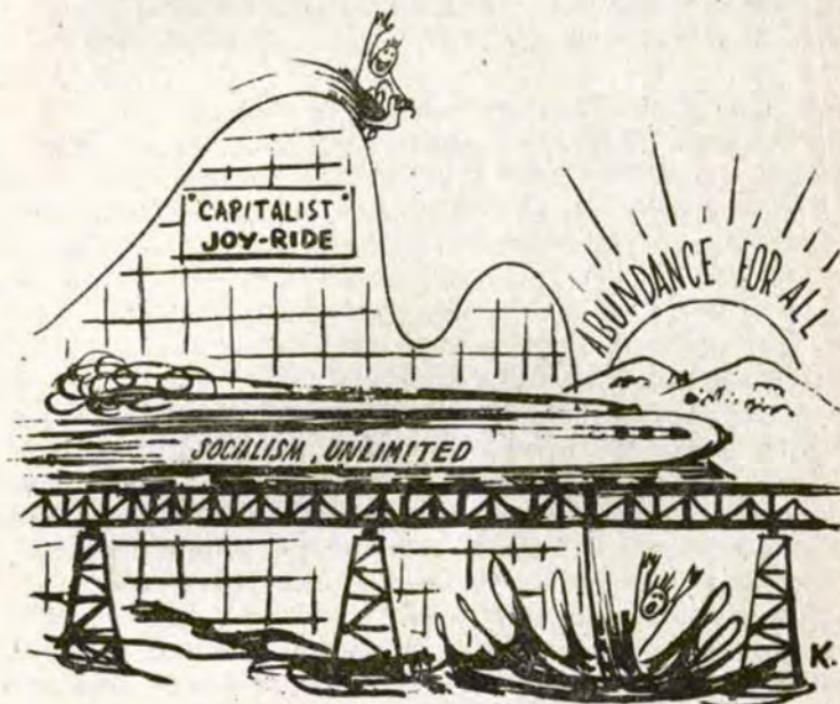
There must be a reason. The reason is that *the truth about socialism in Russia is such a powerful argument against capitalism everywhere that big business and its newspapers in this and other countries are afraid it might put ideas into the heads of their own people.* Most of us can't go to Russia to find out for ourselves. But despite the campaign of lies and misrepresentation, we can learn the facts. Let me give you a few which you can check for yourself.

## No Unemployment

Take the question of jobs. In the speech which Foreign Commissar Molotov made November 6, 1945, on the eve of the twenty-eighth anniversary of the Soviet Revolution, there is one sentence which tells more about the difference between socialism and capitalism than an entire book. "We have no unemployment," he said, "nor shall we have any."

No unemployment! None today and *none tomorrow*. Think what that means to the Russian GI's and the Russian civilians. Can any official of the American government, or of the British or French government make a statement like that?

When Molotov said that the Soviet Union would not have any unemployment, he wasn't crystal-ball-gazing or making an idle boast. He could make that prediction about the future on the basis of what had already been achieved in the past.



The fact is that Socialist Russia has had no unemployment for over fifteen years. *It has never had a depression.*

Yes, it's true. In the very years in which America and the entire capitalist world were rocked by the worst economic disaster in history, the Union of Soviet Socialist Republics was experiencing a great industrial boom. A boom that never became a bust. A boom that in fact never stopped despite the huge economic losses from the Nazi invasion.

In 1933 industrial production in the United States was only 65 per cent of what it had been in 1929. In Britain, Germany, France, Italy and Japan production had also dropped sharply. But in the U.S.S.R. industrial production more than doubled in that period. In fact, the world has never seen anything like the rate of expansion of Soviet industry. From 1921 to 1936, inclusive, Soviet industrial production averaged an annual rise of 29 per cent; in the same period production in the capitalist world averaged an annual rise of only 2.7 per cent—*less than one-tenth the Soviet rate*. That terrific pace exceeded in peacetime the rate of expansion of our own industry under the stress of war.

We Americans have been debating the pros and cons of the right to work. This right is part of the Economic Bill of Rights proclaimed by President Roosevelt. But when attempts were made to put it into the Full Employment Bill, Congress struck it out. Thereby it served notice that capitalist society and capitalist government do not recognize the American people's right to peacetime jobs at decent pay. While a law embodying the right to work would mean a step forward, this by itself would not make it a reality.

In the Soviet Union, on the other hand, the right to work has not only been written into the constitution as the very first of the fundamental rights of Soviet citizens, but the words are backed up by the conditions of socialist society. As the constitution puts it: "The right to work is assured by the socialist organization of the national economy, the steady growth of the productive forces of Soviet society, the elimination of the possibility of economic crises, and the abolition of unemployment." Or, as Molotov said: "In our country everyone works because it is a workers' state."

## Living Standards

I don't mean to paint any picture of perfection. Such a picture would be false. The Russians themselves would be the first to tell us that even if the war had not thrown them back, they would still be far from the goals they have set themselves. Yet in judging their achievement, we must see not only where they are today, but where they were yesterday and where they will be tomorrow.

Take, for example, the question of living standards. We have all heard it said that the standard of living is lower in Soviet Russia than in the United States, which has the highest in the world. This is often given as an argument against socialism. Actually this statement tells us very little about how the Soviet people live. If by standard of living we mean only the average level of physical necessities and comforts available to the population, it undoubtedly is true that the Soviet standard is lower than in the United States for those who have regular wages or salaries—though even in this limited sense it is only a half-truth.

The contrast is tremendous between what the Soviet standard of living is now (discounting the havoc of the war) and what it was when the Soviet regime was established. In no country have living standards risen so much in so little time. Under the czars, let us remember, the average Russian peasant had no shoes. Hunger and disease were rampant. The majority of the people could not read or write.

From the depths of abject poverty and ignorance the Russian people have been lifted to a level that enables every family to have the essentials of civilized, even if frugal living, and some a bit more. Total wages of industrial workers almost quadrupled in the seven years from 1933 to 1940, rising from 34 billion rubles to 123 billion. The number of workers also increased during this period, but wages went up much faster. By the outbreak of the war the seven-hour day was universal, with six hours in mining and other dangerous occupations. All workers received vacations with full pay.

Secondly, the Soviet standard of living has a future. Whereas in every capitalist country, including the United States, the

standard of living was lower in 1939 than in 1929, in Russia it was substantially higher. In the United States the standard of living rose somewhat during the war, but the next economic tailspin, which at most is only a few years off, will drag it downward. Only organized resistance will prevent our living standards from plunging to the depths they did in the last depression. In the U.S.S.R., despite frightful devastation such as no other country suffered, rapid economic recovery is now under way and with it a rise in the people's well-being.

Third, every gain in the Soviet standard of living benefits the entire population rather than a favored few. Not that workers all get the same wages—they don't—but since all income is earned, whether in factories or offices or on farms, differences in income represent actual differences in the value of work performed. No one gets rich from someone else's labor and no one lacks the necessities of life.

