

# NEW MASSES

FEBRUARY 1, 1938



## New Hope for the New Deal

By Marguerite Young

WASHINGTON.

**I**T is remarkable but not surprising how certain newspapers tuck into their accounts of royalists Lamont, Weir, and Girdler's new tenderness toward the President a note of reciprocation suggesting a second honeymoon—with Roosevelt pictured as cautiously surrendering to the embrace amidst a lot of coy talk about monopoly.

Actually the situation here is more favorable to progressive reform—within candidly clarified limits—than any I have seen in a decade of watching Washington. Here are some major aspects of the situation:

1. The force of the reactionary political offensive has broken against the combination of a recession which the Tories deliberately aggravated, cumulative defeats at the polls, and the lessened dependability of the Supreme Court. 2. Roosevelt is receiving a stream of realistic analysis, advice, and demands both from his own counselors and from liberal and labor supporters beyond the Potomac. 3. The administration seems well set toward pushing along with its program, bringing forward both items that will pass in this session of Congress and some that may await expected 1938 replacements of obstructors; with this in mind, some New Dealers actually are asking progressive outsiders what they can do to extend the franchise to southern mass followers of the New Deal, now voteless by reason of poll taxes.

4. Forward-looking legislators are moving steadily toward unity for a program and leader, to give independent support to Roosevelt. 5. The last factor is enhanced by increasing political alertness and effectiveness, both here and in the country generally, of such forces as Labor's Non-Partisan League. Policy flows as usual out of actual economic and political events.

First, the economic. Despite optimistic observations by some people, Roosevelt is hearing repeatedly and emphatically—and business and labor leaders know, too—that the current flurry in production is deceptive. The recession's roots are stout. There was the curtailment, under the reactionaries' attack, of even the inadequate government spending. Then on top of that, what Roosevelt called the "selfish suspension of capital" for political objectives. One administration economist, back in the councils with added prestige because he stubbornly kept foretelling the recession, sizes things up about this way: the lift in production may continue, but unemployment will increase. The current upturn is just the inevitable rebound from the business index's long slide from 117 to 78, with some raw materials sinking below 1934 levels. But remember that the two million increase in the unemployed between Labor Day and Christmas was a contra-seasonal one—and that we are about due for a

seasonal rise of one million or so. The best you can expect on the present basis is a slight, temporary nibbling at the total. There's just one economic answer: work—and enough work—for the unemployed, and safeguards to keep up the buying power of the privately employed and farm people.

Politically, the administration has the offensive and evidently means to keep it. It has just about completely reversed the situation that existed in the special session of Congress. At that time the *Washington Post* set forth the die-hard determination to drive straight ahead against labor and liberal legislation. The *Post* pleaded, "The situation has changed"—meaning the recession—but not mentioning that it had been sharpened by the Tory drive. And forthwith the Republican-Democratic coalition resumed the attack, bottling up the wages and hours bill, increasing the clamor of political agitation against the Wagner Labor Relations Act and every other New Deal reform, and pretty well demoralizing administration progressives on Capitol Hill. But the continuation of the recession, coupled with the November election-victories of labor and progressive forces, gave Roosevelt the opening he was looking for.

Thus, the Ickes and Jackson speeches. The issue they raised was not monopoly *per se*, or concentration of wealth and industrial control

in the abstract, but these in relation to the issue of social responsibility vs. uncontrolled depredation. The speeches were interpreted by some at whom they were aimed—or, more accurately, deliberately misinterpreted—as general assaults on *business*. It was in order to counter that misinterpretation, and clearly to distinguish between New Dealers and coat-tailers both in business and in politics, that Roosevelt included in his message opening this session the note welcoming coöperation *with* his program. That was not the “conciliatory” emphasis which the recalcitrants and their press played up. Rather, the message clearly indicated Roosevelt’s awareness of having the obstructors both inside and outside of Congress just about where he wanted them. The nub of it was in that final sentence about not letting the people down. It carried a fair warning: “If you do, it’s hara-kiri for you next November.” Probably it was just to cinch the point that Roosevelt—who scarcely ever made an uncalculated remark—tossed Republican Bert Snell that comment about “telling” ’em—not asking ’em.”

