

# THE DU PONT CONSPIRACY

*The sinister agreements adopted at a closed meeting in Hotel Pennsylvania September 17. What a handful of industrialists decided. Declaration of war—against President Roosevelt. Talk of negotiated peace. The strange proceedings of NAM's Resolutions Committee. What every American should know.*

Washington.

**A** CAREFULLY guarded report has been circulating privately and with the utmost secrecy in Washington. The report is in typescript—not more than five copies in all are extant. The document is an accurate and detailed account of a meeting held on Sept. 17, 1942, at the Hotel Pennsylvania, New York City. On that date the Resolutions Committee of the National Association of Manufacturers gathered to prepare for the NAM's December convention. The deliberations do not make pleasant reading.

*At this closed meeting—no formal minutes were kept—the NAM Resolutions Committee declared open war against President Roosevelt. The delegates discussed ways and means to undermine his prestige as Commander-in-Chief and to withdraw public support from his wartime leadership.*

*At this closed meeting the NAM Resolutions Committee named the New Deal as its main enemy. The war against the Axis was viewed as of secondary importance.*

*At this closed meeting the NAM Resolutions Committee, composed of a minority of industrialists, eagerly anticipated ending the war with a negotiated peace. Failing this, the delegates stressed that a peace following a military victory over the Axis powers must guarantee their special privileges above all else.*

*At this closed meeting the delegates demanded a national policy to preserve their profits. This they thought more pressing and vital than victory over the Axis.*

*At this closed meeting the delegates cheered and applauded a speaker\* who declared: "If we are to come out of this war with a Marxist brand of National Socialism, then I say negotiate peace now and bring Adolph over here to run the show. He knows how. He's efficient. He can do a better job than any of us can and a damned sight better job than Roosevelt, who is nothing but a left wing bungling amateur."*

*At this closed meeting the delegates threatened that unless the administration bowed to their demands, war production would suffer.*

*At this closed meeting some delegates threatened a new sit-down strike of capital if the administration crossed them.*

*At this closed meeting the chairman, F. C. Crawford, president of Thompson Products, Inc., Cleveland, O., expressed the sentiments of the delegates when he shouted: "Keep him [Roosevelt] on the run. We're coming out from behind the eight ball. Those babies in Washington heard from us in 1937. And if they keep it this way, they can hear from us again in 1943."*

The National Association of Manufacturers has little organizational unity. True, its membership includes important figures in industry. But the NAM is controlled by a handful of industrialists who are not necessarily the largest or most decisive spokesmen of American enterprise. At the closed meeting in September only a small number of leading industrialists attended, and several delegates refused to endorse the program. It is worth noting that last year C. E. Wilson,

president of General Motors, dominated the Resolutions Committee. This year Mr. Wilson remained away from the conference. His company was represented by Edgar W. Smith, director of research in public affairs for General Motors. Mr. Smith took no part in the deliberations. Aside from him (and the fact that the du Pont family owns a major interest in General Motors Corp., sharing control with the House of Morgan), no delegate present at the conference spoke for the remaining large and significant holdings of J. P. Morgan & Co. Similarly, the Rockefeller interests were conspicuously absent; only Lawrence B. Morris, vice-president of RCA, and George W. Ray, Jr., of the Texas Co., attended, and they questioned the conference decisions. A split has developed in the NAM, a split divorcing the majority of industrialists—in size, importance, and numbers—from the defeatist clique that comprises the NAM's policy-making apparatus.

**I** WAS given the opportunity to read and study a copy of the report describing the Hotel Pennsylvania conference. I have been asked to point out that the NAM Resolutions Committee included no representative from General Electric and Westinghouse; or from General Foods or Standard Brands; or from US Steel or Chrysler Motors; or from the big ship-building firms or the major insurance companies and banks. The conference boasted no representatives of the overwhelming majority of American business, big, medium, and small, independent or controlled by large financial aggregations.

