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Arsenal of facts

New York

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TO OUR READERS

The purpose of this booklet is to arm the reader with facts he needs for quick use. It contains summarized information which trade unionists, speakers, students, writers, teachers and others can make use of in their daily activity. We believe its small pocket-size will make it a handy reference work despite the fact that to many its omissions will seem conspicuous. However, it is obviously not intended as a substitute for an encyclopedia or year-book.

Readers will do us a favor if they suggest data that may be included in future issues.

Space has not permitted the use of many references. We have drawn the facts from government reports and other standard sources. Where no reference is given we shall be glad to furnish the source for the facts cited.

The greater part of the information in this booklet has not appeared in any other publication of the Labor Research Association except in its monthly *Economic Notes* or *Labor Notes*.

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POPULATION

Population of Leading Nations. World population is estimated at more than 2,000,000,000. Population of leading nations, in thousands:

China	495,000	Germany	66,000
India	351,000	Great Britain	45,000
Soviet Union	170,000	France	42,000
United States	127,500*	Italy	42,000
Japan	69,000		

* Estimate, 1935.

Largest U. S. Cities. Cities with population over 1,000,000 (in 1930) are: New York City, 6,930,446; Chicago, Ill., 3,376,438; Philadelphia, Pa., 1,950,961; Detroit, Mich., 1,568,662; Los Angeles, Calif., 1,238,048.

Numbers Gainfully Occupied. Those gainfully employed, 10 years old and over, numbered 48,829,920 in the United States in 1930.* (1930 census figures are latest available.)

All occupations	48,829,920
Agriculture	10,471,998
Forestry and fishing	250,469
Extraction of minerals	984,323

* "Gainfully employed" includes all who work for income, whether from wages, salary, business or profession. Totals in table include unemployed workers, classified according to their usual occupations.

Of the total, women were 10,752,116, men 38,077,804.

Manufacturing and mechanical	14,110,652
Transportation and communications	3,843,147
Trade	6,081,467
Public service	856,205
Professional service	3,253,884
Domestic and personal service	4,952,451
Clerical occupations	4,025,324

Gainful Workers in Industry. Distribution of those gainfully employed in the United States as enumerated by the 15th Census of Occupations, 1930, according to economic status is as follows (for all industries):

Employers, including self-employed *	9,936,124
Unpaid family workers (agriculture)	1,659,792
Professional persons	2,957,446
Managers	869,796
Clerks and kindred workers	5,421,408
Sales persons	1,988,050
Foremen	547,345
Other skilled workers	5,955,327
Apprentices	87,404
Other semi-skilled workers	6,852,920
Unskilled workers	8,286,962
Service workers	4,266,956

TOTAL 48,829,920

Number of dependent workers (salaried employees, officials and wage workers) including unemployed persons, in 1930 totaled 36.5 million.

Foreign-born in U. S. On April 1, 1930 (date of last census), foreign-born population of United States was 14,204,149. Of this number, 4,429,494 or 31% arrived in 1900 or earlier; 3,823,694 or about 27% between 1901

* Includes about 6,000,000 farmers.

and 1910; 2,541,946 or about 18% between 1911 and 1919; and 2,823,399 or nearly 20% between 1920 and 1930.

The chief countries from which the foreign-born population of the United States has come are:

Italy	1,790,424	Russia	1,153,624
Germany	1,608,814	Ireland	774,810
Poland	1,268,583		
England, Scotland and Wales			1,223,200
Norway, Sweden and Denmark			1,122,576

Foreign-born in Industry. Among the gainfully occupied in the U. S. in 1930 were 7,411,127 foreign-born white persons, distributed as follows:

Manufacturing and mechanical	3,265,381
Trade	1,012,605
Domestic and personal service	940,904
Agriculture	673,662
Transportation and communication	488,303
Professional service	328,745
Clerical occupations	303,785
Extraction of minerals	232,121
Public service	120,775
Forestry and fishing	44,846

In selected manufacturing industries, the number of foreign-born were:

Textiles	574,982
Machinery	421,724
Transportation equipment	244,366
Iron and steel; blast furnaces, etc.	190,161
Leather, shoes, etc.	92,055
Nonferrous metals and products	85,434
Stone and clay and glass	69,245
Printing and publishing	64,298
Chemical and allied products	57,454
Rubber products	35,927

Number of Negroes. Negroes in the United States number about 12,000,000. According to 1930 census they were 9.7% of total population, but made up 11.3% of all those listed as gainfully occupied.

About 9,400,000 Negroes are in the South, 2,410,000 in the North and a comparatively small number in the West. In the North, over 75% of the Negro population is located in the principal industrial areas. Almost 40% of the Negro population of the North lives in four cities: New York (327,700), Chicago (233,900), Philadelphia (219,600) and Detroit (120,000).

Three other cities—Baltimore (142,100), Washington (132,000), and New Orleans (129,600)—each have a Negro population of over 100,000. Negro urban and rural population in 1930 was distributed as follows:

	Number	% Total Negro Population
Urban	5,193,913	43.7
Rural	6,697,230	56.3
Farm	4,680,523	39.4
Non-farm	2,016,707	17.0

Women Workers by Occupation. Census of 1930 showed 30 occupations in which 50,000 or more women were employed. Largest women-employing occupations are:

Servants	1,634,959
School teachers	853,967
Stenographers and typists	775,140
Clerks (except "clerks" in stores)	706,553
Saleswomen and "clerks" in stores	705,793
Farm laborers	646,331

Bookkeepers and cashiers	465,697
Laundresses (not in laundries)	356,468
Clothing factory operatives	346,751
Trained nurses	288,737
Farmers (owners and tenants)	262,645
Housekeepers and stewardesses	236,363
Telephone operators	235,259
Waitresses	231,973
Dressmakers and seamstresses (not in factory)	157,928
Laundry operatives	149,414
Cotton mill operatives	145,683
Nurses (not trained)	139,576
Boarding and lodging-house keepers	127,278
Hairdressers and manicurists	113,194
Retail dealers	110,166
Knitting-mill operatives	89,803
Food and allied industries—operatives	88,586
Shoe factory operatives	81,551
Musicians and teachers of music	79,611
Silk mill operatives	73,690
Cigar and tobacco factory—operatives	67,948
Paper, printing and allied industries—operatives	63,490
Iron and steel, machinery and vehicle industries—operatives	60,763
Hotel and restaurant keepers and managers	57,318

Young Workers. In addition to child workers, 10 to 15 years old (see page 50), there are in the United States over 4,000,000 young workers, 16 to 19 years old, according to Census of 1930, distributed as follows:

Agriculture	1,101,917
Manufacturing and mechanical industries	1,101,772
Trade, transportation and communication	607,098
Clerical occupations	549,185
Domestic and personal service	428,458
Extraction of minerals	59,177
All other	173,447

TOTAL

4,021,054

GOVERNMENT AND POLITICS

U. S. Cabinet Members. As of January 1, 1937. Term of office to January 20, 1941:

President, Franklin Delano Roosevelt, of N. Y. (salary, \$75,000); Vice-president, John Nance Garner, of Texas (salary, \$15,000).

Cabinet Members (salary, \$15,000 each): Secretary of State, Cordell Hull, Tenn.; Secretary of the Treasury, Henry Morgenthau, Jr., N. Y.; Secretary of War, Harry H. Woodring, Kans.; Attorney General, Homer S. Cummings, Conn.; Postmaster General, James A. Farley, N. Y.; Secretary of the Navy, Claude A. Swanson, Va.; Secretary of the Interior, Harold L. Ickes, Ill.; Secretary of Agriculture, Henry A. Wallace, Ia.; Secretary of Commerce, Daniel C. Roper, S. C.; Secretary of Labor, Frances Perkins, N. Y.

U. S. Supreme Court Justices. Dates in parentheses show when born and when appointed. Amount in parentheses shows salary. List is as of June, 1937.

Chief Justice (\$20,500), Charles Evans Hughes, N. Y. (1862—February 13, 1930). Associate Justices (\$20,000): Willis Van Devanter, Wy. (1859—December 15, 1910; retired June 2, 1937); James Clark McReynolds, Tenn. (1862—August 29, 1914); Louis D. Brandeis, Mass. (1856—June 1, 1916); George Sutherland, Utah (1862—September 5, 1922); Pierce Butler, Minn. (1866—December 21,

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1922); Harlan Fiske Stone, N. Y. (1872—February 5, 1925); Owen J. Roberts, Penna. (1875—May 20, 1930); Benjamin Nathan Cardozo, N. Y. (1870—March 2, 1932).

Following retirement of former Justice Van Devanter in June, 1937, President Roosevelt appointed former Senator Hugo L. Black of Alabama. U. S. Senate confirmed the nomination in August, 1937.

Debt and Federal Budget. During crisis and depression years, federal government paid large amounts to railroads, rich and middle farmers, insurance companies, banks and other financial institutions. (See *Labor Fact Books II and III*). Funds for these purposes came in part from increases in taxes paid by the broad masses of people. With rising military expenditures and some allotment for relief, the government debt increased until it was more than \$9,000,000,000 greater on June 30, 1935, than on June 30, 1932—an increase of 47% in three years. By June 30, 1937, the public debt exceeded \$36,000,000,000.

In pre-crisis years corporate and individual income taxes, collected from corporations, wealthy individuals and the upper middle class, made up the major part of federal receipts. In fiscal year 1928-1929, the relatively wealthy paid 63% of total receipts of the government, while in 1935-36 they provided only about 48% of these receipts.

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Taxes levied on workers and broad consuming masses accounted for only about 37% of federal income in 1928-29, but increased to nearly 52% in 1935-36. Actually, the wealthier classes paid \$474 million less in 1935-36 than in 1928-29, while the workers and consumers generally, with sharply reduced purchasing power as compared with 1928-29, paid \$688 million more during 1935-36 than in 1928-29.

Expenditures for war and navy departments and other war purposes during 1935-36 were nearly twice as great as in pre-crisis days of 1928-29, showing an increase of \$627,000,000. For further increases in 1937, see page 116ff.

For fiscal year ending June 30, 1938, receipts by federal government were expected to total \$6,650,000,000; expenditures were expected to total \$7,345,000,000. Public debt was expected to increase by \$695,000,000 during the fiscal year.

Tax Facts. A total of \$12,500,000,000 is collected in taxes annually in United States, according to Twentieth Century Fund's study, *Facing the Tax Problem*.

Federal government collects \$5,500,000,000 annually in taxes; state governments, \$2,500,000,000; local governments, \$4,500,000,000 (primarily through property tax).

In 1920, "the personal and corporation income taxes and the excess profits tax pro-

duced 69% of the total federal tax revenue." But in 1936, taxes on incomes and profits produced only 36% of total federal tax revenue.

Taxes on Necessaries. In 1936, consumers paid \$8,600,000,000 in invisible taxes on an estimated volume of purchases totaling \$52,000,000,000, or 15.6¢ out of every dollar. This is estimate of Northwestern National Life Insurance Co.

Analysis of tax and sales records of 206 manufacturers, jobbers and retailers, according to this study showed that invisible taxes made up the following percentages of retail prices:

Food	7.1	Clothing	8.0
Bread	6.4	Men's suits	10.49
Beef	8.14	Fuel and light	9.5
Sugar	18.3	Sundries and misc.	10.2

Records gathered on rentals on single and multiple family dwellings in 48 cities revealed that an average of 25.3 cents for taxes is contained in each dollar spent for rent.