This awareness of a day of reckoning next November, plus the memory of the last elections, plus the fact of a chastened Supreme Court, and on top of all, the recession itself, left the die-hards with precious little appetite for a further head-on collision. So they abandoned it and adopted “coöperation.” Hence the sudden sweet-reasonableness of Girdler and Weir, and the restraint of the tory politicians and press in their comment on the President’s message.

I find a number of New Dealers aware that the proffered “coöperation” is in many cases not all it might imply, and bears watching. They see the possibility that it may reflect the “I’m-with-you-in-principle-but” technique employed by Bill Green. Confronted with irresistible sentiment for industrial unionism, he endorsed the principle but canceled it in action.

And Roosevelt is no slouch of a strategist either. He is fully capable of using the current White House conferences to further clear the air, and build sentiment for his own program even when that program conflicts with the advice of some of the new conferring “coöperators.” He is an old hand at receiving advice from all sides and, having listened, producing his own solution. This will certainly be the outcome of such conferences as that with Lamont, Weir, Sloan, etc., if it is reported correctly that these gentlemen had no new specifics to discuss. (I’m told, in fact, that the notable moment of one conference occurred when an administration adviser kept vigorously inviting discussion of just who caused the recession and how, and Mr. Lamont kept delicately declining.)

I do not mean these conferences are mere stage-settings for Roosevelt’s previously fixed program. Should representatives of small businessmen support the demand for modification of the undistributed profits tax, Roosevelt may concede it. But any fundamental shift in the administration program—including prominently the principle of taxation for social purposes, i.e., meeting popular needs with revenue de-

vices which also restrain the excesses and abuses of monopoly—does not seem to be in the cards. The Roosevelt program is likely rather to be extended. There is talk here, for instance, of a new mammoth spending-program for housing, libraries, roads, etc. It’s worth noting in this connection that the conferees who came with Roper recognized the principle of spending-for-recovery and agreed to the wages and hours bill.

PRECISELY in relation to the monopoly question, there is crystallizing a healthy realistic approach. I noticed it first in talking with a progressive Democratic congressman. Emphatically objecting to any threat or promise of eradicating all concentrated control—“For we all know very well capitalism is here to stay a while”—this legislator nevertheless insisted that within this framework we can simultaneously curb excesses and ward off further encroachment against consumer and worker by siphoning off top surpluses for emergency needs and by dealing with monopoly *in relation to* a whole series of measures rather than alone. That is not the old-style, trust-bustin’ approach of futile memory. Nor does it mean distinguishing between good and bad trusts and competition à la Teddy Roosevelt, Donald Richberg, and the monopolists who under N.R.A. reform banners further entrenched themselves. What a refreshing contrast to the attitude of the 1933 New Dealer who excitedly averred—while the employers wrote the codes after letting pre-C.I.O. labor have its little say-so—that Roosevelt was really reforming us straight into socialism!

This new approach is embraced also by faithful brain-trusters who shudder at the mere reappearance of their quondam colleague Richberg, now hired out to Wall Street. These New Dealers are not averse to anti-trust prosecutions, particularly if they can be speeded up by judicial reform. They are pushing for continued education of the public on the monopoly question, wherefore you may expect not only more speeches of the Ickes-Jackson variety, but also new federal investigations airing the situa-

tion between consumer and worker on one side and monopolist on the other in such juicy spots as the steel and food industries. In addition, administration experts are at work on an inter-corporate dividend tax proposal to step down certain holding company antics of big finance. I asked administration Senator Schwollenbach about this tax idea. “Of course, that’s the way to get at the situation,” he replied.

All this deepens the impression that the administration will keep its legislative program moving, not with the rigidity and the clamor of the “must-program” era, but with the idea of clearly doing its part toward fulfilling election-campaign promises and letting reactionary obstructors of both parties take the consequences in November, after which unfinished projects could march along nicely toward 1940.