The Resolutions Committee is composed almost exclusively



Lamont du Pont: "Deal with the government and the rest of the squawk-ers the way you deal with a buyer in a seller's market!"

\*The name of this delegate and the names of other speakers who remain anonymous in this article are given in the report of the NAM conference. These names, however, cannot be revealed at this writing.—B. M.





F. C. Crawford, chairman of the meeting: "Keep him [President Roosevelt] on the run!"

of diehards led by Lamot du Pont, chairman of the board of E. I. du Pont de Nemours & Co. Lamot du Pont and his brothers, Irene and Pierre, were the principal subsidizers of the American Liberty League which, according to the Senate committee investigating lobbying activities, financed a number of semi-fascist, anti-Semitic, and anti-Negro groups prior to the 1936 election. Another leader at the conference, James H. Rand, Jr., president of Remington-Rand Manufacturing Co., was formerly chairman of the Committee of the Nation, a big business outfit supporting Charles E. Coughlin. Other members of the Resolutions Committee, most of whom—though not all—attended the Hotel Pennsylvania meeting, included George T. Fonda of Weirton Steel; E. R. Breech of Bendix Aviation; James H. Robins of American Pulley; P. W. Litchfield of Goodyear Tire & Rubber; Walter Geist of Allis-Chalmers; S. Bayard Colgate of Colgate-Palmolive-Peet; Robert L. Lund of Lambert Pharmacal; Norman W. Wilson of Hammermill Paper; Hanford Main of Loose-Wiles Biscuit; F. Gano Chance of A. B. Chance; S. DeWitt Clough of Abbott Laboratories; Thomas Drever of American Steel Foundries; J. Cheever Cowdin of Universal Pictures; Joseph M. Friedlander of Jewel Tea; J. A. MacMillen of Dayton Rubber; Malcolm Muir of *Newsweek*; Wilbert Wear of Harrisburg Steel; and others like them.

Although the delegates did not represent the most decisive sections of American finance and industry, their individual power should not be minimized. Only six of the delegates, out of approximately three score, represented companies doing a yearly volume of business of less than \$15,000,000. Lamot du Pont claimed that the conference acted for "more than half of America's industrialists, more than half of the nation's productive capacity." This was a gross exaggeration. But these men did reflect the attitudes of an important minority section of big business. While not a dominant group, the minority expects to sell its program to American businessmen, farmers, and middle classes. The conference acknowledged that it would be unrealistic to hope that workers would accept the NAM's "larger objectives of the year." But the NAM's platform is not merely anti-labor. It offers all classes and all sections of America the prospect of national degradation and defeat, it



William P. Witherow, NAM president, whose economic aide hoped that President Roosevelt and the trade unions were less popular.

offers the people the fascism against which this nation has taken up arms.

WITH the task of preparing resolutions to be adopted at the December NAM convention, the delegates convened at 9:30 AM on Thursday, September 17, in parlors one and two of the Hotel Pennsylvania. The first business was the presentation of two reports, on which discussion and proposals would be based. The paper presented by Dr. Claude Robinson of Opinion Research, and economic aide to NAM's president William P. Witherow, evaluated recent political developments and their effect on public opinion. The second, presented by Murray Shields, economist for the Irving Trust Co., NAM consultant, and bank adviser to the US Treasury Department, was put forward as an analysis of the present state of American economy.

Dr. Robinson cleared his throat and plunged into his dissertation. Findings, he said, were based on NAM research, supplemented by surveys conducted for the organization by public opinion polls. The NAM's large research staff had visited various states to sample opinions of all classes. The researchers did not tell those interviewed that the questioners acted for the NAM.

Dr. Robinson drew pleasant conclusions from the sampling of public attitudes and from figures supplied to him. President Roosevelt, he concluded, had suffered a loss in popularity—from eighty-eight percent in December 1941 to seventy percent in August 1942. According to Dr. Robinson, the public had grown increasingly cool to trade unions and particularly to trade union leaders. The Republican Party was making headway—"moderate headway," Dr. Robinson added, as the delegates stirred with satisfaction. He predicted a landslide for Thomas Dewey in the New York elections; yet he cautioned against viewing this success solely as a Republican victory, since in his opinion it would represent an equal victory for the Farley Democrats determined to defeat Roosevelt. A Dewey victory signified "a high degree of consciousness" on the part of the American people to war profiteering.