In capitalist countries, on the other hand, the main differences in living standards and income arise from the fact that the income of the top families is *unearned*, while the majority are deprived of a large part of their earned income which is siphoned off in the form of surplus value. Many Americans may not like to face it, but it is undoubtedly true that in 1939 there were millions of us—most of the unemployed and their families, one-third of our farmers,\* many Negroes and other submerged sections of the population—whose standard of living was lower than that of the majority of Soviet citizens even though our *average* standard was higher.

### The Colonial Slaves

And what about the standard of living of the colonial peoples oppressed by the capitalist countries? Shall that be omitted from our calculations? It is a fact that one of the greatest achievements of the socialist system in Russia is what Secretary of Commerce Wallace calls "ethnic democracy," the complete

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\* Testifying before the Senate Appropriations Committee on June 9, 1937, Secretary of Agriculture (now Secretary of Commerce) Henry A. Wallace stated that the plight of the lowest third (about 2,000,000) of our farmers was on a par with the worst poverty of European peasants.

equality that has been established among the 180 nations and peoples which were formerly under the heel of czarist and capitalist imperialism.

The Soviet Union is not only a workers' state, but it is a state in which many nations live in friendship, the more advanced among them helping those at a lower economic level. In the case of the Jewish people, not only have they been freed from the curse of anti-Semitism, which is severely punished as a crime, but they have been given a territory of their own, Birobidjan. Nothing like this brotherhood of peoples exists or can exist under capitalism. Imagine what this has meant for the living standards of peoples formerly enslaved by the czar.

But if we speak of British living standards, do we mean only those of the 48,000,000 people of England, or also of the 400,000,000 people of India whose standard of living is one of the lowest in the world?

And if we speak of American living standards, do we mean only the way white Americans live, or do we also have in mind the abominable Jim Crow standards of one-tenth of our population, the Negro people, who especially in the South are kept in a semi-colonial status? And what of the colonies of American imperialism, Puerto Rico and the Philippines? Can we really afford to look down our noses at the Soviet standard of living?

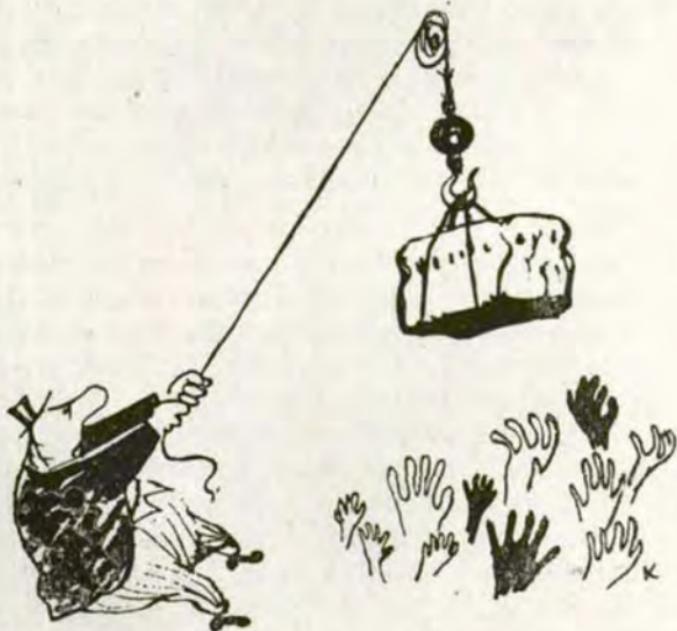
I think we can agree too that a standard of living ought to include other factors as well as physical necessities and comforts. For instance, economic security. *There is no country in which the average citizen has as much economic security, as much freedom from want from the cradle to the grave, as in the Soviet Union.* The socialist system itself is insurance against unemployment and therefore makes any other kind of unemployment insurance unnecessary. Old age pensions equal to one-half to two-thirds of wages are given men over sixty and women over fifty-five. Sickness and disability insurance is provided up to 100 per cent of wages. The costs of all this insurance are paid for by the government.

For farmers such insurance is paid for out of mutual benefit

funds provided from the gross income of collective farms. There is also extensive insurance of crops, stock and buildings against fire and natural disasters.

In addition, all medical, dental and hospital care, including surgery, X-ray and other services, are available free. Expectant mothers are given thirty-five days before and twenty-eight days after childbirth with full pay. Layettes and nine-months' allowance for milk and extra clothes are provided free.

Another factor that must also be considered is education. In the provision of universal free elementary and secondary education the United States is ahead of most capitalist countries. Yet there are considerable inequalities—inequalities between various parts of the country, between city and country schools and especially between educational provisions for white children as compared with Negro. And when it comes to education



beyond high school, the vast majority of colleges and universities are private institutions which charge substantial fees. In addition, most of them, particularly the medical, dental and engineering schools, discriminate against Negroes, Jews and other minority groups such as Italians.

## Soviet Education

Czarist Russia's attitude toward education was summed up by one of its Ministers of Instruction who said: "To teach the mass of the children, or even the majority of them how to read will bring more harm than good." The Soviet government has operated on a totally different principle: the principle that the more the people know, the better it will be for them and the whole of society. In two and a half decades of the Soviet regime Russia jumped from nineteenth to first place in world literacy.

I have not the space to discuss in detail the wide network of Soviet schools, beginning with the free nursery schools, which help mold the future citizens of the U.S.S.R. Suffice it to point out that no Soviet child who wants to become a doctor, a lawyer, an engineer, a physicist or take up any other profession need turn away from his or her goal because of poverty. Can the same be said for the children of other countries?

In addition, a unique system of adult education honeycombs the entire country. Factories and collective farms have their own free courses which enable workers and farmers to improve their skill and earn more money. It is not unusual for an ordinary Russian worker to become an engineer, or a farmer a trained agricultural scientist.

Add to this as part of the standard of living the role that culture plays in enriching the life of the average citizen: the publication and sale of fantastic quantities of books, the ready access to the best plays, movies, concerts, literature, art; and the citizen's own participation in the creation of Soviet culture through various non-professional literary, dramatic, music and dance groups. On a visit to Russia in 1930 I had an opportunity to observe to what an extraordinary degree culture had become

a mass phenomenon, part of the daily life of the average citizen, instead of a delicacy reserved for the intellectual elite.

Add finally the psychological effect of living in a cooperative society without exploiters and exploited. It is not only poverty that is a curse under capitalism. Equally painful is the sight of the rich wallowing in luxury, the feeling of being outside looking in, of being denied equal opportunity to enjoy the good things of life.

In the U.S.S.R., even if life is temporarily hard, this sense of frustration and failure gives way to one of fulfillment, of faith in the future and collective progress toward goals that mean larger personal well-being and happiness.

