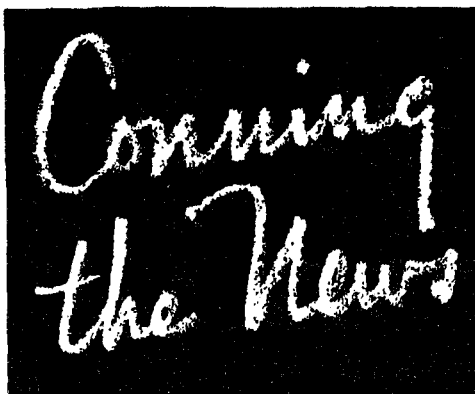


BACK at his desk after a twenty-eight-day cruise, President Roosevelt turned from his good neighbors south of the equator and got down to the problems of his more immediate neighbors. In and out of the White House ran a steady stream of visitors. Plans were evolved for a "simple but colorful" inauguration on January 20; consultations were held on the message to Congress and the inaugural address; and possible appointees appeared for secretive discussions, among them Paul V. McNutt, who as governor of Indiana crushed strikes by imposing martial law on whole counties for months at a stretch. Rumors revived concerning a place for McNutt in the cabinet.

For the most part, the White House conferences revolved about the president's program for the session of Congress that convenes January 5. Administration plans on such vital matters as housing, farm aid, further business regulation, and improvements in the Social Security Act, could not be learned, but what was revealed was not encouraging to those who hope for a progressive trend. Prospects were held out for a balanced budget, but at the same time it was stated that no increased taxes would be asked. This combination pointed clearly to drastic relief cuts, and if there was any doubt on this score it was dissolved by a subsequent statement from the President. He planned to ask Congress, he said, for a deficiency appropriation of only \$500,000,000, instead of the \$750,000,000 asked by the United States Conference of Mayors. Should he have his way, relief appropriations for the next six months will have to be cut fully one-third, from \$1,500,000 a month to \$1,000,000.

Other presidential plans called for a continuation of the lending powers of the Reconstruction Finance Corporation, which has been profitably used by some of the largest business interests; continuation of the stabilization fund through which the President is empowered to devalue the dollar; a softening of the tax on undistributed corporate profits; and a permanent status for the C.C.C.

WHILE the President said nothing of farm-tenancy legislation, his Secretary of Agriculture revealed a farm program conceding even more to the Right than the administration's relief policy. In his annual report, Secretary Wallace, still committed to the principle of scarcity, strongly urged crop control to prevent surpluses which might come with "a return to normal weather conditions." Soil conservation, far from being a substitute for such control, he said, would in the long run make for a still greater farm surplus by enriching the soil. As for farm tenants, Wallace admitted that their number had increased to alarming proportions, but he was opposed to even so modest a plan as the Tugwell program, which called for \$50,000,000 a year to aid tenants to become farm owners. "To an unusual degree," said Wallace in an address before the President's Conference on Farm Tenancy, "the whole problem is a human



*Covering the events of the week
ending December 21*

problem, and there are many tenants who have never demonstrated either desire or capacity to attempt ownership." According to news dispatches, "It was the consensus of the meeting that no blanket approach should be made to the national problem and that tenancy should not be regarded as undesirable, *per se*."

WHETHER or not the administration actually sets out on the road to the Right which it appears to be scanning so eagerly, American workers during the week gave tremendously increased indications that they would trust primarily to their own organized strength to guarantee their welfare. From the Labor Department came toned-down figures revealing that strikes now in progress involve 60,737 workers, but the Washington officials, choosing to regard the East and Gulf Coast maritime strike an outlaw affair, failed to include its 20,000 strikers in the total.

Hardest hit of the country's industrialists were the automobile manufacturers, faced with a dwindling supply of auto parts. The sit-down strike of 5000 Kelsey-Hayes wheel makers spread to Canada, when 200 workers of the Windsor, Ont., branch of the company joined in protesting discrimination against the plant's union workers. Production at Ford and General Motors plants was drastically curtailed by the strikes in the wheel companies and by the highly effective strikes in the country's major flat-glass plants. The glass supply that feeds the automotive industry was almost completely shut off with the walk-out of nearly 7000 men from the three plants of the Libbey-Owens-Ford Glass Co. at Toledo, O., Charleston, W. Va., and Shreveport, La. About the same number of workers of the Pittsburgh Plate Glass Co. have been out since October.