Dr. Robinson thereupon apologetically injected the one "sour





James H. Rand, Jr., who urged a popularization of his reactionary campaign replete with "human values."

note" of his report. To the question as to which group was most guilty of war profiteering, the public answered: Big business forty-nine percent; government officials forty percent; labor leaders eleven percent. To the question as to what was the most ardent concern of the American people today, the answers were predominantly "The winning of the war; next important, unemployment in the postwar period."

Dr. Robinson concluded from this that capitalism was emerging from the hole it had been shoved into by President Roosevelt in the period 1932-42. "America recognizes us," said Dr. Robinson, referring to industrialists in general and to his audience in particular, "as the main factor contributing to the wherewithal for winning the war. It disagrees with Roosevelt's conduct of the war. . . . This criticism of Roosevelt is not of a leftist character. It is definitely criticism of an America moving to the right."

The delegates were gratified. Dr. Robinson made them feel fine. They settled back again as Mr. Shields rose to discuss the country's economic status.

The second report drew a balance sheet of war expenditures and capital needed to finance them. Taxes, Mr. Shields declared, would "have to be increased and it looks as though these increases will be borne by us, not by the little fellow." He thought \$30,000,000,000 annually was the minimum that must be raised during the war. Of course, Mr. Shields assured the delegates, Great Britain and the USSR would never pay back lend-lease debts—even after the war, huge sums would be required to reconstruct and rehabilitate Europe, Axis and non-Axis nations alike. This implied no reduction in taxes on corporations, inheritances, and high incomes "if the prevailing policy in Washington continues."

Mr. Shields, after weighing the economic resources of the Axis and the anti-Axis nations, anticipated a "dynamic military stalemate." The stalemate could be broken in two ways—through a negotiated peace, or through superiority of war materiel, with manpower a secondary consideration. Because of President Roosevelt, the prospect of a negotiated peace—a "short war"—seemed remote.

In consequence, the speaker unhappily predicted that gov-

ernment control, centralized federal authority, and economic planning would increase. "Temporary emergency measures," he moaned, may well become "chronic, permanent emergency measures." People like those in the audience faced a bleak future of high taxes, contracts renegotiated to recapture excess profits, labor-management committees. As if this were not horrendous enough, Mr. Shields gloomily foresaw a postwar economy costing \$10,000,000,000 a year to "police the peace . . . because of the realistic fact that one of our allies is a dictatorship, none of us really knows what kind of world we want after the war, and we must look to serious friction in our own Allied camp before everything is settled."

Mr. Shields leaned forward dramatically. Who, he asked, will provide the capital for postwar business recovery? SEC restrictions, he charged, drained off the incentive for developing new industries. "Big business—you gentlemen" must do the developing of postwar industry, "but how you will be able to set aside capital reserves for postwar expansion when taxes keep you down to the very bone I do not pretend to foresee." Clearly he could draw only one conclusion: Industry must begin to deal with obstacles not when the war is over, but *now*.

THE Shields report dispelled the optimistic glow stimulated earlier by Dr. Robinson. It was all very well to see victory ahead for the Republican Party, but "restrictions" would still continue. The chairman, F. C. Crawford, reassured the delegates. "We've got the long-haired boys and screwballs on the run. There's prosperity ahead for everyone. We've got to get out of our shell. Step into it—use our advantage. They can break us and the whole damn country or we can break them. The two papers admirably demonstrate that the tide is turning our way, and that unless we take full advantage of that fact now, gentlemen, when the war is over it may be too late."