Recently the Russian wife of an American journalist, John Scott, who is by no means a Communist, succinctly expressed this contrast in psychological values. Masha Scott, born of poor parents, told the New York *Herald Tribune* forum (October 31, 1945): "My sisters and brothers and I have had full opportunity to develop our gifts even in difficult times—just as in America children can choose their education. But I miss the friendliness and the stimulus of collective work toward a common goal. And I also miss, even though I am impressed by American material achievement, an atmosphere free of tension and free of worry for the future, which I knew in the Soviet."

As for physical necessities and comforts—that is, consumers' goods—socialism in Russia will in time outstrip all capitalist countries in this respect too. What is lacking there is not purchasing power, but enough goods and the factories to make them to keep pace with steadily expanding purchasing power. This is because the Russians had to start practically from scratch and build their industries from the ground up. In fact, Russian production in 1920 was only 14 per cent of what it had been in 1913—and in 1913 Russia was a very backward country. It is as if we in America had to start in 1920 from where we were in 1860.

It was not till 1928, with the first of the Five-Year Plans, that Soviet industrialization got into full swing. And then it had to concentrate on heavy industry rather than on consumers'

goods. Thanks to that, the Russians were able to produce the weapons that smashed the Nazi military machine.

With the end of the war the Soviet people are once more moving ahead. In his speech on February 9, 1946, Stalin announced *the speedy end of rationing, lower prices and increased production of consumers' goods. Despite present difficulties, aggravated a hundredfold by the ravages of war, it is certain that within a relatively short span of years socialism in Russia will achieve in every respect the highest standard of living in the world—unless we in the United States beat them to it by establishing socialism here.*

### Socialism in the U.S.A.

How would socialism work in the United States? It is impossible to present a detailed blueprint in advance. How would an atomic bomb work? The scientists who developed the principles of atomic energy didn't know exactly till they actually tackled the job of building an atomic bomb. In the case of socialism we have the advantage of knowing how socialism works successfully in one country, Russia.

No doubt we can profit greatly from what the Russians have done. For the basic principles of socialism are the same everywhere. At the same time it would be a mistake to think that our socialist society will simply be a carbon copy of the one in Russia. There will be many differences as a result of differences in national conditions, customs and traditions. Bearing in mind therefore that we are not making the floor plan of a house, let us try to outline in a very general way a small part of the picture of the future socialist America.

Socialism becomes possible only when the working class, supported by other exploited sections of the population, removes the capitalists from control of the factories, banks, etc., and replaces the capitalist government machine with one of its own. The new socialist government will take over all the big monopoly industries, the transportation and communications systems, the chain stores and big capitalist farms. The owners will not be compensated. All this wealth has been sweated out of the toil of the common people, and what the people will be doing is merely claiming what is rightfully theirs. And there

is good American precedent for depriving a reactionary class of the means of production that are the source of its power: Lincoln did just that when he freed the slaves.

Smaller industries and retail stores will at first continue in private hands, though this isn't likely to last long. The big factories will be directly owned and operated by the people's government. Some of the smaller ones may be owned and operated by the workers organized in producers' cooperatives. Most of the small business men will find themselves better off as workers under socialism than they were as so-called independent operators under capitalism.

The large farms owned by wealthy individuals or corporations will in all probability be partly run by the government and partly divided up among agricultural workers and those farmers who today have insufficient or unproductive land. The sharecropping system in the South, under which some three-quarters of a million Negroes and whites are kept in a state of semi-serfdom, will be abolished and the croppers given land taken from the big planters. All mortgage debts will be cancelled. Most of the nation's farmers may at first prefer to continue working their farms individually. Eventually they will discover the advantages of cooperative farming. And they will make their own decision in the matter.

Who will be the new "captains of industry," the people that will actually run the factories, the cooperative stores and other socialist enterprises? Most of them, like most of the officials of the national, state and local governments, will come from the ranks of the workers, farmers and professionals. During the recent war against fascism thousands of ordinary Americans demonstrated on the battlefield and on the production front what a wealth of talent and capacity for leadership the common people possess. Under socialism these and thousands more will have far greater opportunity of rising to posts of responsibility and leadership.

Next to the fact that the means of production are owned by the people and the exploitation of man by man is abolished, the most important feature of socialism is its planned economy. So successful has planned economy in the Soviet Union been that there are some people who think it possible to graft this

feature of socialism onto the capitalist system and cure it of its ills. It's like trying to graft a human brain onto an animal. It just can't be done.

Of course, under capitalism, especially in its monopoly stage, there is a certain amount of economic planning. Every large industrial corporation, for example, plans its production and distribution in great detail. But each corporation plans without knowing what other corporations are planning, and so the plans conflict. And since profit is the driving motive, the various individual plans are made without consideration for the national welfare. This is what Marxists call the anarchy of capitalist production.

The same is true of distribution and finance. Only in wartime is some measure of centralized control established, but even this is limited. The planned, rational organization and development of the economic system as a whole is possible only when the entire productive plant and the channels of distribution and finance are the property of the people and serve their interests.

### **The Way It Works**

How do we go about it? Roughly in this way. Monopoly capitalism, especially in our country, has already greatly centralized production. This simplifies matters once socialism is introduced. In every industry a central administration will be set up. There will be a Steel Industry Administration, a Coal Industry Administration, etc. Each industry will have its own planning body nationally and on a local and regional basis. Each factory will also do its planning.

At the very top there will be a National Planning Commission, to which the thousands of individual plans in industry, agriculture, distribution, finance, housing, health, education, culture, etc., will be submitted. The NPC will use this information to work out the master plan for the entire country, adjusting and coordinating the smaller plans so that the gears mesh.

This is the machinery. But power is required to move the wheels. That power is the people. Without the active, demo-

catic participation of the people there can be no genuine socialist planning. How do the people participate?

For example, the workers in X steel mill in Pittsburgh get together and work out their own production plan. After receiving this plan and all the other individual plans the National Planning Commission will send back a draft of what it proposes in each case. The workers of X steel mill may not like what the NPC has done with their ideas. They may think they can turn out more production than the NPC thinks they can. And since the NPC consists for the most part of people who only yesterday were workers themselves or have demonstrated their devotion to the cause of labor, they are likely to be open to suggestions. If not, sooner or later they'll be found out since under socialism there are no profiteers or political stooges of profiteers to shield and nourish bureaucracy.

It is on the basis of widespread national discussion and action in thousands of factories, farms and public institutions that the final version of the master plan for a year and for a four—or five—year period is put into shape. It represents a continuous circuit of cooperative effort between the top and the bottom, with centralized direction and decentralized initiative. This is socialist democracy at work.

With planned production for use instead of profit, and with the people's own representatives directing the nation's economic and political affairs, you can be sure you will never see in a socialist America any such newspaper headline as this:

**"SHORTAGE OF OIL FOR HOMES NEAR: Mayor Says Industry Finds It More Profitable to Make 'Gas' for Motorists."**

Or any headline like this:

**"VETERAN HOMELESS AFTER HIS EVICTION."**

If socialism were introduced into the United States today, it would be possible to give every American family a minimum income at the outset of three or four thousand dollars a year. (This is frankly a guess, since no scientific estimate has ever been made.) Today the minimum is less than \$500 a year; it is a safe bet that under socialism this would be far higher. The majority of our families would at first probably be in the \$5,000 to \$10,000 bracket. Hours could be shortened to thirty a week.