Sales Tax Laws. Twenty-four states had sales tax laws on statute books on May 1, 1937. Taxes, ranging from 1% to 3%, were imposed during depression years, to pass burden of taxation for unemployment relief and other emergency measures on to masses of workers and small consumers.

Several sales tax laws expiring in 1937 were renewed. In California, Illinois and Ohio, food is included among commodities taxed.

Tax Dodgers. Names of 67 typical wealthy taxpayers who dodged large amounts in taxes, by setting up personal holding companies, were made public in June-July, 1937, at hearings before Joint Congressional committee investigating tax evasion and avoidance. Among these were the following, with amounts they evaded in one or more years:

W. R. Hearst, publisher	\$5,111,708
Mr. and Mrs. A. P. Sloan, Jr.	1,921,587
F. H. Prince, chairman Armour & Co.	1,022,812
Cartter Lupton, stockholder in about 30 Coca Cola bottling concerns	648,523
C. F. Kettering, v. p. General Motors Corp.	610,773
Alisa Mellon Bruce (A. W. Mellon's daughter)	332,000
R. A. and F. D. Stranahan, of Champion Spark Plug Co.	322,277
A. D. Lasker, pres. Lord & Thomas, Inc.	197,953
Henry L. Doherty, pres. Cities Service Co.	160,000
C. E. McManus, pres. Crown Cork & Seal Co.	130,959
Jacob Ruppert, brewer, owner New York Yankees	102,470

Hearings also revealed many other methods of tax-dodging. Among those who used one or more of these methods were: A. W. Mellon, R. B. Mellon, Mr. and Mrs. Thomas W. Lamont, Fred Fisher, O. D. Fisher, D. R. Fisher, O. W. Fisher, Pierre S. du Pont, F. V. duPont, Paulina duPont, Mrs. Ethel duPont,

Mrs. W. duPont, H. F. duPont, R. C. duPont, J. J. Raskob, Mrs. Helen S. Raskob, V. E. Macey, Jr., Paul Block, Roy W. Howard, and Robert P. Scripps. Many of these have been heavy supporters of American Liberty League and similar reactionary organizations opposing higher taxes on large incomes.

Contributions to American Liberty League. American Liberty League and certain related organizations received \$1,084,604.62 in contributions during the 18 months ending in spring of 1936. (Special Senate Committee to Investigate Lobbying Activities, *Digest of Data*, 1936.)

Digest shows that a total of \$924,974.84, or 90% of the total, was contributed by following groups:

duPont family	\$204,045.00
duPont associates	152,622.68
Pitcairn family	100,250.00
J. P. Morgan associates	68,226.00
Mellon associates	60,752.55
Rockefeller associates	49,852.56
Hutton (E. F.) associates	40,671.28
Sun Oil associates	37,260.00
Banks and brokers	184,224.83
Utility companies, etc.	27,069.94
	<hr/>
	\$924,974.84

Organizations investigated included Liberty League, American Federation of Utility Investors, American Taxpayers League, Crusaders, Farmers Independence Council, League

for Industrial Rights, Minute Men and Women of Today, National Economy League, Sentinels of the Republic, Southern Committee to Uphold the Constitution, and others.

Presidential Elections, 1936. Popular vote in 1936 presidential elections was as follows:

Roosevelt	27,752,309
London	16,682,524
Others	1,379,544
	45,814,377

"Others" included the following:

Lemke (Union Party)	892,793
Thomas (Socialist)	187,342
Browder (Communist)	80,096
Colvin (Prohibitionist)	37,609
Aiken (Socialist Labor)	12,793
Scattering and void	168,911

In 1936 presidential elections, there were 45,800,000 votes cast. This vote represented approximately 60% of U. S. population over 21 years of age.

Voting Qualifications. Under U. S. Constitution, each state makes its own laws on voting qualifications, *provided* that the right of citizens to vote shall not be denied or abridged by U. S. or by any state, on account of race, color, or previous condition of servitude (15th amendment); or on account of sex (19th amendment).

In all states, a person in order to vote must be a citizen who is not under 21 years

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of age, who is a resident of the state for a certain period (ranging from six months to two years) and who is not a felon, an idiot or a lunatic. In all states a voter must be able to read or write or understand, at least, what is read to him. It is necessary to register in order to vote.

In Alabama, Arkansas, Florida, Mississippi, Tennessee, Texas, Virginia, Massachusetts, and some other states, a head-tax (poll tax) of \$1 or \$2 must be paid in order to vote. Effect is to disqualify many of the poorest, such as sharecroppers in southern states. There are property requirements in Alabama, Mississippi, Rhode Island and several other states. "Paupers" are not eligible in Maine, West Virginia and certain other states.

Negro Disfranchisement. Effect of poll tax and property requirements for voting in many southern states is to disfranchise many Negro citizens whose income is extremely low. In Alabama, for example, a worker must own 40 acres of land or \$300 worth of taxable property before he may vote.

Participation in primaries and elections, holding office and jury service have been quite generally denied by white ruling class to Negroes in the South. Negro sharecropper or worker is often barred from the polls by terrorism, as well as by legal methods of poll and property taxes.

As a result of discrimination in education,

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the Negro citizen in the South is less likely to be able to read and write or to recite a section of the state constitution by heart, as is often required of voters. It was estimated by National Association for Advancement of Colored People in 1925 that laws passed in southern states (beginning with 1890) had disfranchised approximately 4,000,000 Negroes 21 years of age and over, over half of whom could read and write.

Labor's Non-Partisan League. Labor's Non-Partisan League was formed in July, 1936. Its main purpose was the re-election of President Roosevelt.

Meeting in Washington, D. C., on March 8, 1937, the League declared that "the primary purpose of independent labor political action is to assist, by every legitimate political means, in the improvement of the wages and working and living conditions of American labor." Its program includes:

- (1) Strengthening of labor organization in industry;
- (2) attainment of specific legislative objectives of particular labor groups;
- (3) support of organized farmers in their effort to improve agricultural conditions;
- (4) regulation of labor and other industrial conditions by federal government;
- (5) state bills for state labor legislation;
- (6) state unemployment compensation legislation.

Planning to extend its organization, the League "will be used... to insure the nom-

ination and election to public office of men and women who are not only pledged to support labor and other progressive measures, but whose record also justifies the belief that these pledges will be kept."

American Labor Party. American Labor Party was formed in New York state in July, 1936, as affiliate of Labor's Non-Partisan League. With original purpose of re-electing F. D. Roosevelt as President and Herbert H. Lehman as Governor of New York, the party later broadened its aims:

The formation of the American Labor Party in New York state, as the permanent political instrument of all labor and progressive forces, is an answer to the urgent need for a party rooted in the common people and giving concrete political expressions to their aspirations.... In the regrouping of political forces now under way the establishment of a powerful labor party becomes inevitable. (Program of the American Labor Party, October, 1936.)

On A.L.P. ticket, 274,924 votes were cast for Roosevelt and Lehman in New York state in 1936 elections. Of this number, 238,845 votes came from New York City. The party polled over 450,000 votes in New York City election in 1937 when it supported Mayor LaGuardia for re-election. Five A.L.P. candidates were elected to the City Council and four to the New York State Assembly. The first choice votes for Communist candidates to City Council totaled 74,169; for Socialist candidates, 29,240. Under proportional representa-

tion most of these votes, on the recount, went to A.L.P. candidates.

Minnesota Farmer-Labor Party. Farmer-Labor Association of Minnesota in March, 1937, announced plans for progressive legislation. Program includes: Taxation based on ability to pay; agricultural extension funds to be spent under supervision of democratic local organizations; needed protection for co-operatives; a constitutional amendment to establish maximum hours and minimum wages; emergency relief for unemployed and needy; ownership by municipalities of public utilities; passage of Minnesota Youth Act (based on Benson American Youth Act introduced in U. S. Congress) providing employment and educational opportunities for unemployed youth.

In 1936, Elmer A. Benson was elected Governor of Minnesota on the Farmer-Labor Party ticket, for a term expiring in January, 1939. Two Farmer-Labor Party men, Henrik Shipstead and Ernest Lundeen, were elected to U. S. Senate. Five Farmer-Labor Party congressmen were elected to U. S. House of Representatives: Henry G. Teigan, Dewey W. Johnson, Paul J. Kvale, John T. Bernard and R. T. Buckler.

Progressive Party of Wisconsin. Philip F. LaFollette was elected Governor of Wisconsin on Progressive Party ticket in 1934 and

again in 1936. His brother Robert M. LaFollette, Jr., also of Progressive Party, is a U. S. Senator from Wisconsin, his term expiring in 1941. In 75th Congress (1937) seven out of 10 congressmen from Wisconsin were Progressives.

Party was formed in May, 1934, when the progressive faction of the Republican Party split off to form a third party. Program is progressive, for relief to unemployed, and "for the welfare of the common man."

Washington Commonwealth Federation.

This Washington state organization, with headquarters in Seattle, entered active politics in January, 1936, when 14,000 persons voted for the Federation-endorsed Tom Smith for Mayor. Smith just missed nomination.

In 1937 elections, state program included extension of public health service, increased relief for unemployed, security of tenure for farmers, and taxation based on ability to pay. In 75th Congress (1937), the Federation had four congressmen. It also captured the important office of state superintendent of schools.

At annual convention, September, 1937, there were 665 delegates from 25 counties, including 217 from labor unions, half A. F. of L. and half C. I. O. Convention passed resolution urging unity with Labor's Non-Partisan League with the aim of "building a genuine New Deal party."

Communist Party. In November, 1937, while a recruiting drive was still in progress, the Party reported 65,000 members. In Presidential election campaign of 1936, the Communist Party brought forward a platform to meet "the immediate interests of the majority of the population of our country." It declared:

1. Put America back to work. Provide jobs and a living wage for all.
2. Provide unemployment, insurance, old age pensions, and social security for all.
3. Save the young generation.
4. Free the farmers from debts, unbearable tax burdens and foreclosures; guarantee the land to those who till the soil.
5. The rich hold the wealth of our country; make the rich pay.
6. Defend and extend democratic rights and civil liberties; curb the Supreme Court.
7. Full rights for the Negro people.
8. Keep America out of war by keeping war out of the world.

Analyzing steps towards the People's Front in the United States, Earl Browder, general secretary of the Communist Party (U. S. A.) in his report to the Central Committee, June 17, 1937, defined it as

the defensive gathering of all oppressed and suffering people against the most immediate and general menace to their well-being. . . . The movement for a Farmer-Labor Party in the U. S. represents these same social and political currents which in France and Spain have been crystallized in the People's Front.

Communist Party stated in 1937 that an effective peace policy for the United States could be worked out on basis of established covenants already signed between U. S. and other

countries. A law covering this foreign policy should include six points, summarized as follows:

1. Require notice to Congress when President finds any nation signatory to Kellogg Pact has violated its provisions by making war.
2. Embargo to be placed against all economic transactions with the guilty power until aggression is stopped and reparation made.
3. Any government not itself an aggressor but suffering from attack by enemies, within or without, shall not be hindered in commercial relations with U. S.
4. First state to declare war or to invade or attack another state violates Kellogg Pact.
5. A state giving support to insurrection against the democratically established government of another nation violates Kellogg Pact.
6. As agreed in Buenos Aires Conference, U. S. shall consult with other countries in case of war or immediate threat of war.