George Gunn Jr., president of the Webster-Brinkley Co., Seattle, Wash., and a power in Republican Party financing, pointed out that there were also many "intelligent" people in the Democratic Party, amply demonstrated by Mr. Farley. The NAM must work with the Democrats. "I am sure that if we put our heads together, extend a friendly hand to our friends in the Democratic Party, a real leader could be found in the South whom all of us could support."

His sentiment won instant approval from Luther B. Stein, vice-president of the Belknap Hardware and Manufacturing Co., Louisville, Ky. He admitted "old-timers in the South think that the Republican Party is still the 'nigger party.' . . ." But, he added, "enlightened men in the South" realize now that the Republican Party has changed. The chairman nodded, and took it as the sense of the delegates that "We have got to instruct our steering committee to look into the new possibilities of the Republican Party and the Democratic Party making something out of this two-party game we play. Remember, there are three parties. The Republican Party, the Democratic Party, and the New Deal Party. . . . There never was room for three parties in this country."

Lammot du Pont stood up. An expectant hush greeted him as he expressed his desire to speak. He had refused any committee appointment, preferring to participate only as a simple delegate like anyone else. Even so, the delegates recognized a voice from on high when he took the floor. They knew too that Lammot du Pont had left his velvet glove at home.

"Mr. Chairman," said du Pont, and the delegates craned forward, "Mr. Chairman, we've been beating around the bush here all morning. Let's stop ducking the issue. The issue is shall we continue to lend our rights to the government because of the so-called national emergency, or shall we take those rights back?"

"Mr. Roosevelt says that taxes are up and must go higher if we are to win the war. I say if taxes don't come down we may lose the war."

He talked slowly, deliberately. "Now, an industrialist who





William Green, Donald Nelson, and Philip Murray confer on war production. Labor-industrial cooperation is one of the things that the NAM delegates at the Pennsylvania Hotel meeting were determined to destroy.

has to work without making a decent profit has no enthusiasm to work. For all we know, there are many men in this room who have a billion-dollar idea for increasing production—big enough to win the war. But do we have the incentive to develop such an idea? Do we have our hearts in it? Can we get into increasing production wholeheartedly?

"I say again, if taxes came down, it would go a long way to winning the war. This is no short war. . . .

"Do you think the public will let you restore your rights, which we have voluntarily lent to the government for the emergency, after that long period of time?

"Let's be sensible. We hold the aces.

"There isn't a college professor in Washington who can win this war. There isn't a labor leader in the country who can win this war. And the Russians and the British can't win this war unless we produce.

"We' means us. In this room.

"I say this war doesn't eliminate the profit incentive. War or peace. Profits must obtain.

"The time is ripe for straight talk. Washington has got to know that our cooperation can't be won by threats and penalties. Thirty billions are needed. Well and good. That's why we propose a sales tax. Of course it will hit the lower income groups. And let's stop pussyfooting around that.

"War work must show profits—the more the work, the more the profits. Renegotiation of contracts, increases in corporation taxes, increases in higher income taxes must be answered by repeal of the renegotiation legislation! Lower corporation taxes!

Abolish the excess profits tax! Lower high-bracket income taxes! Let's not outsmart ourselves. That's what we mean and that's what we ought to say."

James Rand interrupted. "Are you suggesting that our public platform express these ideas?"

Du Pont smiled thinly. "I'll leave it to the public relations talents to sweeten up the bitter pill—and as far as Washington is concerned, the less sugar the better." He smiled again, and picking up the threads of his thought, "One of you earlier this morning suggested a campaign to rub the words 'capitalist' and 'capitalism' out of the public mind because of their connotations. Well and good. Do it if you can—but turn your minds to hammering out principles and plans for the coming year to rub out the situations that will, if we fail in our responsibility, succeed in rubbing out not the words 'capitalists' and 'capitalism,' but the actualities of capitalists and capitalism themselves. That means us and ours. Fighting that this year is our job today."