In this connection certain administration advisers point out that the southern Democratic filibusters against the anti-lynching bill certainly do not reflect the sentiment of the New Deal’s mass following in the Deep South. But many of those, unemployed and employed, are disfranchised by poll taxes. How serious a matter this is was indicated by a southern C.I.O. organizer who noted that those actually voting in recent elections in the home town of Carter Glass were the merest fraction of the population. Labor and unemployed representatives, therefore, are looking into the possibility of launching a popular subscription campaign, perhaps led by Labor’s Non-Partisan League and unions, to provide those poll taxes.

THE LEGISLATIVE OUTLOOK at this point seems like this:

**Anti-lynching.** Prospects of breaking the filibuster are dubious. It takes a two-thirds vote to limit debate, and this would be opposed by Republicans among the large majority ready to vote for the bill. Also, some Democrats supporting the bill argue this is not sufficiently universal an issue on which to precipitate a split. They are determined, however, to find means of putting the handful of obstructors on record officially in relation to the issue if not specifically on this bill, and have not abandoned hope of wearing out the filibusterers. The trouble is that an indefinitely prolonged fight blocks other measures which can be won.

**Wages and hours.** Generally believed this will be enacted.

**Farm.** Bill probably will pass, but Senate and House conferees are rewriting it so drastically that a supplemental measure will probably be offered by progressives.

**Unemployment.** Schwollenbach-Allen resolution covering Workers’ Alliance objective expected to get administration support. It would guarantee work to all unable to find private employment, and repeal existing legal compulsion on officials to spread appropriation over the whole fiscal year. The latter will go out, barring surprise improvement in unemployment or new program like federal-built housing. Roosevelt message pledged Workers’ Alliance principle, but budget slashed next year’s money. Progressives preparing to enlarge, and expect success.



Robert Joyce



*Peace policy.* Ludlow amendment defeat is recognized as sign of shifting isolationist sentiment, and a great many legislators are much concerned with finding agreement on something to replace present day-to-day devices under a law they see is unneutral. Sentiment on a positive peace policy such as Roosevelt's quarantine for aggressors has still to be crystallized.

*Wagner Act.* Current investigation of the Labor Board and Senator Glass's committee slash in House appropriation are spadework toward a campaign for crippling modification of act—a sample of the "coöperation" progressives anticipate. Administration forces mobilizing and confident. On this question progressives in the House had an impressive victory: last year a bitter struggle featured by direct assaults on the Board was won by a handful; this time less than a score voted against the appropriation, there were no attacks on the Board, and a Democrat who launched a fight in the House committee recanted before the question reached the floor.

*Taxes.* Operation of undistributed profits may be revised, but the principle is expected to be retained, also the capital gains tax.

IN ADDITION to the above, progressives will bring forward their other measures. They are in the mood for action, and, more important, for unified action. They groped for organizational expression last year—and saw the impeding effects of nursing sectional, social-theoretical, and personal differences. Now they look for unity around a program and a leader. They are aware of unusually favorable conditions. For instance, there are at least fifty hard-working, realistic, courageous men in the House today who present, simply as human material, a pleasant contrast to the pre-crisis hordes of the errand-running type, whose thinking was confined to Mae West, the franking privilege, and the pork barrel. These include not only the Minnesota Farmer-Laborites like Bernard and Teigan, and the Wisconsin Progressives like Boileau, but young Democrats like Allen, Voorhis, Maverick, and some veterans like Lewis of Maryland, the erstwhile miner whose progressive ideas had kept him mighty lonely in the wilderness of the Capitol's marble halls. In addition to this number, who agree on most aspects of civil rights, monopoly restraints, and social taxation, there are perhaps one hundred and fifty others who would follow on some issues.

If anyone unites them effectively, it probably will be the tabasco-tongued Maverick—a southern Democrat, a dynamo, and one seemingly increasingly alert of late to the possibilities and the demands of organizational leadership. Some of these people are now meeting regularly. They have working contact with liberal senators.