Socialist Party. During year 1936, there was a decided decline in Socialist Party membership—from 16,656 in January, 1936, to less than 5,000 in 1937. Trotsky followers were officially accepted in the Socialist Party early in 1936. On September 6, 1937, it was announced by the Socialist Party's National Executive Committee that it had purged its ranks of certain Trotskyists.

The united front proposed by Communist Party, for a common ticket in presidential election was rejected by the Socialist convention in 1936.

INDUSTRY AND COMMERCE

World Industrial Production. During 1936, industrial production for the capitalist world was still about 4% below its 1929 level, according to figures compiled by the League of Nations.

Using League of Nations figures, converting to 1928 base (1928 = 100) and adjusting for seasonal variation, *The Annalist* shows world industrial indices for recent years. (These exclude figures on rising production in the Soviet Union.)

1929	105.4	1933	75.3
1930	92.3	1934	81.4
1931	79.2	1935*	90.2
1932	66.4	1936*	101.7

* Subject to revision.

International Trade. World trade in 1936 still lagged far behind industrial production. It was still about 64% below its level in 1929, according to League of Nations figures. *The Annalist* on the basis of these figures, converting to 1928 base (1928 = 100) and adjusting for seasonal variation, shows the following indices for value of world trade:

1929	101.6	1933	35.7
1930	82.3	1934	34.6
1931	58.7	1935	35.1
1932	39.6	1936	37.6

For first six months of 1937, international trade averaged 46.3, or about 55% below the 1929 level.

Volume of world trade, allowing for changes in prices (by dividing total value by price level), shows following trend in recent years: 1929 = 100; 1935 = 81.8; 1936 = 85.9; 1937 (first three months) = 92.6.

U. S. Exports and Imports.

	1936	1935	1929
	(in million dollars)		
U. S. exports	2,453	2,283	5,241
U. S. imports	2,419	2,047	4,399

National Income. National income produced, according to U. S. Department of Commerce, amounted to \$63,799,000,000 in 1936, compared with \$54,955,000,000 in 1935, an increase of 16%. Income for 1937 is estimated to be about \$69,000,000,000.

1936 income was still 21% below the 1929 level of \$80,757,000,000. Since volume of production during 1936 was about 12% below 1929 level, lower prices accounted for about half the difference between income produced in 1936 compared with 1929.

Workers' share in national income produced was less in 1936 than in 1929. In selected industries (mining, manufacturing, construction, steam railroads and water transportation), wages paid amounted to \$11,369,000,000, or 17.9% of national income produced in 1936. This compares with \$16,852,000,000 or 20.9% of national income in 1929.

Interest and dividends paid bondholders and stockholders remained at same proportionate level in 1936 as in 1929. In both years

payments equaled 13.9% of national income produced.

Manufacturing Industries. For 20 leading industries in U. S., numbers of wage earners employed are given below. Ratio of total wages to total value of products indicate that in certain industries, as for example, cigarettes, meat packing and motor vehicles, wages constitute a very small part of the total value. In all manufacturing, wages are only one-sixth of the total value of products. (Census of Manufactures, 1935.)

<i>Industry</i>	<i>Number of Wage-earners</i>	<i>Ratio of Wages to Value of Products</i>
Aluminum products	19,271	19.5
Cigarettes	24,447	2.3
Cotton manufactures	383,002	24.0
Electrical machinery and supplies	179,641	20.6
Furniture	130,781	26.2
Glass	67,138	25.1
Lumber products	255,230	33.2
Machinery	109,818	22.6
Meat packing	116,620	5.8
Men's clothing	154,583	23.5
Motor vehicles, bodies and parts	240,757	21.1
Motor vehicles	147,004	9.0
Paints, pigments and varnishes	27,686	7.7
Paper	103,344	15.5
Petroleum refining	77,402	5.9
Printing and publishing	245,376	19.1
Rubber tires, etc.	57,128	17.5
Steel and rolling mill products	359,630	22.7
Women's clothing	259,042	19.1
Wool and hair manufactures	166,604	21.4
All manufacturing	7,378,845	16.5

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High Salaries. Here is a list of salaries of \$100,000 and over paid in 1936 to executives of certain large corporations in the United States, as reported in releases from the Securities and Exchange Commission. Most of these men have large investments in their own and other companies which bring them additional income. Amounts given in table cover only reported salary and bonus received from a given company and do not include income from investments. These salaries may be compared with that of the President of the United States (\$75,000) and with that of a Cabinet member (\$15,000).

<i>Company</i>	<i>Compensation in 1936 **</i>
Air Reduction Co., C. E. Adams, p.*	\$120,763
Allied Chemical & Dye, H. F. Atherton, p., ch.	100,000
American Can Co., H. W. Phelps, ch.	152,100
American Smelting & Refining, F. H. Brownell, ch.	103,080
American Tobacco Co., G. W. Hill, p.	246,174
P. M. Hahn, v.p.	125,742
C. F. Neiley, v.p.	125,692
Anaconda Copper Mining, C. F. Kelley, p.	167,263
Chrysler Corp., W. P. Chrysler, ch.	200,700
K. T. Keller, p.	100,500
Consolidated Oil, H. F. Sinclair, ch.	200,660
H. R. Gallagher, p.	111,090
W. S. Fitzpatrick, v.ch.	103,120

* Key, p., president; ch., chairman; ch.f.c., chairman, finance committee; v.p., vice-president; v.ch., vice-chairman; t., treasurer.

** Compensation in many cases includes a bonus.

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Company	Compensation in 1936**
E. I. duPont de Nemours, J. T. Brown, v.p.	137,785
W. S. Carpenter, Jr., ch.f.c.	155,545
T. S. Grasselli, v.p.	137,785
General Motors Corp., A. P. Sloan, ch.	565,311
W. S. Knudsen, p.	507,645
C. F. Kettering, v.p.	353,755
Hearst Consolidated Publ., W. R. Hearst, p.	500,000
R. H. Macy & Co., P. S. Straus, p.	100,359
Montgomery Ward, S. L. Avery, p.	100,180
National Dairy Products T. H. McInnerney, p.	108,680
J. L. Kraft	105,460
National Steel Corp., E. T. Weir	200,120
Philip Morris & Co., L. B. McKitterick, p.	143,700
Republic Steel Corp., T. M. Girdler, ch.	175,000
Standard Brands, J. Wilshire, p.	155,473
Standard Oil Co. of Ind., E. G. Seubert, p.	105,399
Standard Oil Co. of N. J., W. S. Farish, ch.	122,500
W. C. Teagle, p.	122,500
U. S. Rubber Co., F. B. Davis, Jr., ch.	227,260
W. de Krafft, v.p.	121,400
U. S. Steel Corp., M. C. Taylor, ch.	166,862
W. A. Irvin, p.	130,310
Westinghouse Electric & Mfg., A. W. Robertson, ch.	108,588

Profits Increase. For 1,600 leading manufacturing and trading corporations *net profits* (after depreciation, interest, taxes and other charges and reserves) rose to \$2,445,-812,000 in 1936, compared with \$1,605,702,000 in 1935. This compilation by National City

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Bank of New York shows a gain of 52.3% over 1935.

Similar compilation by same bank in 1936 showed that companies in this field reported gain in net profits of 49.7% in 1935 over 1934.

For 200 leading manufacturing corporations, annual rate of net profits on net worth (capital plus accumulated surplus) in 1936 reached 12%, compared with 1929 level of 15%.

Dividend and Interest Payments. How dividend and interest payments to stockholders and bondholders in U. S. were maintained during years of economic crisis and depression are shown in following incomplete tabulation by *New York Journal of Commerce*:

1929	\$6,887,650,000	1933	6,256,880,676
1930	8,207,554,000	1934	6,096,945,755
1931	8,075,670,152	1935	6,037,690,000
1932	6,968,773,386	1936	6,649,235,122

Dividends Declared. Dividends declared by U. S. industrial and miscellaneous corporations, including railroads (not including banks or trust companies), as compiled in a partial list by *New York Times*, totaled in recent years:

1928	\$3,285,226,112	1933	\$2,177,914,108
1929	4,251,887,979	1934	2,471,821,477
1930	4,638,610,293	1935	2,715,346,587
1931	3,954,194,206	1936	3,888,920,551
1932	2,597,828,045	1937	
		(10 mos.)	3,382,785,763

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Profits of Processors. Over six-year period 1929-1935, including depression years, the food processors and distributors and other processors maintained relatively high average profits, according to a special study of Federal Trade Commission. Average rates of return on capital (1929-1935 inclusive) for groups of leading companies were as follows:

Milk processors and distributors	9.6%
Wholesale baking companies	8.8%
Wheat middlemen	10.6%
Wheat processors	7.8%
Wholesale flour distributors	9.6%
Tobacco processors	15.8%
Biscuit and cracker companies	14.6%
Chain groceries	17.4%
Livestock suppliers	25.0%
Chain grocery store servicing	21.0%
Meat packers	4.3%
Shoe manufacturers	4.8%
Wholesale grocery companies	5.5%
Wholesale drug companies	6.3%

Electricity Rates. Federal Power Commission in its electric rate survey showed wide differences in domestic and residential rates in effect January 1, 1936. Rate charged by privately-owned companies was in some cases three times the rate charged by municipally-owned public utilities.

In Tacoma, Wash., for example, under municipal ownership, electric rate is \$2.12 for 100 kilowatt hours, whereas in Yonkers, N. Y., under private ownership, the rate for 100 k.w. hours is \$6.28.

Power experts have estimated that it costs

less than three mills (\$.003) to produce the electricity for which private utilities charge the consumer five cents.

In near-by Ontario, Canada, the publicly-owned Hydro-Electric Power Commission of Ontario, is able to provide electric light for domestic use at far less than the rates charged in the United States. In 1931, the average rate per kilowatt hour was only 1.36¢ for domestic lighting.

Newspaper Chains. Two-fifths of daily newspaper circulation in the United States and one-half Sunday circulation was newspaper chain circulation in 1935. The 63 newspaper chains had combined circulation of 15,859,133 daily and 14,758,550 Sunday. Although these chains included only 16.8% of the number of daily and 25.3% of the number of Sunday papers, they had 41.6% of daily and 52.4% of Sunday circulation.

Three leading daily newspaper chains alone accounted for three-fifths of all chain circulation and one-fourth of total circulation.

	Number of Papers	Daily Circulation	% Chain Daily	% Daily
W. R. Hearst	26	5,177,693	32.6	13.6
Patterson-				
McCormick	2	2,440,608	15.4	6.4
Scripps-Howard	23	1,927,896	12.2	5.1
	51	9,546,197	60.2	25.1

Hearst chain was subsequently reduced to 20 newspapers as a result of the popular boycott against Hearst anti-labor policies. Names

of the papers in Hearst chain, as of October, 1937, were:

Albany Times-Union
Atlanta Georgian
Baltimore News-Post
Boston American
Boston Daily Record
Chicago American
Chicago Herald and Examiner
Detroit Times
Los Angeles Examiner
Los Angeles Herald and Express
Wisconsin News (Milwaukee)
New York Journal and American
New York Mirror
Oakland Post-Inquirer
Pittsburgh Sun-Telegraph
San Antonio Light
San Francisco Call-Bulletin
San Francisco Examiner
Seattle Post-Intelligencer
Syracuse Journal

Newspapers and Radio. Newspaper publishers by 1937 had been licensed to operate or construct 194 radio stations. In one year, 1936, the Federal Communications Commission issued licenses to 52 publishers and 102 other applications were pending.