He paused. Then coldly, impressively, he commanded: "Deal with the government and the rest of the squawkers the way you deal with a buyer in a seller's market! If the buyer wants to buy, he has to meet your price. Nineteen hundred and twenty-nine to 1942 was the buyer's market—we had to sell on their terms. When the war is over, it will be a buyer's market again. But this is a seller's market! They want what we've got. Good. Make them pay the right price for it. The price isn't unfair or unreasonable. And if they don't like the price, why don't they think it over?"

The applause was violent. Only a handful of delegates clapped



They want to destroy this too. (Left) a Negro worker in an aircraft plant—participation of Negroes in the war would be seriously affected if the Jim Crow attitude of some NAM delegates prevailed. (Right) Women training for war production. The delegates want them driven "back into the homes where they belong," immediately after the war.



restrainedly, politely; the rest went wild with enthusiasm. Like a convert at a revival meeting, an excited delegate jumped up to testify. He had refused to sign a clause in a government contract when it was offered to his company. "They goddamned well removed the clause because I goddamned well was the only one who could do the job for them how they wanted it, when they wanted it."

The morning session ended as another delegate brought the conference to its feet cheering: "We are fighting for *our* freedom. Freedom from renegotiation of contracts. Freedom from 'Pansy' Perkins. Freedom from 'Prostituting' Attorney Arnold. Freedom from the 'Alice-in-Wonderland' War Labor Board, and freedom from that— [wild applause for an obscene epithet] that gentleman on the Hill [sic]."

**T**HE afternoon session continued discussion of the two main reports that had opened the conference. Boiled down, the delegates were of the opinion that:

1. Industry must fight management-labor committees and take steps to prevent trade unionists from "making hay out of the war situation." Lawrence Morris of RCA objected that labor-management committees had proved their value in speeding war production. He was ignored and the original proposal carried.

2. From the debate on postwar unemployment problems, only one specific suggestion emerged: "After the war, women must be consciously driven out of industry and back into the homes where they belong." Majority approval.

3. SEC restrictions must be eliminated, and banking restrictions altered to allow a "free flow" of capital for postwar investment. General agreement.

4. The NAM must reach the grass-roots opinion in America with its program, concentrating on farmers and the middle classes. The workers were out of reach for the present. Proposal approved.

5. An educational program must be launched in high schools, colleges, and universities to inform students of the "fact" that the 1929-40 economic depression was the result of the last war and not the result of industry's "fumbling the ball." Former President Hoover had always held to this theory, while the New Deal had obscured the truth "for political reasons." Depression could be avoided after the present war only if industry had full power to set the economic wheels rolling before the war was over without "political, governmental, alien, or international restrictions." Proposal accepted.

(At this point a delegate insisted on telling an off-the-record story. He had been asked by President Roosevelt to join an unofficial economic committee of five to work out postwar plans for the use of lend-lease money in colonial and semi-colonial countries. He had been asked to visit India and China, and to arrive at some conclusions as to how postwar depression in these countries could be avoided or at least its severity mitigated. He recounted how he had "kidded Washington along until I found out all I wanted to know and then begged off because of other activities." He laughed, "There were four skunks chosen already. I knew I couldn't outsmell them, so I stepped out. That's the kind of thick-glasses boys' claptrap we've got to watch out for. Watch out for and fight!")

6. Industry must stop New Deal misspending of taxes collected for the war effort and "wasted" by "shameful diversions of these funds to boondoggling, useless investigations of industry, war profits, patents, etc." Industry must get rid of the "so-called social agencies." Proposal adopted.

7. Industry must exert the "national influence it enjoys over its employees and their families to carry out far more vigorously and confidently than in the past few years, pressure campaigns on Congress with regards to vital issues." General approval, with the further provision that "expense be no obstacle in enlisting farm support for such pressure campaigns."