Of course, their unified functioning is dependent on a more solid unification of progressive forces back home. That's where the new Labor's Non-Partisan League headquarters comes in. They have set up shop there—and the first thing they'll tell you proudly is that they seek to further the unification of labor and



Ned Hilton

### *The Traveling Salesman and the Farmer's Daughter*

liberal forces both here and in the field. And they are going at both tasks with an impressive technique. It involves, first of all, the stimulation of organization, which national headquarters pushes by sending local units specific guidance (the latest thing is a detailed handbook on how to organize and conduct a political campaign) and by sending organizers to strategic spots. And they are moving: three local meetings on a recent Sunday mobilized representatives of not less than two hundred thousand voters; the next Sunday witnessed organizing meetings representing a half million more. Their New Jersey affiliate is on the job, with state headquarters right around the corner from the state capital. Units in St. Louis, Detroit, San Francisco, and a string of New England points are busy. Executive Vice-President E. L. Oliver lately visited the growing Florida group, and found people eager to get going in other Deep South spots, like South Carolina. Their Alabama unit had a hand in the sensational Lister Hill campaign. They are beginning to function in Maine—and have received an urgent request to come help people who want to organize in Vermont! This en-

ables spokesmen here to talk the only language every politician understands—that of masses of voters.

The League is planning a national convention for this spring, in the Midwest, in order to reach the farm and basic industrial population, and at that time will adopt a national legislative program. But they are functioning already on such basic measures as the wages and hours and farm bills, and recently participated in a small but striking exemplification of the results of uniting with C.I.O. and unemployed forces. When the Workers' Alliance demanded immediate additional jobs to meet the recession, the W.P.A. agreed to supply three hundred fifty thousand. But prompt checking between national and local leaders showed the jobs were not being distributed, and federal officials began wondering if they were not needed. The League, the Workers' Alliance, and the C.I.O. immediately set up joint committees in strategic cities. Result: representatives here discovered local relief officials and red-tape had caused the delay; the quotas now are reported rapidly being exhausted.



Fred Ellis



# A Report on C.I.O. in Steel

*By Bruce Minton*

PITTSBURGH.

**J**OE MAGARAC could snap a half-ton bar of metal over his huge knees. That wasn't strange because Joe Magarac was born in the bowels of an iron mine, and he was made of steel all the way through.

Single-handed, Joe Magarac could make one thousand tons of steel a day, and more if he felt like it. Joe Magarac didn't need thermometers and such devices to test his steel. He would reach into the furnace, scoop out a handful of the dripping metal, and taste it.

Sometimes Joe Magarac felt sad. Then he would climb into the furnace and sit there with the flames roaring about his ears, idly stirring the steel with his arms, and thinking.

Joe Magarac was a great man.

STEEL WORKERS sitting in union halls tell the story of Joe Magarac. He is the symbol of the men who have long been masters of metal and fire and machinery, and who only recently began to be masters of their own lives.

Over long years, the workers who forge the stuff from which ships and trains and skyscrapers are fashioned vainly attempted to set themselves free. Time after time they tried to organize in self-protection, and time after time they were defeated—at Homestead, Ambridge, Aliquippa, Johnstown, always beaten back and battered into industrial serfdom. Until in 1936 the C.I.O. formed the Steel Workers' Organizing Committee, which in a year won for steel workers hope and freedom and a new life.

That mighty struggle for organization is now history. Steel workers shudder when they recall the black past. The change has been sudden, far-reaching. In the space of eighteen months, 1080 S.W.O.C. lodges have been formed where no lodges existed before. Contracts with steel concerns protect over 550,000 wage earners. Company unions have vanished; company towns, where the Democratic Party did not dare hold meetings, have progressive administrations. The forty-hour week has become standard, wages have risen \$200,000,000 a year, workers are entitled to vacations with pay.

Hope has even seeped into the bleak streets of two-storied frame houses where steel workers live. The dull wretchedness of existence has been somewhat dispelled by union meetings, forums, study groups. Wives slowly follow the example of their men, building Women's Auxiliaries that participate in union struggles, and offer new horizons to restricted lives. The foreign-born grow articulate. Negroes, formerly outcasts whose conditions were always worse than those of the most unfortunate whites, find themselves welcomed

in the S.W.O.C. and given an equal voice in the union.