William Randolph Hearst has recently increased his radio chain (Hearst Radio, Inc.) from six to 10 stations. He now owns the following:

WINS—New York
WCAE—Pittsburgh
WBAL—Baltimore
WISN—Milwaukee
KYA—San Francisco

KEHE—Los Angeles
WACO—Waco
KOMA—Oklahoma City
KNOW—Austin
KTSA—San Antonio

It is also reported that Hearst is "backing" WSAY of Rochester and has a special arrangement with other stations, such as WMEX of Boston.

Advertising Costs. American business spent nearly \$500,000,000 on national advertising through accredited agencies in 1935, according to Census of Business. (*New York Times*, March 30, 1937.)

918 agencies billed national advertising totaling \$405,880,000 of which \$153,152,000 or 37.7% went to newspapers; \$107,330,000 or 26.5% went to magazines; and \$63,307,000 or 15.6% to radio.

Of nine advertisers who each spent more than \$1,000,000 in 1935 for radio advertising, six were of the drug and toilet goods industry. These included Procter & Gamble (Ivory, Chipso, etc.); Colgate-Palmolive-Peet; Sterling Products (Bayer's aspirin, etc); American Home Products (Kolyons); Lady Esther Co.; and Pepsodent.

It has been estimated that the total cost of all types of advertising in the U. S. in one year comes to about \$2,000,000,000.

AGRICULTURE

Farm Population. Drift from farms to cities in 1936 reversed previous depression trend of population. There were 31,729,000 persons living on U. S. farms on January 1, 1937, against 31,809,000 on January 1, 1936. This was a decrease of 80,000, the first net loss reported in farm population since 1929.

According to U. S. Bureau of Agricultural Economics, 1,166,000 moved away from farms to cities during 1936, while 719,000 moved to farms. Farmers make up less than 25% of total estimated population.

From 1910 to 1936, farm population decreased by 1% from 32,076,960 to 31,729,000. During same period, population of the country as a whole increased by 40%.

Size of Farms. Farms in the U. S. averaged 154.8 acres at the end of 1935. Of all farms on January 1, 1936, nearly one out of every five was under 20 acres in size. About four out of every five farms contained less than 175 acres, leaving about one-fifth with 175 acres or more. These larger farms contained about two-thirds of the farm area:

	<i>% of Total Acreage</i>
1,254,283 farms under 20 acres	1.2
1,440,143 farms of 20-49 acres	4.5
1,444,007 farms of 50-99 acres	10.0
1,404,297 farms of 100-174 acres	18.0
1,013,506 farms of 175 to 499 acres	26.4
256,114 farms of 500 acres and over	40.2

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Farm Income. Gross income from farm production in the U. S. was \$9,050,000,000 in 1936. In addition, farmers received about \$480,000,000 in federal benefits, making the total 1936 income \$9,530,000,000, or 12% more than in 1935. This increase of about 70% since the low point of the crisis still left the gross farm income more than 20% below the average yearly totals for the period 1923-29, and about 25% below 1929.

Per capita farm income available for living was 20% higher in 1936 than in 1935. Including benefit payments, however, it was only 17.8% higher in 1936, because of lower payments in 1936 than in 1935.

Total cash income from farm production and benefit payments in the first five months of 1937 was \$3,214,000,000, which compares with \$2,650,000,000 in the corresponding 1936 period.

Farms Foreclosed. A total of 1,398,881 farms were foreclosed in the United States in the period 1930-1935. Number of mortgaged farms (owner-operated) totaled 1,619,165 in 1935, as compared with 874,215 in 1890. Four out of 10 farms (39.6%) were mortgaged in 1935. Only 1,940,117 of owner-operated farms were unmortgaged in 1935, according to a study made by the Census Bureau, in co-operation with the Department of Agriculture and the WPA.

Increase of Farm Tenancy. Tenancy rose 180% between 1880 and 1935. In 1880, there

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were 1,025,000 tenants or one-fourth of all farmers. In 1900, there were about 2,000,000 farm tenants. In 1935, the number had increased to 2,865,000 or 42% of all farmers. During past 10 years, tenants have been increasing at rate of 40,000 a year.

Out of the 2,865,000 tenant families, at least 2,000,000 including 716,000 share-cropper families, were (February, 1937), in immediate need of substantial help, according to President's Committee on Farm Tenancy.

Sharecroppers on Cotton Plantations.

Large-scale cash-crop farming continues today in the same areas of the Southeast that had large slave-holdings and large cotton plantations in 1860. This is shown in James S. Allen's *Negro Question in the United States* and in a special government report by T. J. Woofter, *Landlord and Tenant on the Cotton Plantation* (Works Progress Administration, Division of Social Research, 1936). Today, it is the Negro or white tenant farmer who operates most of the plantation land.

Tenants are often continually in debt to the landlord. Debts are "carried forward on the landlord's book and added to current borrowing as a lien against future production," Woofter explains. High interest rates charged to sharecroppers prevent their getting out of debt.

In 1934, the average net income per family of the wage-hands, croppers, share tenants
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and renters on plantations in 11 areas was only \$309, or \$73 per capita, for the entire year. Sharecroppers in this survey, who made up more than half the total number of families, averaged \$312 per family, or \$71 per capita. In the Lower Delta area of the Mississippi River the croppers' average net income amounted to only \$38 per person, or slightly more than 10 cents a day.

Negro in Agriculture. Agriculture forms the largest single occupation in which Negroes are engaged. According to 1930 census, nearly 2,000,000 were thus occupied. Negroes, 10 years old and over, were grouped as follows:

Farm laborers	1,112,510
Wage workers	539,307
Unpaid family workers	573,203
Farmers (owners and tenants)	873,653
Farm managers and foremen	1,676
	<hr/>
TOTAL	1,987,839

Negro farm workers (numbering 539,307) constitute 19.4% of all hired farm workers in the United States. They are located chiefly in the South.

Of the 873,653 Negroes in the "owners and tenants" group, some 700,000 are tenants. Tenant farmers are divided into two main classes: renters and sharecroppers—the latter numbering nearly 400,000.

Production for "a Liberal Diet." For every five acres harvested in 1936 another acre

would have to be added if present population of continental United States were to be properly fed. This assumes that all our food production would be consumed at home. Any food production for export would require more acreage, in addition to this harvested acreage.

Basing its figures on estimates of Agricultural Adjustment Administration of production necessary to supply a "liberal diet" to 125,000,000 people, Farm Research, Inc., of Washington, D. C., has calculated amounts necessary to supply 128,429,000 people (estimated population as of July 1, 1936). Following figures show *deficiencies in output*:

	Percentage Increase Needed
Total harvested acres	+ 22
Corn, acres	+ 32
All hay, acres	+ 51
Truck crops, acres	+ 142
Wheat, acres,	- 46*
Animals on farms (1/2/37)	
Beef cattle and calves	+ 41
Hogs	+ 69
Sheep and lambs	+ 45
Dairy cattle	+ 68
Poultry	+ 51
Work animals	+ 6

* Decrease. Wheat is the only basic food crop of which there has been a surplus beyond the needs of a "liberal diet."

Housing on Farms. The ordinary farmhouse in the United States has no telephone, no electric lights, no running water, according

to U. S. Bureau of the Census. In 1930, some 19% of owners' farmhouses were lighted by electricity, but only 5% of tenant houses were lighted. Running water was found in 22% of owners' houses and 7% of tenants' houses.

About 70% of all farmhouses had unimproved outdoor toilets in 1934.

Five million farmhouses, over 70% of the total, and six million non-farm homes are "definitely sub-standard, the two constituting over 36% of our total housing," according to a report on housing by the Public Works Administration in 1935.

Farm Marketing Co-operatives. Great development of farm co-operatives has occurred as a result of general decline in agricultural prices since the World War. Strong co-operatives have developed, especially in areas devoted to production of cotton, wheat, livestock and tobacco and also among milk producers.

In 1934-35 season farm co-operative marketing organizations as a whole did a business of about \$1,340,000,000 chiefly in dairy products, grain, livestock, fruits and vegetables and cotton. Through co-operative marketing farmers have various advantages, including the financial benefit of "not being at the mercy of a few overpowerful buyers," declared the Federal Trade Commission, in a report on *Agricultural Income*, March, 1937.

Farm Consumers' Co-operatives. Farm Supply Co-operatives did a business of \$315,000,000 during 1935-36 season. During year, 106 new associations were formed, making a total of 4,578 in operation. They handle feed, seed, fertilizer, petroleum products, groceries, general merchandise, farm implements and building materials.

One-eighth of the total farm supply bill paid by American farmers in 1935 was spent for supplies purchased co-operatively. About 800,000, or 12% of farm families, belonged to these co-operatives and the number of associations purchasing farm products co-operatively grew from 111 before the World War to over 1,900 in 1935, according to the *Annals of American Academy of Political and Social Science*, May, 1937.

Farm Labor Organizations. First national convention of United Cannery, Agricultural, Packing and Allied Workers of America (affiliated with the C. I. O.) was held in Denver, July 9-12, 1937. Delegates from 24 states represented approximately 100,000 workers, organized in locals of Agricultural Workers Union, Cannery Workers Union, Fruit Workers Union, Beet Workers Union, Southern Tenant Farmers Union, Farm Laborers and Cotton Field Workers, Dairy Workers Union, and other unions.

This new industrial union was an outgrowth of earlier organizations described in

Labor Fact Books II and III. It brought together under the C. I. O. over 90 cannery and agricultural workers' union locals which had repeatedly requested an international charter from the American Federation of Labor and been refused.

Farmers' Security Bill. Such a bill as the Farmers' Security Bill, introduced by Representative Boileau of Wisconsin in 75th Congress (first session) would establish a Farmers' Security Corp., with aim of improving economic status of farm tenants, sharecroppers and farm laborers. Main provisions:

County committees of five, democratically elected, with a majority of farm tenants or sharecroppers. In providing credit for ownership of farm homes, preference would be given those "who are most in need." Federal corporation would buy land; tenant would then buy from federal corporation, not from private owners, under 40 year contract, at 1½% interest. Annual payments limited to ¼ of cash value of farm products produced for sale.

Appropriation would provide minimum of \$500,000,000 for land purchase and short term loans in first year. Corporation would operate only in states which require written landlord-tenant contracts and guarantees "to insure the security and civil rights of farm tenants, sharecroppers, and farm laborers."