A more direct headache for the automotive industry, which has been enjoying a constantly swelling production without yielding any gains to its workers, came with an announcement by John L. Lewis that the C.I.O. planned an intensive campaign to organize the workers of General Motors. "Fairly satisfactory" relations, said Lewis, existed between the union and the Chrysler Motors Corp., but "the reverse is true in the case of General Motors." While the auto workers' union hoped "there won't be any necessity for a General Motors strike," according to Lewis, he added pointedly, "The

attitude of General Motors is antagonistic. . . . Collective bargaining is now the law of the land and we think General Motors should now do a little collective bargaining."

Perhaps even more significant than Lewis's challenge to General Motors was the C.I.O. blast against its greatest foe, the steel industry. Meeting in Pittsburgh, 250 representatives of steel company unions rebelled against the company-union principle and joined hands with the C.I.O. forces. Philip M. Murray, chairman of the Steel Workers' Organizing Committee, disavowed the aim of a strike in the \$5,000,000,000 steel empire, but warned that "if the industry continues to employ its dog-in-the-manger attitude and refuses to deal with a trade union, the results must necessarily rest on the doorsteps of management." Branding the company union "a device of the management," the delegates favored a national industrial organization for all steel workers and pledged themselves to "go back to our respective mills and actively engage in enrolling members into the organizing drive."

Crowning the labor week was the smashing defeat dealt out to Joseph P. Ryan, reactionary leader of the International Longshoremen's Association. Harry Bridges, militant leader of the Pacific Coast maritime strike, arrived in New York early in the week to make a personal appeal to Ryan for official support in the East Coast strike. Ryan flatly refused, and proceeded to brand Bridges and the entire Maritime Federation of the Pacific as "Communist controlled." That same evening 16,000 workers flocked to New York's Madison Square Garden to give Bridges a thunderous vote of confidence, and to offer united support in the effort to build a National Maritime Federation.

Resolved to prevent his organization from aiding the East Coast strike, Ryan dashed down to Baltimore on word that his longshoremen were joining the strikers. Ryan attempted to address the longshoremen, but he found there were two meetings in Baltimore—one that he had called and the other of striking longshoremen. The Ryan meeting place was all but abandoned; several thousand packed the strikers' gathering. But even the few that came to hear Ryan were disappointed when the strikers swooped down and barred the meeting. Ryan complained to the police, but he was told by an officer that the temper of the crowd was such that he would do better to "get out of town." Ryan got out. His humiliating departure made certain the almost complete paralysis of the Baltimore waterfront, and it left Ryan a repudiated leader.

BY way of a Christmas present, the United States Supreme Court presented the New Deal with its first significant award of the season. In broad terms it voted to uphold President Roosevelt's neutrality program in a decision directed against manufacturers accused of shipping arms and airplanes to belligerents of the Chaco War despite the executive ban.

Particular importance was attached to th

Court's decision because of the attempts made at the Inter-American Peace Conference, still in session, to safeguard neutrality this side of the Atlantic. Although the delegates at Buenos Aires approved a treaty coordinating existing inter-American pacts and providing for neutrality measures, the latter were considerably weakened by the Argentine delegation. Through its insistence, neutrality provisions were converted from an obligatory to a suggested procedure.

With the impassioned defense of democratic government that Roosevelt delivered at Buenos Aires still reëchoing, a crisis arose in Cuba that may test the sincerity of the President's words. Pitted against each other in the island republic were Col. Fulgencio Batista, military dictator, and Miguel Mariano Gomez, civilian president. The issue was a sugar-tax bill to provide revenues for rural schools under the complete supervision of Batista's army men. While the tax measure, condemned by Gomez as fascist in tendency, precipitated the open clash, the underlying conflict was seen in Batista's determination to make the military dominant in administrative, social, and political matters. "There isn't room for both of us," declared the fascist-minded colonel; "one must go." Thereupon he proceeded with plans for the impeachment of Gomez, which was promptly voted by a submissive House of Representatives. Conviction by the Senate was regarded as certain.