Suddenly, James D. Cunningham, president of Republic Flow

Meters Co., Chicago, disrupted the smooth course of the conference by insisting that the NAM platform for 1943 should devote itself to one issue and one issue alone—the winning of the war. "If we don't win the war, there won't be a postwar." Members of the Steering Committee took the floor to fight this outrageous idea. Lamot du Pont gave his considered opinion. Said du Pont:

"The way to view the issue is this. Are there common denominators for winning the war and the peace? If there are, then we should deal with both in 1943. What are they? We will win the war (a) by reducing taxes on corporations, high income brackets, and increase taxes on lower incomes; (b) by removing the unions from any power to tell industry how to produce, how to deal with their employees, or anything else; (c) by destroying any and all government agencies that stand in the way of free enterprise.

"And we will win the peace by reducing taxes, setting unionism aside, and wiping out superfluous government that restricts free enterprise. Therefore, our program from 1943 must deal with 'winning the war' and 'winning the peace'."



These soldiers in an "obstacle course" are preparing to fight the Axis—while du Pont and his allies prepare obstacles to the all-out fight at home.

Chairman Crawford backed up du Pont. "You've got to deal with postwar. The workers want to know whether there will be jobs after the war, and we can't duck it. What's more, if the mass doesn't want to know about postwar, I do!"

The vote was thirty-five for dealing with war and postwar problems on an equal basis, fifteen for emphasizing "winning the war" while dealing with postwar issues, and three for "winning the war" as the only problem for 1943.

Toward the end of the afternoon, the delegates took up the difficulties of "selling" the NAM program to the public. "We don't want to tell the worker, or the farmer for that matter, that we want to reduce taxes just because we want to make war profits," pointed out C. Donald Dallas, president of Revere Copper & Brass, Inc., New York. "Firstly, it isn't true, and secondly, the research material demonstrates how touchy the country is on this whole question of profits."

James Rand urged a campaign of popularization replete with "human values." Lamot du Pont stated that he favored a presentation "which does not pander and does not pretend. We are propounding truths, not selling products. Let's talk a

simple language that the man on the street understands, whether our enemies can distort our meaning because we are plain-spoken or not. I say again, let's not outsmart ourselves."

"The issue isn't whether we peddle our product here with fanfare or dignity," another speaker insisted. "The issue is taking an offensive and maintaining it for twelve months. Each year we start like a house afire, but after the first smack we get from our enemies we get weasel-worded and back down. . . . We've got Roosevelt on the run. We licked production and the Axis is licking him. The finger points where it belongs. Well, keep him on the run. Let's spend some real money this year, what the hell!—it'll only cost us twenty percent, the rest would go in taxes any way. Du Pont is right. So is Jack Rand. Keep it simple, but let's have plenty of it, and by Jesus, let's stick to our guns this once."

Chairman Crawford closed the conference. "We're fighting for the same things our forefathers fought for in 1776," he thundered, obviously moved by his own patriotic sentiments. "They revolted with guns in hand against the same things we're fighting: Taxation without representation is tyranny—and the right to free trade. Let's remember our tradition!"

He held up his hand for attention. "So you see, gentlemen, capitalism isn't a system at all. It's just human nature. Tear it down, and it springs right up again. Destroy the bureaucracy of government agencies that choke our economic life—give free enterprise the room to breathe—and, gentlemen, America doesn't need any planning."

THE NAM "line" was tried out on the public by the *Saturday Evening Post* in its October 10 issue. An editorial entitled "Neo-Liberal Illusion: That Collectivism is Liberty" was reprinted in full by the Scripps-Howard newspapers. "The less privileged lose patience and kill the goose that lays the golden eggs," said the *Post*. Lammot du Pont was blunter: "They want what we've got," he said.

Henry Luce, publisher of *Life*, *Time*, and *Fortune* has talked of an "American century" following the war. Du Pont told the Resolutions Committee: "Britain will lose all her possessions after the war."

The New York *Daily News* stated editorially on Novem-

ber 3: "In short, we are moving toward a totalitarian form of government. . . . Congress, for example, was against the \$25,000 salary limitation, but we've got it nevertheless, by decree of Jimmy Byrnes on a plea of wartime necessity." The NAM Resolutions Committee made much of "dictatorship" and "discrimination" against the wealthy.