LABOR CONDITIONS

Unemployment. Comprehensive estimates of unemployment have been made annually in November by the Labor Research Association. For last five years, the figures are (in thousands):

November	Total	Excluding those	
		On Federal Relief Work	on Federal Relief Work
1932	16,783	...	16,783
1933	16,138	592	15,539
1934	16,824	3,007	15,817
1935	16,658	2,486	14,172
1936	14,751	3,794	10,957

Permanent Unemployment. From 5 to 7.5 million of those now unemployed will remain jobless even if United States returns to the "prosperity" of 1929, according to various estimates of Harry L. Hopkins, Federal Works Progress Administrator.

To reduce unemployment to the 1929 level of about 2,000,000, "goods and services produced would have to reach a point 20% higher than in 1929, even if the productivity level of 1935 remains unchanged," according to a report prepared for the National Resources Committee, *Unemployment and Increasing Productivity*. In 1935 production per man-hour had already passed the 1929 level. Report concludes, therefore, that "the dislocations occasioned by technological progress will continue to present serious problems of

industrial, economic and social readjustment."

Technological Unemployment. Examples of increasing mechanization and speed-up in industry and the effect on productivity and employment:

More units of goods are moved by one railway worker today than by two in 1910.

In 1928 two cement workers produced more than three in 1919.

Two telephone operators can accomplish today more than three could do in 1929.

Taking industry as a whole, it is estimated that four men can accomplish as much as five men in 1929.

Man-hour requirements per unit of output in manufacturing industries as a whole were cut nearly in half between 1920 and 1934, according to a study of *Unemployment and Increasing Productivity* prepared under Works Progress Administration. Except for minor setbacks, man-hours required per 100 units of output declined steadily from 100 in 1920 to 56 in 1934.

In other words, it took only 56 man-hours in 1934 to produce what required 100 man-hours to produce in 1920. The rise of 40% in manufacturing output up to 1929 took place with no additional man-hours; in fact, there was a drop of nearly 2%.

Railroad Employment. Class I steam railroads of United States employed 1,171,302

persons in June, 1937, according to Interstate Commerce Commission. This was an increase of 8.7% over June, 1936.

Peak of railroad employment was in 1920, when 2,022,832 were employed. In 1929, there were 1,660,850. Low point of employment was 1933, when only 971,196 had jobs on railroads.

Numbers on WPA. There were 1,527,450 workers on Works Progress Administration rolls, August 14, 1937, according to WPA report. This figure compared with 2,145,562 at end of February, 1937, and with 2,871,637 at end of March, 1936. About 1,350,000 WPA workers had thus been laid off during 18 months.

According to administration plans, only about 1,500,000 WPA workers would be kept on the rolls, as an average, for fiscal year July, 1937, to July, 1938.

Numbers on Relief. Numbers on general relief from state and local funds totaled 1,710,000 families and single persons in March, 1937. This compared with 2,007,000 in March, 1936, and with 2,219,000 in January, 1936.

These general relief figures do not include persons employed on WPA projects or in other federal agencies. Nor do they include those receiving old-age assistance or federal social security funds.

When federal government at the end of 1935 transferred those who had been on fed-

eral relief back to local and state agencies, it was estimated that from 10 to 12 million persons (including those in families on relief) became thus dependent on local charity. Many were left without any relief at all.

Unemployed Youth. One out of every four young people between the ages of 16 and 24 was out of work in January, 1936, according to estimates by American Youth Commission of the American Council on Education.

It was estimated by Aubrey Williams, director of National Youth Administration, in November, 1935, that from 5,000,000 to 8,000,000 between the ages of 16 and 25 were wholly unoccupied; almost 3,000,000 young people were on relief at that time.

Civilian Conservation Corps. One and a half million young men from families of the unemployed had passed through Civilian Conservation Corps camps by May, 1937. These youths between the ages of 18 and 25 were outfitted in U. S. Army uniforms, commanded by Army officers, fed by Army cooks, housed in Army camps. In all, over 9,000 Army officers have been on duty with CCC.

For their work in CCC, these young men got only \$30 a month. Of this amount, each man was usually required to pay \$25 for his family as "relief." Local agencies were thus relieved of caring for this unemployed family.

On June 28, 1937, President Roosevelt signed a bill extending CCC for three years.

He recommended \$350,000,000 as appropriation for the agency.

Child Labor. More than 2,000,000 children between ages of 10 and 17 (inclusive) or one out of every nine, were employed in 1930. (Census of 1930.) This did not include children under 10 years many of whom are engaged in street trades and industrial home-work. Nor did it include tens of thousands of children in agriculture, whose work does not begin until after April 1, date when census was taken.

Census of 1930 showed industry distribution of child workers, 10 to 15 years old (inclusive):

Agriculture	469,497
Manufacturing and mechanical	68,266
Trade	49,615
Domestic and personal service	46,145
Clerical occupations	16,803
Transportation and communication	8,717
Professional service	4,844
Forestry and fishing	1,562
Extraction of minerals	1,184
Public service (not elsewhere classified)	485

ALL OCCUPATIONS	667,118
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Of manufacturing industries, textiles employ largest number of children—20,625, according to 1930 census. Southern lumber industry in South Carolina, Georgia, Alabama, Mississippi and Louisiana, employs large numbers of children.

Wages. Average weekly earnings in 20 leading industries in May, 1937, according to U. S. Bureau of Labor Statistics, were as follows:

All manufacturing industries	\$26.39
Iron and steel and their products	32.48
Automobiles	34.06
Aluminum manufactures	26.98
Smelting and refining—copper, lead and zinc	28.67
Lumber and allied products	21.41
Textiles and their products	18.02
Wearing apparel	17.84
Boots and shoes	18.76
Food and kindred products	25.05
Tobacco manufactures	16.49
Paper and printing	28.49
Chemicals and allied products, etc.	28.28
Rubber products	28.13
Coal mining	
Anthracite	25.32
Bituminous	22.20
Telephone and telegraph	30.86
Retail trade	21.97
Hotels (year-round)	14.59
Laundries	16.94
Building construction	31.10

Productivity and Wages. Productivity per factory worker, measured in dollars, rose 103% between 1914 and 1935, according to the Council for Industrial Progress in its report, *Analysis of Production, Wages and Employment in Manufacturing Industries, 1914-1935*. During this 21-year period, yearly average number of wage-earners rose only 0.4%; value added by manufacturing increased 104%; but yearly average wages rose only 77%.

Value added by manufacture rose from \$9,710,000,000 in 1914 to \$19,794,000,000 in 1935, more than double the 1914 figure. But number of wage earners rose from 6,896,000 in 1914 to only 6,926,000 in 1935 or by only 30,000.

Dollar productivity per wage-earner (roughly measured by dividing value added by manufacture by number of workers employed) rose from \$1,408 in 1914 to \$2,858 in 1935. Average yearly wages rose from \$590 in 1914 to only \$1,042 in 1935.

Low Wages in U. S. Nearly 3,000,000 workers in industries employing some 12,000,000 in the United States were receiving wages of less than 40¢ an hour in June, 1937, according to estimate of Leon Henderson, government economist, formerly chief of the NRA research and planning division.

These estimates submitted to the House and Senate Labor Committees, June 3, 1937, at hearings on proposed minimum wages and maximum hour legislation, did not cover those employed in distribution and service occupations or in many industries and public utilities of a small or local character.

Wage Rates for Laborers. Average hourly entrance rate for common laborers in factories in United States was 43.2¢ per hour in July, 1936, according to eleventh annual survey by U. S. Bureau of Labor Statistics (*Monthly Labor Review*, April, 1937). Study covered

4,912 establishments in 16 manufacturing industries, reporting a total of 218,315 laborers. Of these workers, 81.7% were white, 15.9% Negroes, and 2.4% Mexicans or others.

Lower Wages for Negroes. While average hourly entrance rate for white laborers was 44.8¢ an hour in July, 1936, the average for Negro laborers was only 35.4¢ an hour, according to U. S. Bureau of Labor Statistics. This is a differential of 9.4¢ per hour.

For the various groups of southern states, the average entrance rate for white laborers was 36.8¢ per hour, as against 29.7¢ for Negro laborers.

Southern Wage Differential. Average hourly entrance rate of common laborer for entire northern territory was 46.1¢ in July, 1936, according to U. S. Bureau of Labor Statistics. Average for southern territory as a whole was 33.4¢—a differential of 12.7¢.

Figures ranged from 46.5¢ per hour in the District of Columbia to 25.5¢ in Arkansas and South Carolina. Nearly two-thirds (64.9%) of those in the South received less than 37.5¢ an hour, while only 7% of those in the North received less than this amount.

In a memorandum on *The Southern Differential* (1936), Labor Research Association found that contrary to employers' arguments, cost of food, chief item in a worker's budget, is higher in the South than in the North. General cost of living in the South was only

about 2% lower than for the country as a whole. Yet wages range from 10% to over 50% lower in the South than in the North.

Working Hours. Hours worked per week in manufacturing industries of U. S. averaged 39.2 in June, 1937, as compared with an average of 36.5 in year 1935.

In non-manufacturing industries, working hours, in June, 1937, ranged from the short-time average of 25.9 per week in bituminous coal mining up to 47.7 in hotels.

For the first time in American industry, a 32½-hour week was gained by union contract when Cloakmakers Joint Board of International Ladies Garment Workers Union, in July, 1937, signed agreement with manufacturers in New York area. This 32½-hour week takes effect June, 1939.

Of the 2,000,000 workers who had won a shorter working week through C. I. O. agreements, by October, 1937, nearly 1,000,000 have the 35-hour or 36-hour week. A maximum of 40 hours a week has been secured in all industries organized by C. I. O. For flat glass workers, some of the rubber workers and other groups, C. I. O. has won a 6-hour day, according to reports at C. I. O. national conference, October, 1937.

Industrial Accidents. According to conservative estimates of the National Safety Council, employer-supported agency, there were 18,000 deaths caused by occupational accidents

in the United States in 1936, an increase of 2,000 over 1934.

In the one year 1936 about 70,000 accidents resulted in permanent disability and 1,460,000 in temporary disability.

About one-third of all accidents in the United States occur in industry, including such major groups as manufacturing, construction, transportation, trade, mining and agriculture. (For extent of Workmen's Compensation benefits, see pages 62-63.)

Industries having the highest *frequency* rate (per 1,000,000 hours' exposure) are lumber (83.83); mining (51.45); meat-packing (38.62); and construction (31.89). For all industries combined, the frequency rate is 15.29.

Industries having the highest *severity* rates (per 1,000 hours' exposure) are mining (10.19); lumber (4.80); construction (4.32); and cement (3.89). For all industries combined the severity rate is 1.70.

Occupational Diseases. Careful analysis of industrial processes in the United States has produced a list of 700 hazardous occupations in which working conditions involve specific danger to health. For industrial workers, death rates are two and three times as high as in non-industrial groups during the active working years of life.

Lead is still the most serious industrial poison, since it is a hazard in no less than 150 occupations, notably painting and pot-

teries. Benzol, used as a solvent for rubber, fabrikoids, paints and lacquers, has been found in use in more than 50 industries. Young women are particularly susceptible to benzol poisoning. Tuberculosis is an occupational disease among stone cutters, sand blasters, rock drillers, grinders and buffers; it is also common among textile workers.

Silicosis, caused by breathing small dust particles, affects probably a million wage-earners in the U. S., according to recent estimates at National Silicosis Conference (1937).