And with the socialist organization of the economy it would soon be possible to improve these standards considerably.

Ours would be a land of peace at home and a land pursuing the path of peace abroad. For socialism would eliminate the imperialist striving for domination of weaker countries and the looting of colonial wealth. It would at one stroke end the international competition for trade profits and the dollar diplomacy that lead to war. It is just as ridiculous to speak of "Soviet imperialism" as it would be to speak of a human ape. Imperialism is that stage of capitalism in which the trusts rule the economic life. There can't be imperialism where capitalism and the capitalist class have been abolished.

### **What Wallace Overlooked**

Secretary of Commerce Wallace's book, *60,000,000 Jobs*, is valuable in pointing the direction in which the country should move to provide greater security for our people in the immediate future. Its weakness lies in the fact that Mr. Wallace bows down to the sacred calf of "free enterprise," which in reality is that arch-plunderer and enslaver of the people, capitalist monopoly. What Mr. Wallace fails to understand is that permanent full employment and the abolition of depressions are impossible without socialism. He outlines a national budget of expenditures by consumers, business, and government which he thinks will result in 60,000,000 jobs and avoid the boom-and-bust cycle. But even if such a budget would do the trick—it wouldn't for long—how would the expenditures of each group be controlled in accordance with his plan?

It is here that Mr. Wallace's proposals simmer down to mere hope. He tells us that "the highest quality of national statesmanship is required and demanded of leaders in government, business and labor, and agriculture. The wisdom shown at this point will have much to do with determining whether we are to have full employment or mass unemployment all over again."

Mr. Wallace has constructed a beautiful car, but he has neglected to put the engine in. He wants to plan full employment by appealing to the "wisdom" of those champions of

planlessness, the capitalists, who don't want full employment anyhow. Mr. Wallace's model is of course not the car the country is actually traveling in. That car does have an engine: private profit. And it isn't moving in the direction Secretary Wallace and the vast majority of our people want to move. It's moving away from full employment and toward boom and bust. That's capitalism. And wishing won't make it different.

In the course of the war we doubled our production and became a \$200 billion a year country even with the waste and inefficiency characteristic of capitalism. But we became a \$200 billion country by riding roughshod over the favorite catchwords and practices of "free enterprise": by the government taking a hand, telling the capitalists what they could and could not produce, establishing a network of controls, and itself buying up half the total product.

How can we expect to maintain a \$200 billion production in peacetime if the government pulls out and leaves everything to private enterprise? The answer is we can't. The gigantic expansion of American industry only makes more certain an equally gigantic collapse within a few years if the capitalists continue to run the show.

*But this gigantic expansion also means that the possibility of ending poverty and providing abundance for all has been enormously increased.*

### The Atomic Age

And now a new revolutionary factor has entered the situation: atomic energy. Think how many of the superstitions of "free enterprise" had to be thrown overboard in order to develop the first practical application of atomic energy. The atomic bomb was the product of *collective* work by thousands of scientists; it was the product of *international* effort by scientists of many countries; and this entire vast project had to be centrally planned and directed by government.

But it speaks volumes for the nature of capitalism that this great revolutionary discovery was first harnessed for destructive purposes and then used in destructive diplomacy. And it speaks volumes for the nature of capitalism that capitalists and government officials alike approach the development of atomic

power for constructive purposes with fear and hesitation. The genie is out of the bottle and capitalism is scared stiff!

Yet, think of the possibilities. "It is quite feasible," stated Dr. J. Robert Oppenheimer, the scientist who was one of the directors of the atomic bomb project, "that a city the size of Seattle should be completely heated from an atomic energy source in less than five years." And we are only on the threshold of the atomic age. In time it will be possible to use elements other than uranium as sources of atomic energy. Power would become almost as cheap and plentiful as air, and the industrialization of backward regions could be achieved much more easily and rapidly than now.

All this is scientifically feasible within a relatively short time. But is it economically feasible under capitalism? Two pounds of uranium contain potential energy equivalent to 6,000,000 pounds of coal. What would happen to the vested interests of the coal industry if we find out how to release and utilize all that energy? For that matter, what would happen to the coal miners who under the present system would be unable to get other jobs?

In fact, atomic energy would increase the productivity of the individual worker so tremendously that under capitalist conditions it would result in disastrous unemployment. That's something the capitalists don't dare face. Furthermore, if production is expanded on the gigantic scale that atomic energy would make possible, what would happen to monopoly profits which thrive on restricted production? And if backward areas become industrialized and economically independent, where is the percentage for imperialism?

### **"Arguments" Against Socialism**

As you see, the fantastic multiplication of abundance, which the full development of atomic energy makes possible, collides at every point with a system under which production is choked by the limited market. The two cannot be combined. No scientific discovery has so clearly demonstrated that capitalism, which once opened the gates to higher levels of civilized living, today bars the way to mankind's progress.

Let us now consider a few of the arguments that are some-

times made against socialism. Usually these arguments are directed against the Soviet Union, but they are supposed to prove that socialism would be bad for our country, too.

"Socialism is against human nature." This is perhaps the most ridiculous argument of all. So-called human nature is what it has become as a result of centuries of civilization. One can imagine that the feudal kings and nobles said capitalism was against human nature, but it wasn't. Primitive man found his communal way of life exactly what "human nature" at that time required. And modern man, as demonstrated by the nearly two hundred million citizens of the U.S.S.R., finds the socialist way of life very much in accord with human nature.

The fact is that the individualistic every-man-for-himself-and-the-devil-take-the-hindmost behavior of most human beings in capitalist countries is not part of our biological heritage. It is the result of our conditioning in a society dominated by the motive of private profit. Eliminate this driving motive, and a different kind of behavior develops, one that seeks the personal good in the common good.

## Two Kinds of Incentives

"Socialism destroys the incentive to work by eliminating private profit and competition," is another objection. What are the incentives to work under capitalism? If we look into the matter, we find they are one thing for the capitalist and quite another thing for the rest of us. The capitalist gets rewards out of all proportion to the work he performs. Profit and more profit is for him a powerful incentive indeed.

But for the overwhelming majority there is no such incentive. Though it may still occasionally be possible in the United States for an ordinary worker to save enough from his weekly earnings or to borrow enough to start in business, this is very much the exception. And it is becoming harder to do all the time.

A more genuine incentive is supposed to be the fact that if we work more and better we will get more pay. But do we? Without union organization skilled work is likely to get not much more than unskilled. And American workers have had

enough experience with cheating bonus systems to know that more production doesn't always mean more pay.