"We are no longer hunkies or wops, dagoes or Negroes," a tall steel puddler explained to a group of intense men at the back of the union hall. "We don't think of ourselves in the union as Catholics, or Protestants, or Jews. We're all workers in this man's organization." The Negro chairman of a grievance committee asked for the floor at an S.W.O.C. meeting: "I just want to tell them amongst you who are my people, don't be afraid to come in the door or any part of the building where there's a meeting. You tell our colored brothers that so long as they belong to the C.I.O. they can go anywhere the C.I.O. goes. We're all one in it together."

What the S.W.O.C. means to steel workers, other C.I.O. unions mean to the thousands in the mines and in the aluminum, glass, radio, and power plants. Two years back, men whispered when they talked organization, alert for spies, afraid for their jobs and their personal safety. Today they wear C.I.O. buttons in their lapels.

Cynics and rumor-mongers—even some of the more timid progressives—have recently predicted that the business recession and resulting unemployment would end the new era of hope for industrial workers. They said that the very existence of the C.I.O. was endangered by the lay-offs, and that as dues fell off—jobless men can't pay dues—the financially weakened unions would shrivel and die. The hostile newspapers made very clear that the growth of industrial unionism had been the result of a temporary enthusiasm on the part of the misguided who, in the face of reality, would speedily desert the C.I.O.

The predictions of doom were strengthened by alarming figures: one-third of the steel workers, approximately 182,000, were idle by the first week of January; 62 percent worked only part time, about eight hours a week; 5 percent, or 27,000, were fortunate enough to be employed full time. In the coal fields, miners averaged two days' work a week. Similar conditions existed in the glass, aluminum, and manufacturing industries.

Most of these who anticipated disaster reasoned from the premise that trade-union history would repeat itself. In 1929, they recalled, the A. F. of L. leadership had capitulated to the depression. Members unable to meet the high dues-payments had been excluded from the unions. While the executive council had grudgingly conceded that perhaps the unemployed had some rights worthy of protection, the council failed to organize those out of work or to take any real part in the struggle for adequate relief.

In contrast, the C.I.O. today refuses to

retreat. Those members who work five days a month are expected to pay dues; those who are employed for less time are exempted from payments, though they remain union members in good standing with the same voice and vote in union affairs. Instead of losing membership, the C.I.O. binds the workers closer to the locals. "We're laid off now," a worker in New Kensington told me, "but we know that no one else is going into the plant there. That's why we're not scared."

Philip Murray, chairman of the S.W.O.C., enunciated the C.I.O.'s policy toward the unemployed at the steel workers' convention last December:

A great national industrial union like ours cannot stand idly by and watch every fourth member thrown into idleness, and every other three members deprived of a full week's work. We must, we can, and we will give every protection within the power of our great union to those of our members who partially or completely are deprived of work through no fault of their own.

Immediately, the lodges translated this statement of policy into practice. Locals set up relief committees whose first task was to ascertain that those eligible for state unemployment insurance applied for benefits. (Unemployment relief in Pennsylvania is granted beginning this year to those jobless who have worked six weeks during the previous year, and entitles them to benefits not higher than \$15 a week, not lower than \$7.50 a week.) Even more important, the local committees won speedy relief for the jobless not covered by the insurance act, and obtained deficiency relief for those whose part-time wages fell below subsistence levels.

The manner in which the relief committee of the Ambridge S.W.O.C. lodge functioned is typical. With unemployment mounting, the local met and instructed a group of delegates to call on relief authorities. The delegates interviewed the head of the local relief bureau who, after a little urging, agreed that unemployed union men should be allowed to register at the union hall. In turn, the union agreed to notify the relief bureau of the applications. Instead of standing in line at the relief station for hours, sometimes for days, instead of being forced to argue individually with officials or waiting weeks to be investigated, the unemployed worker merely stated his case at union headquarters. The union's recommendation in almost every instance was sufficient proof of the applicant's need. Relief checks were speeded. Even when out of work, union members learned to turn to their lodge for help. Unemployment failed to shatter the union; rather its hold on the membership increased as workers looked to it for aid.

In Homestead, Glassport, Duquesne, Ali-