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LABOR LEGISLATION

Federal Child Labor Amendment. In 1924, Congress passed a joint resolution proposing a constitutional amendment giving Congress power "to limit, regulate and prohibit the labor of persons under eighteen years of age."

When this Amendment was brought before the states for ratification, a tremendous campaign of opposition was launched, chief antagonists being the National Association of Manufacturers and southern textile industry. By April, 1937, the following 28 states had ratified, reducing to eight the number of additional states needed:

Arizona	Maine	Ohio
Arkansas	Michigan	Oklahoma
California	Minnesota	Oregon
Colorado	Montana	Pennsylvania
Idaho	Nevada	Utah
Illinois	New Hampshire	Washington
Indiana	New Jersey	West Virginia
Iowa	New Mexico	Wisconsin
Kansas	North Dakota	Wyoming
Kentucky		

Minimum Wage Laws. As of July 1, 1937, there were minimum wage laws in only 24 jurisdictions of the United States, as follows: Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Illinois, Massachusetts, Minnesota, Nevada, New Hampshire, New Jersey, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Puerto

Rico, Rhode Island, South Dakota, Utah, Washington and Wisconsin.

Most of these laws apply to women and minors only. Oklahoma's new statute, approved April 22, 1937, applies to men as well as to women and children.

U. S. Supreme Court on March 29, 1937, upheld validity of Washington state minimum wage law. Previous Supreme Court decision, 1923, in case of Adkins v. Children's Hospital, declared unconstitutional District of Columbia law for minimum wage based on cost of living.

Supreme Court Decisions. After declaring "unconstitutional" a series of New Deal laws passed under Roosevelt administration between 1933 and 1936, U. S. Supreme Court began to reverse itself with Roosevelt's second term in office, starting January, 1937. In a series of close 5 to 4 decisions, Justice Owen J. Roberts changed his vote, thus shifting balance from reactionary to liberal side.

Record of major New Deal legislation declared invalid by Supreme Court decision included:

<i>Act</i>	<i>Date of Decision</i>
Railroad Retirement (original)	May 6, 1935
National Industrial Recovery	May 27, 1935
Agricultural Adjustment	Jan. 16, 1936
Wage and Hour Regulation of Gulfey Soft Coal Act	May 18, 1936
N. Y. Minimum Wage	June 1, 1936

Decisions favorable to New Deal, in several cases reversing earlier negative rulings, included:

<i>Act</i>	<i>Date of Decision</i>
Tenn. Valley Authority	Feb. 16, 1936
N. Y. Unemployment Insurance	Nov. 23, 1936
Railway Labor	Mar. 29, 1937
Wash. State Minimum Wage	Mar. 29, 1937
National Labor Relations	Apr. 12, 1937
Social Security (old age pensions)	May 24, 1937
Social Security (unemployment insurance)	May 24, 1937
Alabama (and other state) unemployment insurance laws	May 24, 1937

National Labor Relations Board. Commonly called the "Wagner Act," National Labor Relations Act became law July 5, 1935, and was upheld as constitutional by U. S. Supreme Court, April 12, 1937. Act is administered by board of three members. As of September, 1937, board consisted of J. Warren Madden, chairman, Edwin S. Smith and Donald Wakefield Smith.

A worker or his organization, believing that an employer has used any practices declared to be illegal under this act, may file charges with the regional director at any of the board's 21 regional offices.

Section 7 under the act declares:

Employees shall have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in concerted activities, for the purpose of collective bargaining or other mutual aid or protection.

Act, among other things, requires employers to bargain collectively with representatives of employees. Board considers that collective bargaining involves "serious intent to adjust differences and to reach an acceptable agreement," as explained by a board member, Edwin S. Smith, in U. S. Bureau of Labor Statistics' *Labor Information Bulletin*, June, 1937.

Of 1,842 complaints handled by board during its first 20 months, 700 involved a refusal to bargain collectively. The board holds secret elections to determine what union or organization a majority of employees in a plant desire to represent them.

Federal Housing Law. U. S. Housing Act of 1937, known as Wagner-Steagall Housing Act, was passed by Congress in August and signed by President Roosevelt September 2, 1937. It authorizes expenditures totaling \$526,000,000 to "remedy the unsafe and insanitary housing conditions and the acute shortage of decent, safe and sanitary dwellings for families of low income."

U. S. Housing Authority, created under this act, has power to make loans to local public housing agencies from a fund of \$500,000,000, U. S. bonds to be issued to raise this fund.

Expenditures authorized under act would provide not more than 130,000 new dwelling units.

With all its defects, the act is a progressive

measure. It establishes the principle of publicly subsidized housing. It makes possible a low rental, although it does not guarantee it, as would the housing bill introduced in 75th Congress (first session) by Representative Byron N. Scott of California.

Social Security Act. This act was passed by 74th Congress (first session) and signed by President Roosevelt, August 14, 1935. It became effective in February, 1936, and was declared constitutional by U. S. Supreme Court, May 24, 1937.

Act is in three main divisions: (1) federal old-age benefits for which workers must pay an income tax on wages received, and employers an excise tax on wages paid; (2) federal encouragement to states to enact compulsory state unemployment compensation laws; and (3) meager grants-in-aid to states from federal funds for old-age assistance, for aid to the blind, to dependent and crippled children, for maternal and child health and public health.

By October 6, 1937, 48 states, District of Columbia, Alaska and Hawaii had adopted unemployment compensation plans under Social Security Act. Estimated number of employees covered by approved laws was 21,000,000. Only about half the working population in these states have been granted even the limited protection of these laws.

Under old-age pension provisions of Social

Security Act, by October, 1937, over 34,000,000 account numbers had been assigned to individual applicants for benefits which went into effect, January 1, 1937.

Excluded from old-age or unemployment benefits under this act are: agricultural workers; domestic service workers (in private homes); officers or crew of a vessel; federal, state and municipal employees; employees of educational, religious and other non-profit institutions. Under state unemployment compensation laws, workers in small establishments, employing less than eight (in some states less than four), are also excluded from benefits.

Workmen's Compensation. By 1937, 46 states and District of Columbia had enacted workmen's compensation laws, leaving only Arkansas and Mississippi with no legislation to compensate workers for occupational accidents.

Territorial acts have established some form of workmen's compensation in Alaska, Hawaii, Philippine Islands and Puerto Rico. Federal acts have been made applicable to all U. S. civilian employees and to longshoremens and harbor workers.

In no case does a state compensation law cover all employments. Those engaged in agriculture and domestic service are almost universally excluded.

Amounts paid for total disability under workmen's compensation laws vary from 40%

to 70% of the worker's wages. Only in Wisconsin is the amount as high as 70%. In about half the states, compensation for permanent total disability is limited to a certain period of time or to a maximum sum. Waiting time and long drawn-out hearings, in which company lawyers fight against compensation payments, frequently involve the worker in heavy expenses.

Compensation for Industrial Diseases. Only 12 states (and four other jurisdictions) include occupational diseases—such as silicosis, anthrax or lead poisoning—among injuries for which workmen's compensation is paid. Federal Employees' Compensation Act and the Longshoremens' and Harbor Workers' Act include some form of compensation for industrial diseases.

In all other compensation laws in the United States, occupational diseases are expressly excluded from benefits by the act or by interpretations of courts.

In Illinois certain lead processes are covered. Only the New York law supposedly compensates for all occupational diseases, but burden of proof rests upon the worker to show that disease resulted from conditions of employment.

Maternity Aid. Only in eight states, under the mothers' aid laws, is any help granted to expectant mothers. In most states, mothers' aid laws do not include this type of assistance.

Maternity benefits, as known in Europe under sickness insurance systems, do not exist in the United States. Under the Social Security Act, the meager sum of \$3,800,000 a year is provided for "maternal and child-health services" under direction of U. S. Children's Bureau for promoting the health of mothers and children, especially in rural areas and in areas suffering from severe economic distress.

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LABOR MOVEMENT

Trade Union Membership. American Federation of Labor as of August 31, 1937, claimed a membership of 3,271,726. Committee for Industrial Organization reported 3,718,000 on September 3, 1937. Total organized in all trade unions by September, 1937, was estimated at about 7,500,000. This included some 500,000 employees, notably on railroads, who are not affiliated with either the A. F. of L. or the C. I. O.

Larger A. F. of L. unions and their membership, as paid upon to the A. F. of L. for fiscal year, 1937, are:

United Brotherhood of Carpenters and Joiners	300,000
International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of America	210,900
International Brotherhood of Electrical Workers	171,200
International Association of Machinists	138,000
Hotel and Restaurant Employees' International Alliance and Bartenders International League of America	107,100
American Federation of Musicians	100,000
International Hod Carriers, Building and General Laborers Union of America	99,600
Brotherhood of Railway Clerks	89,200
Brotherhood of Painters, Decorators and Paperhangers of America	80,100
Amalgamated Association of Street and Electric Railway Employees of America	76,700
International Typographical Union	75,500
International Union of Bricklayers, Masons and Plasterers	65,000

American Federation of Labor. Executive council: President, William Green, re-elected at 57th annual convention, Denver, Colo., 1937; Secretary-treasurer, Frank Morrison; and 15 vice-presidents.

Federation claimed in 1937, 100 national and international unions with 28,642 local unions; 1,406 local trade and federal labor unions, directly affiliated with A. F. of L.

Following table shows A. F. of L. membership in past years. Peak year was 1920:

1897	264,825	1928	2,896,063
1904	1,676,200	1929	2,933,545
1914	2,020,671	1930	2,961,096
1920	4,078,740	1931	2,889,550
1921	3,906,528	1932	2,532,261
1922	3,195,635	1933	2,126,796
1923	2,926,468	1934	2,608,011
1924	2,865,799	1935	3,045,347
1925	2,877,297	1936	3,422,398
1926	2,803,966	1937	3,271,726
1927	2,812,526		

Receipts of the Federation for fiscal year ending August 31, 1937, were \$1,184,478.99; expenditures \$1,167,317.57.

Unions Suspended. Executive council of American Federation of Labor, meeting in Washington, D. C., August 5, 1936, suspended 10 affiliated unions, effective September 5.

The 10 suspended unions, with nearly 1,000,000 members, were: United Mine Workers of America; Amalgamated Clothing Workers of America; International Ladies Garment Workers Union; United Textile Workers of

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America; Oil Field, Gas Well and Refinery Workers; International Union of Mine, Mill and Smelter Workers; Federation of Flat Glass Workers; Amalgamated Association of Iron, Steel and Tin Workers; United Automobile Workers of America; United Rubber Workers of America.

Committee for Industrial Organization was formed in November, 1935, following the Atlantic City convention of A. F. of L. At that convention, John L. Lewis and those who sided with him had gained a 40% vote of delegates in favor of industrial unionism in mass production industries.

Committee for Industrial Organization. Officers of the C. I. O. are: Chairman, John L. Lewis; Director, John Brophy; Secretary, Charles P. Howard.

In a radio speech, September 3, 1937, John L. Lewis declared of the C. I. O.:

Its objectives today are those it had at the beginning: To strive for the unionization of our unorganized millions of workers and for acceptance of collective bargaining as a recognized American institution.