Furthermore, the opportunity of acquiring a higher skill is not open to all workers; to a large extent it is determined by the capitalists themselves. And there is no assurance that once you do get rated at a higher skill, you will retain it. Witness the widespread downgrading of workers at lower pay since the end of the war. And for large sections of the working class—Negroes and women, for example—this incentive is further curtailed by the fact that they are specially discriminated against in the matter of wages and opportunity for advancement.

The most powerful incentive to work under capitalism takes the form of punishment rather than reward: if you don't work as the boss wants you to work, you get fired. But for the millions who are already unemployed as a result of producing "too much" even this negative incentive no longer exists.

Under socialism one of the basic incentives is that "He who does not work, neither shall he eat." But whereas under capitalism men of wealth, those who live by the sweat of other people's brows can, if they wish, be exempt from this principle, under socialism it is applied democratically to the whole population (except for the aged, the sick and the very young). Under socialism harder and more skilled work actually receives greater reward and the barriers to promotion are removed. In Russia, for example, a worker can be upgraded with increased pay at his own request, the only condition being that he be able to do the job.

And facilities are provided for everybody to improve his or her skill. The late Sidney and Beatrice Webb, the famous British writers on social and economic questions, whose huge two-volume work, *Soviet Communism: A New Civilization*, has become a classic, state: "The upward march from grade to grade of the more ambitious, the more able, the more industrious, and the more zealous workers in industrial occupations is widespread and continuous. In no other country, not even in the United States, is it so general." And of course, discrimination because of sex, race, nationality, age, or for any other reason is forbidden.

Under socialism other powerful incentives come into play such as do not exist under capitalism. In capitalist countries as a rule only men who have "made their mark"—which means, have made a lot of money—in business or the professions are looked up to and rewarded with political office and other positions of power and influence. The majority of workers, struggling farmers, and small business and professional people have no "standing" in the community and often are regarded as failures.

In a socialist America, on the other hand, as in Socialist Russia, there would be honor and prestige in being a worker. Those who do the best work at their factory machines, or on the farms, or in offices, or in literature, medicine, science, etc. would not only make the most money, but would be singled out for public praise and special reward, financial or otherwise.

In addition to these direct personal incentives, there are broader social incentives which spring from the fact that under socialism the people own all the means of production and run the government. They therefore feel a responsibility for the efficient operation of every factory, every collective farm, every other public institution such as very few feel under capitalism. In Russia people speak of *our* factory, *our* farm, *our* store with a real sense of participating in the ownership of these enterprises.

And in place of capitalist competition, which fosters a spirit of getting ahead at the expense of one's fellow-citizens and even of one's country, there develops in every factory, in every farm, in every other activity a spirit of socialist competition which promotes the individual's advancement as part of the common national advancement. It is socialist competition which is one of the secrets of the remarkable successes of the Soviet Five-Year Plans. And socialist competition is one of the secrets of the "miracles" performed by the Soviet armies and citizens in the war against fascism.

## Freedom Under Socialism

"Socialism means security at the expense of freedom," is still another argument one sometimes hears. There can be no free-

dom in the absolute sense. In our country no one is free to sound a fire alarm without cause, or violate the libel laws, or help himself to his neighbor's purse, or carry firearms without a license, or ignore traffic lights, or do hundreds of other things that interfere with the freedom and security of one's neighbors. The question is whether the freedoms that we do have are enjoyed by all the people or restricted to a few.

We are accustomed to thinking of freedom as the absence of restraint. But the modern scientific view regards freedom as the *presence of opportunity*. There is no legal restraint on our freedom to earn a decent living, but how many can actually earn it under capitalism? For the great masses of the people poverty and insecurity are a ball and chain. And the right to vote, precious as it is, may not mean very much when the right to eat is seriously curtailed.

The more we think about the things that are essential for real freedom, the more we must conclude that *economic freedom, that is, freedom from exploitation of man by man, is the foundation of all the other freedoms.* It is the essence of freedom from want.

Look at America today, even after the wartime "prosperity." Here is only a small part of the picture in one newspaper headline: "Survey Shows Veterans Unable to Afford Jobs at Current Pay—\$20 to \$30 a Week for 'Beginners' Won't Meet Cost o' a Family." If you have followed my argument from the beginning, you will yourself have reached the conclusion that for the immense majority *economic freedom can only be realized under socialism.* "Russia," writes the Very Rev. Hewlett Johnson, Dean of Canterbury, in his book, *The Secret of Soviet Strength*, "enjoys an economic freedom totally unknown here."

"Socialism means suppression of freedom of speech and of the press," is what you sometimes hear. Again we must ask: freedom for whom and for what? Can you, John Smith or Mary Jones, publish your own newspaper? Legally you can, but as a practical matter, have you the money? Have nine-tenths of our people the money? And having the money to publish a newspaper means in large cities having millions.

Actually freedom of the press is under capitalism one of the most restricted of all our freedoms. In the full sense it is enjoyed by only a small number of wealthy individuals who use their newspapers to make you think what suits their own class interests. This means that fascist publishers like William Randolph Hearst and Col. Robert McCormick have far greater freedom to spread their poisonous ideas than real democrats. True, in many of our newspapers it is sometimes possible to get other viewpoints into the news columns. But this is like pouring a bottle of perfume into a sewer.

You can judge the class character of our press by the following: the members of American trade unions and their families constitute about one-third the population of the country. But among the 1,744 daily English language newspapers in the United States there are only two labor papers, the New York *Daily Worker* and the San Francisco *Daily People's World*, both with very limited capital and circulation. And though one out of every ten Americans is a Negro, only one of the 1,744 dailies—the Atlanta *Daily World*—is Negro.

### The Press Under Socialism

In a socialist America all this would be different. No newspaper would be published by a private individual or be influenced by commercial advertisers. Some papers might be published by national, state and local governments, others by various public organizations such as trade unions, cooperatives, farm groups, etc.

These newspapers would present the truth because there would be no private owners who would benefit from a perversion of the truth. They would eliminate the smearing of labor and the Negro people and the spreading of false reports about other nations. They would cut down on sensationalism, encourage the development of a people's culture, and help educate the nation in the socialist way of life. And far from stifling criticism, the press in socialist America would be full of it—criticism from all sorts of ordinary people about things that matter.

But, you may ask, can the Russian people criticize their

government? It all depends on what you mean by "criticize." Lord Haw Haw, the British traitor, "criticized" his government in his broadcasts for Hitler. Ezra Pound, the American traitor, "criticized" his government in his broadcasts for Mussolini. Such "criticism" is not permitted in the Soviet Union—and I don't think it would be permitted in socialist America. No fascists or other reactionaries are allowed publicly to speak or write or act in a way that tends to undermine the socialist democracy the Russian people have built with so much toil and sacrifice. But of genuine criticism there is no lack. Of genuine freedom of speech and the press there is more for the common people under socialism than in the most democratic capitalist country. The Webbs write in *Soviet Communism*:

"... there is . . . no country in the world in which there is actually so much widespread public criticism of the government, and such incessant revelation of its shortcomings, as in the U.S.S.R. Nearly every issue of the newspaper contains details of breakdowns and failures; of the scandalous behavior of officials whose names are given; of cases of neglect and oppression; and of the need for this or that alteration or improvement of government policy or administration. The 'wall newspaper,' in which in every factory and office the staff publicly criticize and even lampoon their superiors, is a universal institution in the U.S.S.R. No such public criticism by the wage-earner of his employer or of his foreman is allowed in capitalist countries."