The alert little gossip columnist, Igor Cassini, who supplies Cissy Patterson's Washington *Times-Herald* with tittle-tattle, mirrored NAM protests against the course of education today by announcing: "A government-controlled school system will be applied to the country, in imitation of Germany's, Italy's and other dictatorships."

The NAM can count on aid from the defeatist press of Hearst, McCormick, Patterson, and Scripps-Howard in the campaign to make the world safe for the self-chosen elite. The NAM can expect help from Dies, Rankin, Fish, and their like in the political underworld. The NAM can look to bogus patrioteers whipping up race hatred to spread anti-Roosevelt bile, and for comfort from the whole limbo of America Firsters, Christian Fronters, and Coughlinites who form the "mass following" of the appeasers. The people who want to do business with Hitler are once more back at their pre-Pearl Harbor task of "destroying national unity," Eugene B. Casey, President Roosevelt's special executive assistant, told the press last week. "Let's just call them the American Cliveden group," said Casey. "Their parade ground is the over-stuffed drawing room; their battleground, the ultra-provided dining room; and their military weapons, the vicious, scurrilous, treasonable distortions of fact and unmitigated prevarications that serve only the purpose of the Axis powers."

The NAM Resolutions Committee prepares to "sabotage the minds" of the American people, to use Vice-President Wallace's phrase. While the soldiers of freedom die at Stalingrad, in Egypt, in China, on the Solomon Islands, the hard-bitten minority of our country's industrialists plan a crusade for profits and more profits—the "American Plan" of their fathers streamlined for today. To seize upon America's hour of danger as the moment to secure special privilege is not only ignoble, it is dangerous to the common good.

BRUCE MINTON.

## Knife in the Back

DEAR READER:

"They want what we've got. Good. Now make them pay the right price for it."

We hope that our gallant men on the coast of North Africa, in the jungle fury of the Solomons, never see these words of Lammot du Pont. We hope that they never hear of that meeting of the NAM's Resolutions Committee. How can a man fight with a knife in his back? Such is the treachery perpetrated by a handful of powerful industrialists who would rule or ruin at the very moment when the nation is engaged in a battle for its life.

Let us never forget what happened in France. A handful of industrialists sold their country for Nazi favors. They betrayed thousands of other businessmen—members of their own class—for a nod and a wink from Berlin's gauleiters.

"... Bring Adolph over here to run the show. ... He's efficient. He can do a better job than any of us can and a damn sight better job than Roosevelt. . . ." Is this the American version of the

French plot first prepared in the back rooms of Citroen and Schneider-Creusot?

The du Ponts are old hands at disruption. They tried it before, when they subsidized the Liberty League in 1934. It was liberty for them and to hell with the rest of the country. The tune hasn't changed. Only now it must be played a little more quietly, more discreetly. Who knows but that Americans may accuse them of treason?

This article sheds further light on the defeatist activities of those reactionary forces that are attempting to use the election returns as a means of junking the social gains of the last ten years, as a means of strangling the national war economy, as a means of talking negotiated peace. This is the "right price" they demand. We are pleased that we are able to expose the conspiracy of a minority of NAM leaders. With your help and with the help of the win-the-war businessmen, the great majority of their class, that conspiracy will be shattered.

THE EDITORS.





## JUBILANCE IN BRITAIN

*Arms production stepped up immediately upon news that Rommel was on the run. What the British people expect. "This will lead to the second front in Europe."*

*London (by wireless).*

**E**VEN preliminary reports out of the British factories show that the victory of the Eighth Army is already notably boosting production. At this writing [before the Americans invaded the North African coast—Ed. Note] there hasn't yet been anything quite comparable to what happened on Dieppe Day when the miners, believing a second front in Europe was being opened, actually doubled their output in certain pits. Nevertheless, while nothing would arouse as much enthusiasm as actual fighting in Europe, there's a new atmosphere in the factories since the news out of Egypt. To go back a little: at the beginning of the Egyptian offensive there was an extremely strong undercurrent of skepticism among the workers here. Fully understanding the urgency of opening a second front on the European continent, they regarded—or perhaps it would be fairer to say they vaguely suspected—that the affair in Egypt might be some kind of "hoax," designed perhaps to distract attention from the lack of that offensive action which the public demanded. The first thing to note is that these suspicions have now been removed. For it is obvious that the offensive is being pushed very hard and that the scope of the whole African campaign is on a grand scale so far as relative forces in the Mediterranean area are concerned.