Of C. I. O. in relation to A. F. of L., Lewis stated in his speech before United Automobile Workers of America convention, Milwaukee, Wis., August 27, 1937:

The Committee for Industrial Organization has no quarrel with the American Federation of Labor as such. It is quite content that the unions in that organization continue to serve their membership in any

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manner that is satisfactory to that membership. The Committee for Industrial Organization did not start out or undertake to reorganize the organized workers in this country. It started out to organize the unorganized, and that is what it is doing with such tremendous success.

In a Labor Day interview, September 4, 1937, Lewis stated that the C. I. O. was originally formed "to encourage and promote organization of the workers in the mass production industries of the nation and affiliation with the A. F. of L." After their suspension from the A. F. of L., C. I. O. leaders broadened their program to organize unorganized workers of all industries.

C. I. O. expenditures for 16 months ended October 1, 1937, totaled \$1,745,968, according to reports at first national conference of C. I. O., Atlantic City, October, 1937.

It was reported in C. I. O.'s *Union News Service*, April, 1937, that in a little more than a year's time, the C. I. O. had put about \$1,000,000,000 in increased annual wages into workers' pay envelopes, through its organizing activities in the steel, auto, rubber, and other previously unorganized mass production industries.

C. I. O. Membership. On September 3, 1937, John L. Lewis reported a total C. I. O. membership of 3,718,000. Of this number, he said, 11 unions accounted for 2,765,000 members. There are 32 affiliated C. I. O. national and international unions in all. Another 225,000

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workers are organized in some 600 chartered local industrial unions.

Here are the latest membership figures as of October, 1937, of the ten C. I. O. unions suspended by the A. F. of L.:

United Mine Workers of America	600,000
Amalgamated Assn. of Iron, Steel and Tin Workers (SWOC)	525,000*
United Automobile Workers of America	375,000
United Textile Workers of America ^b	270,000 ^c
International Ladies Garment Workers Union	252,000
Amalgamated Clothing Workers of America	180,000
Oil Workers International Union	100,000
United Rubber Workers of America	75,000
International Union of Mine, Mill and Smelter Workers	45,000
Federation of Flat Glass Workers	17,000

* That number covered by Steel Workers Organizing Committee (SWOC) contracts. ^b Later known as Textile Workers Organizing Committee. ^c That number covered by TWOC contracts; another 200,000 reported having signed TWOC application cards but not yet included in contracts.

Membership figures of 22 other C. I. O. national and international unions were estimated as of October 13, 1937, as follows:

United Electrical, Radio and Machine Workers	140,000
International Woodworkers of America	100,000
United Cannery, Agricultural, Packing and Allied Workers	100,000
Transport Workers Union	80,000
International Typographical Union*	75,500
United Shoe Workers of America	50,000
United Retail Employees of America	40,000
International Fur Workers	35,000

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State, County and Municipal Workers of America	30,000
United Office and Professional Workers of America	25,000
United Hatters, Cap and Millinery Workers *	23,900
International Longshoremen and Warehousemen's Union	20,000
International Union of Marine and Shipbuilding Workers	20,000
American Newspaper Guild	13,328
Aluminum Workers of America	10,000
American Communications Association (formerly American Radio Telegraphists Association)	8,000
United Federal Workers of America	6,500
National Marine Engineers Beneficial Association	6,500
Federation of Architects, Engineers, Chemists and Technicians	6,000
National Leather Workers Association	6,000
National Die Casting League	5,000
Inland Boatmen's Union of the Pacific (provisional)	4,500

* Considered a C. I. O. union, since its president is prominent in C. I. O., but union has not (November, 1937) voted to leave A. F. of L.

C.I.O. Gains. C.I.O. conference in Atlantic City, N. J., beginning October 11, 1937, reported contracts with 30,000 companies covering 3,200,000 workers. Increases in workers' pay envelopes as a result of C.I.O. efforts, included Steel Workers Organizing Committee, \$250 million; United Automobile Workers, \$100 million; United Mine Workers, \$72 million; Amalgamated Clothing Workers, \$35 million. Textile Workers Organizing Committee reported increases totaling \$1,200,000 a week.

C.I.O.-A. F. of L. Unity Moves: On proposal of C.I.O., ten C.I.O. representatives and three from A. F. of L., met in Washington, D. C., October 25. C.I.O. proposed as basis for unity recognition by A. F. of L. executive council of industrial unionism "in the mass-production, public utilities, marine, service and basic fabricating industries." A. F. of L. representatives offered a counter-proposal which C.I.O. representatives charged meant "surrender," to craft union officials. As the unity conference proceeded, unions bombarded the conferees with communications pressing for unity.

Trend of Strikes. Numbers of workers involved in strikes during past 20 years, according to incomplete figures of U. S. Bureau of Labor Statistics, were as follows:

<i>Year</i>	<i>No. Workers Involved</i>	<i>No. of Strikes</i>
1916	1,599,917	3,789
1917	1,227,254	4,450
1918	1,239,989	3,353
1919	4,160,348	3,630
1920	1,463,054	3,411
1921	1,099,247	2,385
1922	1,612,562	1,112
1923	756,584	1,553
1924	654,641	1,249
1925	428,416	1,301
1926	329,592	1,035
1927	329,939	707
1928	314,210	604
1929	288,572	921
1930	182,975	637
1931	341,817	810

Year	No. Workers Involved	No. of Strikes
1932	324,210	841
1933	1,168,272	1,695
1934	1,466,695	1,856
1935	1,117,213	2,014
1936	788,648	2,172

In first seven months of 1937, according to same incomplete record, there were 1,403,666 workers involved in 2,999 strikes.

Sit-Down Strikes. In June, 1933, in a small one-day strike in Grand Rapids, Michigan, automobile workers remained inside the factory and forced a compromise on their demands. In November, 1933, workers in the Hormel Packing Co., Austin, Minnesota, sat down on strike.

This "sit-down" tactic, well known in Europe, was used by the Industrial Workers of the World as early as 1906, in Schenectady, N. Y. The tactic was not often used in this country, however, until the spring of 1936, when rubber workers began a series of sit-downs in Akron, Ohio.

Beginning in November, 1936, with a sit-down strike of 1,500 workers of Bendix Aviation Corp., South Bend, Indiana, sit-downs were widely used by automobile workers and others during the following months. Outstanding among sit-down strikes was that led by United Automobile Workers of America at General Motors Corp. plants in Flint, Michigan, and other cities. Sit-down lasted 44 days

from December 30, 1936, to February 11, 1937, and affected 135,000 workers.

Earliest sit-down strike to which reference has been found occurred in Rouen, France, in 1485, and was conducted by builders working on the cathedral. Most important instance of the sit-down strike was the seizure of factories by Italian workers in 1919-1920. Modern use of the sit-down as a widespread method of labor struggle seems to date from the year 1931, when there were four such strikes in Poland. By 1933, the number in that country had increased to 139, of which 110 were completely or partially successful, according to a reading list on *Sit-Down Strikes*, published by New York Public Library, June, 1937.

Workers' Alliance. As the national organization of unemployed and relief workers, the Workers' Alliance of America had 800,000 members and 2,500 local units in July, 1937. At its convention in Milwaukee, June 22-25, 1937, 600 delegates outlined a program which included following points:

Continuation and expansion of WPA to include all employables; increases in direct relief; furloughs instead of discharge for WPA workers who accept temporary private employment; 30-hour week, with no reduction in pay, as a means of spreading work; 30% increase in WPA wages; a \$40 minimum monthly scale on WPA projects; recognition of Workers' Alliance as sole collective-bargaining agency for WPA workers.

SOCIAL CONDITIONS

Cost of Living. Following indexes of cost of living based on 1923 as equal to 100, are prepared by National Industrial Conference Board:

1914 (July)	61.3
1915 "	61.0
1916 "	65.4
1917 "	77.6
1918 (November)	97.8
1919 "	109.0
1920 Average for year	118.2
1921 " " "	102.3
1922 " " "	97.4
1923 " " "	100.0
1924 " " "	101.3
1925 " " "	103.7
1926 " " "	104.3
1927 " " "	102.0
1928 " " "	100.6
1929 " " "	100.1
1930 " " "	96.7
1931 " " "	87.2
1932 " " "	77.9
1933 " " "	74.9
1934 " " "	79.4
1935 " " "	82.6
1936 " " "	84.8
1937 nine-month average	88.8

Post-war low point in cost of living in United States was reached in April, 1933. Since then it has risen almost continuously.

General cost of living advanced 24.1% between April, 1933, and August, 1937. Retail food prices, making up about a third to a

fourth of average worker's family budget, rose 42.9% between spring of 1933 and August, 1937, while clothing prices rose 28.2% in same period. Rents by August, 1937, were 40% higher than at their low point in January, 1934. In some industrial centers the rise in rent was over 100%.

Family Budgets. The cost of the so-called minimum health and decency family budget in various cities of the United States, as of December, 1936, was as follows:

New York City	\$1,825	San Francisco, Cal.	\$2,169
Brooklyn, N. Y.	1,919	Philadelphia, Pa.	1,999
Schenectady, N. Y.	1,742	Minneapolis, Minn.	2,115
Rochester, N. Y.	1,914	Reading, Pa.	1,809
Chicago, Ill.	1,971	Los Angeles, Cal.	2,092

This yearly budget for a worker's family of five was prepared by U. S. Bureau of Labor Statistics in 1919. It is an inadequate budget allowing the barest necessities of life. It is currently priced by Labor Research Association on the basis of U. S. Bureau of Labor Statistics cost of living indexes. Items included in this budget are food, rent, clothing, lighting and fuel, all inadequately provided for.

Purchasing Power and Wages. Using figures on wages and salaries of U. S. Department of Commerce and cost of living indexes of National Industrial Conference Board, the *Monthly Survey of Business* of American Federation of Labor (June, 1937), shows that

although workers' average yearly income has increased from \$1,082 in 1933 to \$1,244 in 1936, a gain of \$162, the rise in living costs has cancelled nearly all this gain, leaving a real increase of only \$17—less than a dollar and a half per month added to the worker's living standard. This is all the progress made in three years of rising business; and a period of rising business is the most favorable of all for raising workers' real income.

These figures relate only to employed workers. Jobless workers, including those on relief, are in a far more serious plight because of rising retail prices.

Concentration of Wealth. Estimates on distribution of wealth in the United States made by the Federal Trade Commission in its *Report on National Wealth and Income* (1926) showed that:

1% of the people own at least 59% of the wealth.

12% of the people (petty capitalists) own at least 31% of the wealth.

13% of the people thus own 90% of the wealth.

87% of the people own barely 10% of the wealth; and (included in these), 75% of the people own practically nothing.

Distribution of Income. In 1929, peak year of "prosperity," more than 16,000,000 families, or practically 60% of total number, had a family income of less than \$2,000 a year. This standard of expenditures is regarded by the conservative Brookings Institution as "suf-

ficient to supply only basic necessities." Distribution of income is estimated as follows in *America's Capacity to Consume*:

Nearly 6,000,000 families, or more than 21% of the total, had incomes less than \$1,000.

About 12,000,000 families, or more than 42%, had incomes less than \$1,500.

More than 16,000,000 families, or about 60% of the total, had incomes less than \$2,000.

Nearly 20,000,000 families, or 71%, had incomes less than \$2,500.

Only a little over 2,000,000 families, or 8%, had incomes in excess of \$5,000.