And an American newspaperman, Alexander Kendrick, former Moscow correspondent of the Republican Philadelphia *Inquirer*, told the American-Soviet Cultural Conference in New York on November 18, 1945: "It [the Soviet press] assails bureaucracy, stupidity and ignorance wherever it finds them. It has a crusading tradition which makes some of our Pulitzer Prize winning newspapers look anemic."

### Socialism and Religion

"Socialism suppresses religion." This is one of the oldest charges against socialism, but it doesn't happen to be true. In a socialist America there would be complete freedom of

conscience and worship and the churches would be free to function in the religious field without interference. However, like other groups, churches would not be allowed to conduct political activity contrary to the interests of the people. There would also be complete separation of church and state, which would mean that no religious instruction could be introduced into the public schools. Our present capitalist republic was established on the principle of the separation of church and state; however, this is sometimes violated in letter and spirit. Under socialism individuals and groups would also be free to carry on propaganda against belief in God, though not to interfere with freedom of conscience and worship.

There are religious people who, far from considering socialism a menace, see in it the fulfilment of the ethical principles of their faith. It is this that has attracted to socialism distinguished clergymen like the Dean of Canterbury, Dr. Harry F. Ward, professor emeritus of Christian ethics at Union Theological Seminary, and Rev. Eliot White, formerly of Grace Episcopal Church, New York.

"Under socialism the right to strike is abolished and trade unions become creatures of the state." That is another of the so-called arguments against socialism. Since the factories are no longer owned by private individuals, but collectively by the people, against whom should workers strike? Against themselves? Actually there is no anti-strike legislation on the Soviet statute books. Strikes simply don't occur. They don't occur for the same reason that people in their right minds don't hit themselves over the head with a hammer. Once we get rid of the capitalists, we get rid of the chief obstacle to a better life for the people. We can then raise wages, shorten hours, and introduce other improvements without the conflict of interests that leads to strikes.

As for the unions, they will be able to look after the welfare of their members on a far more extensive scale than under capitalism. It is they rather than the big corporations that will be the pillars of the new society.

The noted American journalist, Albert Rhys Williams, a veteran student of Soviet affairs, tells this story in his book, *The Russians*. He asked a Russian chauffeur employed by a

factory whether it was true that the labor unions "are simply adjuncts of the state" and don't protect the workers' interests. The chauffeur replied by citing a personal experience. His union had put in a demand for higher wages, but the management turned it down and asked where they were going to get the 30,000 extra rubles a month. The union then appointed this chauffeur and two others to look into the matter. After investigating, the committee showed how the plant could dispense with three unnecessary men and could also save on oil and gas.

"The management could not deny the facts," the chauffeur told Williams, "but they were a bunch of bureaucrats. . . . We waited a week and when they did nothing, the union threatened to take the case up to the Central Committee of Unions. They got scared and gave in. Now, instead of 440 rubles, all the chauffeurs are getting 550 rubles a month. We got better wages, and the country got three extra, much-needed men to work elsewhere."

"Under socialism no one can own any personal property." False again. Under socialism no one can own private property in the means of production which would enable him to exploit someone else's labor, but all sorts of other private property is permitted. In fact, under socialism the average American citizen will have more and better personal possessions such as clothing, housing, furniture, books, etc., than under capitalism.

### **Socialism and Democracy**

"Socialism means a one-party dictatorship and the suppression of democracy," is another cry we often hear from Soviet-baiters. If we are to measure a nation's democracy by the number of its political parties, we would have to conclude that Germany in January 1933, on the eve of the Hitler dictatorship, was a more democratic country than the United States: while we had a two-party system, Germany had at that time a dozen or more political parties. As a matter of fact, if dictatorship means the autocratic suppression of the majority by a minority, then the bloody events in Germany, Italy,

Japan, and Spain show that it is capitalism in its fascist form which creates a one-party dictatorship.

What is a political party? It is an instrument through which a class or sections of a class seek to advance their interests by winning control of influential positions in the government. The Democratic and Republican Parties are both capitalist parties. The big financial and industrial tycoons of the eastern seaboard have been in control of the Republican Party for years.

For the most part lesser capitalists, who have differences with those of the GOP, as well as the reactionary industrialists and landowners of the South, are in control of the Democratic Party. However, there have been periods when Wall Street traveled by donkey as well as by elephant.

But what happens where conflicts of class interest no longer exist—where in fact there aren't any more antagonistic classes? Isn't it logical to suppose that under such conditions contending political parties would also disappear? That is exactly what has happened in Russia. There are no longer any capitalists in that country; hence there are no longer any capitalist parties. And since the workers, farmers and intellectuals no longer have conflicting interests, but comprise a unified people joined in a common enterprise, they do not need separate political instruments, but a common one: the Communist Party. They have what the American workers and farmers still lack: a mass party of their own.

However, the Communist Party is not a party in our sense, not an electioneering apparatus, but a political mechanism through which the ablest, most energetic, most patriotic Soviet citizens, numbering several million, provide leadership in behalf of the common goals of all Soviet citizens. This doesn't mean that differences don't arise, including differences about



who are best fitted to hold public office. But, as in the case of living standards, such differences do not spring from class exploitation and the privileged position of one class as against others. They therefore can be resolved with relative ease and in a constructive spirit.

To speak of socialism suppressing democracy is like speaking of dry water or sweet salt. It is capitalism that limits and suppresses democracy. "Democracy for an insignificant minority, democracy for the rich," wrote Lenin in his book, *The State and Revolution*, "—that is the democracy of capitalist society."

Think how even the right to vote, about which some Americans are so smug, is seriously restricted. In eight southern states you have to pay a tax for the right to vote. In one, South Carolina, home of Secretary of State James F. Byrnes, there is not even a secret ballot. And if you happen to be a Negro, you will find it especially difficult to vote throughout most of the south. As a result of these restrictions, only 27.9 per cent of the potential voters in the thirteen southern states went to the polls in the 1944 Presidential election, compared to 61.9 per cent in the thirty-five northern states.

And just consider how this situation and the virtual one-party dictatorship in the South affects Congress, which makes the laws for the entire nation. Reactionary Democrats, elected by only a tiny minority of their constituents, manage to stay in Congress indefinitely. Through length of service they get control of key committees and block progressive legislation.