**S**TALIN's speech, however, has enormously clarified in the minds of the British workers the perspective in which to view this offensive and its possibilities. The result is that people are determined above all to do everything in their power to insure that the offensive—which has so far involved few German divisions compared to the number on the Russian front—shall be pushed forward with a vigor and audacity of high strategy corresponding to the real needs of the situation. The fact that the Eighth Army has severely defeated Rommel in Egypt is an inspiration to all those who for months have been declaring that the British Army and British weapons have reached a point of training quality and quantity which enables them to play an immediate decisive part in joint action for the destruction of Hitler's forces.

There is no disposition here either to underestimate the enormous possibilities of the battle in Africa or on the other hand to forget that this battle is not a substitute for a second front on the continent of Europe. It is, rather, a beginning: and it must be evaluated within the totality of the situation. For instance: it can be pretty accurately reckoned that if Hitler were left in a position this winter to carry out his plan for turning Europe into one gigantic, defensive "hedgehog," then even with the loss of all the Axis' North African positions, he might be in a potentially stronger position at the end of, say, five months than he is today. It is known that in the first winter of the war Hitler switched approximately 1,000,000 men from the army into industry in order to prepare the necessary weapons for the campaign in France. At that time he did not control more than a fraction of the European areas which he now controls.

In the second winter of the war Hitler again was able to switch about 1,000,000—perhaps as much as 1,500,000—men from the army to industry. This was the preparation for the Balkan, and far more important, the Russian, campaign.

The winter of 1941-1942 did not provide him with the same opportunities. It is probable that military and economic historians will see the beginning of the downfall of Hitler's war machine precisely in the fact that last winter he was unable to switch skilled German workers from the Army to industry—indeed, was unable to maintain German war production at the essential tempo he had set. Still it is true that today the total industrial resources of Europe at Hitler's disposal are the greatest single industrial potential in the world.

It is perhaps startling but it is necessary to realize that, according to the best information available collected in part by neutral experts, the immediate potential of Hitler-controlled Europe is reckoned at at least one and a half times that of the United States. It is, therefore, very easy to understand why Hitler must not be allowed to exploit that potential successfully during the next four or five months.

**T**HAT is the background of the brilliant Egyptian victory. It is not a detraction from that victory to draw attention to the fact that on the defensive Hitler can prove as cunning and as menacing as he has proved on the offensive in the past. What all this totals up to is that while the whole operation in Africa is of very great importance, its importance is most decisive in so far as the military and political repercussions of these victories are exploited immediately. Hitler's defensive master plan, adopted of necessity after the collapse of his Russian time-table, can be destroyed most speedily upon the continent of Europe.

During the weeks to come the British people will increasingly be watching events, from this standpoint. They will hope that the American people will be equally alert. And in this connection it is rightly or wrongly felt among large numbers of people here that the results of the congressional elections must have acted as a warning and rallying note to serious American anti-fascists.

It would be absurd to deny that a number of the results of the elections in the United States have come as a shock to people here and as events which appear quite inexplicable. It is rather as though you were suddenly to hear that British constituencies had suddenly taken the opportunity to reelect to Parliament Lady Astor or Captain Ramsay. The results have not alarmed British opinion but they have underlined the fact that in the United States, as here, the grossest forces of reaction are still not ashamed to show and to exert themselves. We are reminded that these people are still permitted too much liberty in their battle against liberty, too much power, too much say in the affairs of democracies whose most basic principles their whole policy essentially opposes.