Decisive in the course of events was the attitude of United States Ambassador Jefferson Caffery. In a statement to the press, Caffery denied siding with the civil authority—a denial that was highly credible, since Batista has been virtually a protégé of the American embassy in Cuba under both Caffery and his predecessor, Sumner Welles, who looked to army rule to insure the type of domestic tranquillity desired in Cuba by American sugar interests. It was felt that Secretary of State Hull, on the other hand, would prefer an at least outwardly constitutional regime to the undisguised military rule of Batista. For the sake of maintaining calm during the coming sugar-harvest season, however, it seemed likely that even those Washington circles which might have opposed Cuban fascism would offer no opposition to Batista.

THE most immediate menace of international war veered away from western China as quickly as it had touched there, and returned to feverish Spain, where the week's crisis arose over the disappearance of the Soviet vessel *Komsomol*. A British freighter reported that the ship was seen afire some 300 miles east of Gibraltar, and that an insurgent warship stood by. The fate of the crew was not learned. Soviet indignation reached such a pitch that Great Britain, fearing an immediate outbreak, consented to lend every aid in determining the circumstances of the ship's disappearance. It was considered possible that the U.S.S.R., which regarded the incident as one of the gravest developments in the Spanish conflict, would insist on declaring the insurg-



Lester Polakov

John L. Lewis—Warned General Motors

ent ships to be a pirate fleet, to be sunk on sight by the vessels of any nation. Should the Soviet take such action unilaterally, her vessels would be almost bound to clash with Italian or German boats protecting the rebels.

Even before the *Komsomol's* fate provoked a dangerous situation, circumstances compelled Great Britain to deal out a sharp rebuke to Nazi Germany for the insolent transporting of thousands of armed regulars into Spain. Twice in three days Anthony Eden called Joachim von Ribbentrop, Berlin's ambassador, to the British foreign office to convey to the Fuehrer a sign of Britain's displeasure. Eden cited disclosures by a Manchester *Guardian* correspondent naming the military units to which Nazi troops in Spain had belonged, describing the arrangements made for transporting them back to Germany when they were wounded, and specifying the sections of the German army from which additional reinforcements for Franco would most likely be drawn. Newspaper accounts referred to by Eden described the disembarking of 6500 German regular troops at Cadiz and other rebel ports, which swelled the estimated total of Nazi soldiers fighting the Spanish government to somewhere between twelve and fifteen thousand.

Commentators were inclined to attribute Eden's protest not only to a desire to prevent fascist intervention from becoming so flagrant as to kill the fiction of neutrality, but also to an expected Anglo-Italian understanding. This agreement, it was said, would be based on mutual assurances that the status quo in the Mediterranean would be respected and that de facto recognition of Italy's Ethiopian conquest would be made implicit if not openly mentioned. There was reason to believe not only that Italy was anxious to ease the strain in its relations with Britain, but that it viewed with no sense of security the establishment of formidable German army units so close to the Mediterranean route which it covets.

While the Madrid front remained comparatively quiet, important political developments occurred in Catalonia. A governmental crisis was precipitated in that semi-autonomous province when the coalition of leftist parties headed by Jose Taradellas tendered its resignation to President Companys after trying in

vain to overcome the obstructionist attitude of some of its member groups—particularly the P.O.U.M., headed by Andres Nin, formerly a close collaborator of Leon Trotsky. The U.G.T., powerful Socialist trade union, declined to participate in a cabinet in which the P.O.U.M. was represented, charging the latter with "working in a manner which causes discord." C.G.T., the Syndicalist trade-union body, though it had on previous occasions supported the Nin group, finally agreed to the exclusion of the P.O.U.M., and a new cabinet was formed under Taradellas, composed of representatives of the C.G.T., the U.G.T., the Catalonian Left Republicans, and the Agrarian Party, with plenary powers granted and a pledge of discipline from all parties.