It is only under socialism that we have democracy in full bloom. Democracy and socialism have been inseparable from the beginning of the Marxist movement. The *Communist Manifesto* states: "The first step in the revolution by the working class is to raise the proletariat to the position of ruling class, to win the battle of democracy." This rule of the workers, which would mean the victory of democracy, was called by the founders of scientific communism the dictatorship of the proletariat (working class).

They used the word "dictatorship" in this phrase to mean something entirely different from what it means to most non-Marxists. They used it to describe the government of

socialism, of the transition period from capitalism to communism. During this period, in the words of Lenin, "together with an immense expansion of democracy, which *for the first time* becomes democracy for the poor, democracy for the people, and not democracy for the rich folk, the dictatorship of the proletariat produces a series of restrictions of liberty in the case of the oppressors, the exploiters, the capitalists." Marx, Engels and Lenin contrasted this working class dictatorship, which means real democracy for the people, with capitalist democracy, which is actually the dictatorship of the capitalists.

Just as in the Soviet Union, socialism in our country will cast in the shade anything our people have experienced in the way of democracy under capitalism. Starting with the factory, where men and women will actually be working for themselves, masters of their own jobs and their own lives, a new structure of economic and political life will be built by the common people, serving their needs.

For millions of black Americans, socialism, which will come through the efforts of Negroes as well as whites, will smash all remnants of the Jim Crow system and will for the first time establish genuine democracy and equality. It will also outlaw, as it has in Russia, anti-Semitism and all discrimination because of race or nationality.

"Socialism may be all right for Russia, but it won't work in the United States; it isn't the American way." This is another false argument we sometimes hear. If anything, socialism will work even *better* in the United States than in Russia. We don't have to start from scratch; on the contrary, the physical means of abundance have been built more completely here than in any other country. All that's needed is to take them out of the hands of the profiteers and turn them over to the people.

Our millions of highly skilled workers too will make far easier the shift to socialism here than in Russia. And our democratic tradition, far from being in conflict with socialism, is a valuable asset in moving toward the larger, richer democracy of the cooperative commonwealth.

As for the American way, are 17,000,000 unemployed the American way? Is the shooting of strikers, the lynching of

Negroes the American way? If the American way means the assurance of life, liberty and the pursuit of happiness proclaimed in the Declaration of Independence, if it means "government of the people, by the people, for the people," then capitalism is a mockery of the American way. Only under socialism can these ideals become flesh and blood reality.

### What Americans Want

We sometimes hear it said that most Americans don't want socialism. Let's look into it. Do most Americans want permanent full employment and no depressions? Do most Americans want a secure and prosperous life? Do most Americans want lasting peace? Of course they do. Well, they can't get any of these things under capitalism. Most of them don't realize that yet, but they will in time—perhaps sooner than many of us imagine. Once we Americans get started we like to move fast. We didn't build our country by sitting on our hands; we didn't win our present democratic liberties by watching from the sidelines. Behind Jefferson stood the people, behind Jackson stood the people, behind Lincoln, and behind the New Deal reforms. Every time democracy moved forward it was because the people made it move.

No one who listens to Americans talk can say they are bubbling over with faith in capitalism. They have been through too much hell in the last sixteen years for that. And perhaps in some ways they are farther ahead than some of us suspect.

Here is one slant on the public mind. A recent Gallup poll shows that more than one out of every three trade unionists favor nationalization (government ownership) of our banks, railroads, coal mines, and electric power companies. This is a remarkably high percentage when you consider that in recent years no campaign for nationalization has been conducted by any union or other influential organization, while "free enterprise" ballyhoo has been dinned into our ears day in and day out.

Don't make the mistake of thinking that nationalization is the same as socialization. Big business and its propaganda agencies try to make us believe that not only government ownership, but any kind of government regulation is socialism.

It's nothing of the kind. There can be no socialism without the transfer of economic and political power from the capitalists to the workers and their allies. When a capitalist government takes over an industry, as is happening today in England, France and other countries, there is nothing socialist in it. In fact, in Nazi Germany government ownership of the railroads, the Reichsbank and other enterprises was an instrument of fascism and strengthened the power of the trusts.

However, government ownership of certain industries can be of real benefit to the people even under capitalist conditions if it is carried through under democratic controls. This has proved to be the case in eastern Europe. In the struggle against monopoly and reaction the democratic nationalization of the banks, railroads, telephone and telegraph, electric power, steel, coal mining and other major industries would be a tremendous advantage.

The battle for this kind of nationalization is part of the American democratic tradition. Andrew Jackson tried to break the power of the banking monopoly centered in the privately-owned United States Bank. The People's Party of the 1890's, which elected many representatives to Congress and state legislatures, called for government ownership of



the banks, railroads, telegraph and telephone. After World War I a considerable movement developed for nationalization of the railroads, and this was one of the planks in the platform of the elder La Follette's Progressive Party in the 1924 election. Under certain circumstances democratic nationalization can also prepare the way for socialism.

### An Anti-Monopoly Party

The fight for nationalization, as well as all the other battles that the American people must wage to defend their living standards and liberties against the fascist-minded men of Wall Street, cannot wait until the majority of the workers are convinced of the necessity for socialism. These battles have to be fought now. Today the big corporations and politicians like Herbert Hoover, Senator Taft and Representative Rankin are spearheading the attack. When President Roosevelt was alive he would, despite frequent retreats, on various occasions challenge these enemies of democracy and turn to labor and the people for support. But President Truman has moved far away from the path of F.D.R. Today he gives lip-service to a program of progressive legislation, but when it comes to putting up a fight, he does it for men like Pauley rather than for the people. He is yielding more and more to the reactionary Republicans allied with the southern poll-tax Democrats.

The Truman record shows how little can be expected from the leadership of either major party. That is why many Americans are turning toward the idea of an independent party, an anti-fascist, anti-monopoly people's party. Such movements as the C.I.O. Political Action Committee, the National Citizens P.A.C., the National Farmers Union, the Independent Committee of the Arts, Sciences and Professions, the National Association for the Advancement of Colored People, the National Negro Congress, the American Youth for Democracy, etc., could jointly form the nucleus of a broad independent people's party. Such a party would include workers, farmers, veterans, small business and professional people and any other capitalist elements who are willing to support international cooperation for peace and national struggle for 60,000,000 jobs and democracy.

This would not be a party of socialism, but it would fight for the widest extension of democracy and the biggest improvement in living standards that is possible under the present setup. In the course of this struggle millions of people will learn what can and what cannot be done under this system. And more and more they will understand how essential it is for their own salvation to do what cannot be done under capitalism.

### The Path to Socialism

How, then, do we get socialism?

We get it the same way the people have always moved ahead in the long trek to democracy and freedom: by organization and struggle.

Every single battle that we fight today, whether it is for a wage increase, for a veterans' bonus, for Negro rights, for housing, for health insurance, or against boosts in living costs, against anti-Semitism, against anti-labor legislation, against a foreign policy that entrenches colonial oppression and strains relations with our greatest wartime ally, Soviet Russia—whatever it may be, every one of these battles helps weaken reaction and strengthen progress. And it can become a step on the road to socialism.