WHILE Germany continued on its hazardous course in Spain, feverish developments occurred in the economy of the Third Reich. Three hundred business men and industrialists were summoned to Berlin to receive from Adolf himself their instructions concerning the Four Year Plan. Since all who attended faced arrest for "treason" should they divulge what took place at the meeting, Hitler's demands remained secret. But the day after the conference, Germans were advised that a ration system was being introduced for butter, oleomargarine, and lard. All who registered for rations were entitled to buy 80 percent as much fat as they had bought during October, with the likelihood that the percentage would soon be cut further. Harried housewives were ordered to limit their purchase of fats to one store to help checking.

In the Far Eastern crisis, involving the unity of China and its capacity for defense against Japan (see page 3), attention was centered mainly on the personal fate of Chiang Kai-shek. As Finance Minister Soong left Nanking on what government officials insisted was an "unofficial journey to negotiate for Chiang's release," evidence grew that Marshal Chang's anti-Japanese clamor was wholly spurious. From a New York *Times* correspondent came the cable: "the conviction is growing here that questions of money and personal security will play a larger part in any settlement . . . than such matters of policy as government reorganization, war against Japan, or coöperation with Communists."

It became clearer also that Japan had everything to gain from the episode. Though Tokyo continued to fulminate against the "Communist portent" of the Shensi events, it was evident that Marshal Chang's act was a boon to the Hirota cabinet, which was on the point of falling because of the unfavorable reactions to its anti-Communist pact with Germany. Besides enabling them to point, however falsely, to the Communist menace in China, the kidnaping of Chiang gave the Japanese a welcome breach in the growing unity of China. According to a New York *Herald Tribune* correspondent in Shanghai, they were "unable to conceal their joy over the present precariousness of China's one-man government, which lately thumbed its nose at Tokyo."

Sunrise in the Northwest

The successes of the Washington Commonwealth Federation herald a new day in political action

By Cole Stevens

THE West is famous in the East for its unorthodox and sometimes slightly "cracked" movements toward social change. Greenbackism, Populism, and more recently EPICism, Utopianism, and Townsendism, all developed in the vast area beyond the corn belt. The tradition is so strong that even a writer from the *Nation* recently visited the Northwest prepared to see nothing but "Circus Politics in Washington State." Her article was so caustic and distorted that it was quoted in Republican Party advertisements in the recent campaign.

Today, however, the hodgepodge of wishful thinking is giving way to a new sort of progressive "people's front." It resembles the Canadian Coöperative Commonwealth Federation more than it does anything in the United States. While the eyes of the nation have been focused on Labor's Nonpartisan League, the American Labor Party, and the third parties of Minnesota and Wisconsin, the almost unnoticed Washington Commonwealth Fed-

eration (W.C.F.) has been so successful in the space of one year that it is now being imitated by similar groups in Oregon, Montana, Idaho, and Utah.

The seeds of the W.C.F. were sown in 1934, when EPIC enthusiasts elected forty-four candidates to the Washington state legislature by utilizing the Democratic primaries. Failing to get their EPIC plan through the legislature, they called in some 400 other groups—unions, granges, Technocracy chapters, and others—and the Washington Commonwealth Federation was formed. The political wiseacres laughed at the queer conglomeration, and there was dissension within—but somehow the federation grew in numbers and influence. The first W.C.F. sally into politics occurred in the Seattle municipal campaign of last February, when its mayoralty candidate, Tom Smith, now King County commissioner-elect, surprised everyone by coming within 1200 votes of the nomination. The federation threw its weight against the most

reactionary candidate in the finals, and with labor's added support, John F. Dore, a suddenly converted "friend of labor," was elected. Subsequent events proved the potency of left-wing pressure politics. Dore appointed a labor board that settled an auto mechanics' strike favorably to the workers, and when the *Post-Intelligencer* strike broke, the little Irishman toured the state speaking on behalf of the Newspaper Guild. At a maritime union mass meeting September 29, Seattle's mayor went on record as follows:

Union labor wrote the most glorious page in its history when every group in its ranks rallied back of that *P.-I.* strike. It showed that workers have finally come to realize that their entire situation depends on unionism. They know now that white-collar workers are part of their movement. . . . If Hearst never comes back, this city will be ten thousand times better off. . . . If they [the shipowners] have the audacity to plunge industry and the public welfare of the coast into chaos, they won't get any more subsidies from the U. S., and they may not have any ships. . . . I am satisfied that if the ship-



Sand

Lithograph by George Biddle