Each one of us, by what we do or fail to do, is helping decide the outcome. But to follow the road of light despite the hosts of darkness arrayed against us requires leadership—the leadership of knowledge, courage, vision and deep devotion to the people's interests. It requires a political party of socialism. Such a party is the Communist Party.

This party calls itself Communist because communism is its final aim. But the first goal in abolishing capitalism and establishing working class power is socialism. One of the things it is important to learn is that not everyone who talks about socialism is really going there. Just as there are trade union leaders who work more for the bosses than for the workers, so there are political parties that talk socialist and act capitalist. For example, the Labor Party in Britain and the Social-Democratic Party in pre-Hitler Germany. Most of the members of the British Labor Party believe in socialism; the voters who placed the Labor Party in power in the

last election voted for a change from the program of the Tories. But once in office, the Labor Party leaders behaved like capitalist politicians. In foreign affairs they have continued the reactionary imperialist policies of Toryism; on the domestic scene they are introducing a few reforms, but these don't begin to meet the needs of the people.

In Britain there is also a Communist Party, as there is in every other country, including our own. These Communist Parties battle for every inch of immediate improvement in the conditions of the people. But they aren't content with inches; they want the full measure of freedom and democracy and they know that this is possible only under socialism.

The Communist Party of the United States is still quite small and there are some people who think this proves that the Communist movement has no future in our country. A hundred years ago there were people who thought a small group known as Abolitionists had no future. But within a few years the program of the Abolitionists became the program of the nation and triumphed in the Civil War.

*It is capitalism that has no future here or anywhere else.* When you look at what appears to be a very strong capitalism in America and what appears to be a very weak Communist Party, bear in mind that on a world scale capitalism came out of the war weaker than it was, while the Communist movement came out substantially stronger. Bear in mind, too, that it was this strong American capitalism which suffered the biggest crackup in 1929 and had the slowest recovery—and the same thing will happen again.

### Communism a Power

Look at the whole picture, not just our corner of the world. Who can deny that the Communists today are a power not only in Russia, where they have established a successful socialist system, but in China, where they lead tens of millions who rule themselves in the only part of that country which enjoys democracy; in France, in Italy, in Greece, in Yugoslavia, where a Communist, Marshal Tito, heads the government; in Poland, Czechoslovakia, Bulgaria, Rumania, where the Communists are part of the government in these new people's democracies. And in the second largest country of the western hemisphere.

Brazil, the Communists in the December 1945 election received 11 per cent of the total vote and elected sixteen members of the Senate and Chamber of Deputies.

"Where Liberty is not, there is my country," said Tom Paine. "My country is the world," said William Lloyd Garrison, "my countrymen all mankind." Who will deny that the men who uttered those words were better patriots than the Tories and the slaveholders and fashionable plutocracy who hated and hounded them. Communism is the modern version of this doctrine of internationalism. Our national interest is best served by being linked with the worldwide struggle for freedom and socialism.

Perhaps you have heard or read that Communists "take orders from Moscow." If you had been living in the 1790's, you could have heard or read that Thomas Jefferson was "taking orders from Paris." There is as much truth in the one as the other. Just as Jefferson believed that American democracy had a vital stake in the success of the French Revolution, so today Communists believe that American democracy has a vital stake in the success of the Russian Revolution. That's why they urged cooperation with the Soviet Union long before World War II made it clear that this was essential for the defense of America.

It would be far more sensible and true to say that Communists "take orders" from Karl Marx who has been dead over sixty years. They "take orders" in the same way that scientists "take orders" from Copernicus and Darwin. For it is a fact that the Communist Party has the advantage over all other parties in that it works with a powerful tool, Marxist science.

There were Marxian Communists in this country long before there were any in Russia. Friends and co-workers of Marx and Engels, who came to this country after the 1848 German Revolution, helped build the early American labor movement. In our Civil War they fought on the side of democracy when the forefathers of the Rankins and Bilbos were fighting on the side of slavery. Abraham Lincoln did not hesitate to recognize the ability of these men. The Communist August Willich rose to the rank of brigadier general,

and the Communist Joseph Weydemeyer was commissioned a colonel and made commandant of St. Louis.

Perhaps you have heard or read that the Communists "advocate force and violence." The fact is that the Communists demand the outlawing of fascists like Gerald L. K. Smith and Joe McWilliams, and subversive groups like the Ku Klux Klan and the American Nationalist Party—individuals and groups that plot force and violence against the American people. It is also true that Communists do not hesitate to fight with arms if necessary against the enemies of democracy. Major General Clayton Bissell, head of G-2, Army Intelligence, testified in 1945 before the House Military Affairs Committee which was then inquiring into the granting of Army commissions to Communists and alleged Communists: "These officers have shown by their deeds that they are upholding the United States by force and violence."

And in the occupied countries Communists were in the forefront of the battle to overthrow the fascist invaders. This was patriotism of the highest type. If there were a similar situation in our country, the Communists, like our revolutionary forefathers, would not hesitate to resist with all means the suppression of democracy. And they wouldn't be alone.

The best way to find out what sort of people Communists are is to get acquainted personally with them. You'll find no resemblance to the hobgoblins of Pegler and Rankin. Communists are steel workers, auto workers, seamen, longshoremen, coal miners, clothing workers, office workers, farmers, teachers, lawyers, doctors, engineers, ministers, small business men. They belong to trade unions, farm organizations, Negro, veterans', women's, consumers' and community groups—to every kind of organization that seeks to advance the welfare of the people. Communists include people of various religious denominations and people of no religious affiliation.

Look around you. Perhaps your shopmate is a Communist or your neighbor. You will usually find that he or she is a person who knows what the score is better than most and can be counted on to put up a fight for the interests of the entire group. There are exceptions of course; Communists are human beings. They make mistakes, but they learn to spot them and correct them better than most other groups. By

and large they are people who understand what needs to be done in a particular situation, are willing to take the lead in doing it and to take the hard knocks as well. And Communists are ready to give their lives, if need be, to build a better world. This is a party that's decidedly worth supporting and joining.

### The Choice Before Us

"I have seen the future and it works," said the famous American writer, Lincoln Steffens, after a visit to the Soviet Union. Socialism is the future not only in Russia, but here and everywhere else. Shake hands with it. Ours is such a rich country, there is no excuse for anyone being ill-housed, ill-clad, ill-nourished. Socialism in the U.S.S.R. saved mankind in the war against fascism. Socialism in the U.S.A., the greatest and most decisive capitalist country, can save mankind in the war against poverty and against new world bloodshed.

The capitalist economic system once presented its 1929 model and said: this is my best. Between 1933 and 1945 the capitalist political system presented its Roosevelt model and said: this is my best.

They just aren't good enough. And there's worse to come. We are going to have to choose socialism or catastrophe. Let's try socialism.



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