About 600,000 families, or 2.3%, had incomes in excess of \$10,000.

According to this estimate, 0.1% of richest families received practically as much as 42% of the families at the other end of the scale.

Housing. "I see one-third of a nation ill-housed, ill-clad, ill-nourished," said President Roosevelt, in his Second Inaugural Address, January, 1937. More than one-third of American families live in definitely substandard houses. "Bad housing and slums have direct and injurious effects on health, morals and safety." (Housing Legislation Information Office, Washington, D. C.)

An incomplete government housing survey, finished in 1934, known as the Real Property Inventory, included 64 cities in 48 states and covered 2,633,135 dwelling units in 1,931,055 buildings. Number of people living in

these units was 9,074,781. Of total units investigated:

- 17.1% were overcrowded
- 60.0% needed repairs
- 49.4% had no furnace or boiler
- 30.4% had no gas (for cooking)
- 24.5% had no tubs or showers
- 17.3% had no private indoor toilet
- 9.4% had no electricity

This survey did not include cities with population over 750,000, so that extremely bad conditions in New York, Chicago, and other large centers were not shown. No count was taken of dark rooms, nor of such other evils as cellar dwellings and dampness.

To meet housing shortage in the United States, estimates vary from a figure of about 9,000,000 to 14,000,000 dwelling units as the construction requirement for next ten years. Low figure contemplates no improvement in existing substandard houses; high figure contemplates some replacement. (For Housing on Farms, see page 42ff.)

Housing in New York City. In New York City more than 500,000 families, consisting of approximately 1,750,000 persons—about one-fourth of the city's total population—still live in "old law" tenements.

There are approximately 65,000 "old law" houses still standing in the world's richest city. Many of these buildings are 60, 70, 80, even 100 years old. All were built before 1901. Most of the bedrooms in these houses

"receive no light and air whatever, except that which comes from the 'air shaft,'" according to a New York State Housing Board report in 1932.

Since 1932 very little has been accomplished toward providing any better housing for the city's slum dwellers. Three public housing developments, First Houses, the Williamsburg and the Harlem River projects, taken all together, house only 2,500 families, or about 1/2 of 1% of the slum families.

Health of Workers. A survey, made early in 1933 by the U. S. Public Health Service and the Milbank Memorial Fund of New York City, covering 12,000 families in 10 cities, mining camps and mill villages, showed that the families of unemployed workers had 46% to 60% more disabling illness than those of full-time workers, and that families of part-time workers on low marginal incomes suffered 28% more illness than those of full-time workers.

A survey made of 2,000 families on the East Side of New York City in 1930 and again in 1932 by the Association for Improving the Condition of the Poor showed that "the unemployed...suffered more sickness than the employed" and that there was a "definite increase of the amount of sickness from the beginning of the depression to the spring of 1932."

In April, 1932, 48% of the wage earners

were unemployed in this area and sickness occurred in 39% of their families, as compared with 31% of illness among the unemployed families in this section in November, 1930. These figures were in sharp contrast to the 14% of illness in the families of full-time wage earners, 25% in those of part-time wage earners, and the average figure of 24% of sickness among the families in general in this section in 1930.

Death rate of persons in families with incomes under \$1,000 a year, from 10 major diseases, is twice that of the rest of the population. These figures were revealed in October, 1937, by Josephine Roche, Assistant Secretary of the Treasury, as shown by federal survey of 750,000 American families, including 3,500,000 individuals. For seven of the 10 diseases, death rates mount steadily as income goes down.

Hospitals Inadequate. According to the *Hospital Survey of New York* (published in 1937) covering 200 hospitals in the world's richest city, the number of beds for care of persons who cannot pay is insufficient. "Most governmental hospitals are shockingly overcrowded," while private and semi-private beds are empty.

A considerable number of hospitals, the survey states, have increased their capacity chiefly in their private or semi-private accommodations. In 1930, a third of the private and

semi-private beds were empty on the average day of the year, and in 1934, half were empty.

General hospitals in the U. S. as a whole are occupied only to 65% of their capacity, according to O. S. Falk in *Security Against Sickness*, although many individuals go without hospitalization because they cannot afford it.

Infant Deaths and Poverty. Studies of infant mortality by U. S. Children's Bureau have shown marked correlation between low incomes and high infant mortality rates. In a survey of five cities in 1912-1914, the infant death rate was 49.2 per 1,000 live births in working class families where the father's annual earnings were \$1,250 and over. In families where the annual earnings were under \$450, the rate was 179.3, or almost four times as great.

Children Undernourished. In 1930, the White House Conference on Child Health and Protection reported there were at least 6,000,000 undernourished children in the United States.

In November, 1933, the Chief of the U. S. Children's Bureau estimated that in spring of 1933, approximately "one-fifth of the pre-school and school children were showing the effects of poor nutrition, of inadequate housing, and the lack of medical care." In other words, 6,200,000 children between the ages of one and 17 were in want.

In New York City, in 1935, of all elemen-

tary school pupils, 18.1% were classed as "serious malnutrition cases" in the Board of Education's annual report. In 1929, the city-wide average was 13.4%. Harlem showed the highest ratio of malnutrition in 1935—23.8%.

"An alarming degree of malnutrition" among school children in Arizona was reported by the state superintendent of health in October, 1937.

Education. Under heading "A Long Way to Go," the organ of the Teachers Union of the City of New York, *The New York Teacher*, April, 1937, presents the following table prepared by U. S. Office of Education:

Estimated Extent of Scholastic Training of
General Population 21 Years of Age and
Over

Amount of Training	Number of Cases	%
Illiterate	3,675,000	4.9
Some elementary school	32,781,000	43.6
Elementary school graduates only	14,049,000	18.7
Some high school work	14,285,000	19.0
High-school graduates only	5,153,000	6.9
Some college work	3,969,000	4.1
College graduates	2,204,000	2.8
TOTAL	75,216,000	100

School Expenditures: Negro and White. Comparative figures on average expenditure for schools, per child of school age, in seven states of the South, show difference in amount spent for white and Negro children. Figures
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are for 1930, as compiled for *Negro Year Book*, 1931-32.

State	For Whites	For Negroes
Louisiana	\$40.64	\$7.84
North Carolina	44.48	14.30
Arkansas	26.91	17.06
Georgia	31.52	6.98
Alabama	37.50	7.16
South Carolina	52.89	5.20
Mississippi	31.33	5.94

Church Membership. There were 63,493,036 members of religious bodies in the United States in 1936, according to figures compiled by the *Christian Herald*, in June, 1937. This number compares with 54,576,346 in 1926. Largest denomination is Roman Catholic, with 20,800,000 members, but of these about 6,000,000 were children under 13 years of age. List of largest religious bodies:

Roman Catholics	20,831,139
Baptists	10,332,005
Methodists	9,109,359
Lutherans	4,580,660
Jewish	4,081,242
Presbyterians	2,687,772
Episcopalians	1,918,329
Disciples of Christ	1,602,052
Congregational	1,010,776

Church Property. Value of all church buildings in U. S. was given as \$3,839,500,000 by government religious census of 1926. Half the total value of buildings was represented by four denominations: Roman Catholic, \$837,271,053; Methodist Episcopal, \$406,165,659;

Presbyterian, \$338,152,743; and Protestant Episcopal, \$314,596,738. About \$817,000,000 was expended annually by churches.

"If the evaluation of all other church holdings were included it is estimated that the total value of church property would be at least \$7,000,000,000," said *Literary Digest*, July 12, 1930.

Total of contributions received by all U. S. religious bodies in 1934 was \$299,416,781.

Growth of Co-operatives. Eight major co-operative wholesale associations, handling groceries, petroleum products and farm supplies, reported sales increases totalling more than \$5,000,000 in 1936, according to the Co-operative League of the U. S. A.

Sales of \$21,938,000 in 1935 increased to \$27,798,000 in 1936, a gain of 25.8% for the year. Major co-operatives, all affiliated with Co-operative League of the U. S. A., include: Central Co-operative Wholesale (Superior, Wisconsin), Consumers' Co-operative Association (Kansas City), Farmers Union Central Exchange (St. Paul), Midland Co-operative Wholesale (Minneapolis), Ohio Farm Bureau Co-operative Association (Columbus), Pennsylvania Farm Bureau Co-operative Association (Harrisburg), Grange Co-operative Wholesale (Seattle), and Indiana Farm Bureau Co-operative Association (Indianapolis).

CIVIL RIGHTS

U. S. Constitution and Free Speech. Originally adopted, September 17, 1787, U. S. Constitution became effective in March, 1789. Ten original amendments to the U. S. Constitution in force from December 15, 1791, have been known as the Bill of Rights. *Article I* reads:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech or of the press; or the right of the people peaceably to assemble and to petition the Government for a redress of grievances.

The 13th, 14th and 15th Amendments, adopted as a result of the Civil War, granted the full rights of citizenship to the Negro.

Declaration of Rights. Declaration of Independence, adopted by the Continental Congress at Philadelphia, on July 4, 1776, includes the following:

... That whenever any form of government becomes destructive of these ends (life, liberty and the pursuit of happiness) it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness. . . .

Organized Reaction. Older professional patriotic societies and new reactionary organizations have joined hands with such employers' groups as the Chamber of Commerce

of the United States, the National Association of Manufacturers and various "vigilante" groups and "citizens committees" to carry on anti-labor activities. (For a list of such anti-union organizations, see *Labor Fact Books II and III.*)

These various reactionaries undertake spreading of propaganda, initiation and support of anti-labor legislation, and such direct action as strike-breaking. They concern themselves with everything designed to defend the existing system and to perpetuate private profits. They attack progressive labor leaders and even liberals as "revolutionists."

Their programs include one or several of following aims: (1) strike-breaking, spying and anti-labor activity in general; (2) suppressing Communists and Socialists and "curbing" trade unions; (3) combating revolutionary propaganda, "subversive" theories and "sedition"; (4) deporting aliens and radicals, (5) spreading pro-Nazi and pro-fascist propaganda; and (6) stimulating race prejudice by dissemination of anti-semitic, anti-Negro and anti-foreign propaganda.

Criminal Syndicalism Laws. Some 30 states still have either a criminal syndicalism law, a sedition law, or a criminal anarchy law. Constitutionality of such laws was twice upheld by U. S. Supreme Court, for New York in 1925 and for California in 1927.

Under criminal syndicalism law of Califor-

nia, organizers of agricultural workers in Imperial Valley in 1930 were given long prison sentences. Under same law, three organizers in the Sacramento case were sentenced to serve five-year terms. Following pressure organized by the California Conference for Repeal of the Criminal Syndicalism Law, the three prisoners were released October 13, 1937. In a decision on September 28, 1937, Supreme Court of California reversed the convictions in all eight of the Sacramento cases.

Following U. S. Supreme Court decision in deJonge case (see page 96), criminal syndicalism laws of Oregon and Washington were repealed in 1937. These were first repeals since passage of the first such law in New York State in 1901. State of Washington, however, still has two laws of similar character, known as the sedition and criminal anarchy statutes.

Anti-Injunction Laws. A federal anti-injunction law, limiting the power of federal courts to issue injunctions in labor disputes, was passed by Congress in 1932. Known as the Norris-LaGuardia act, it has been the model for state acts adopted by 16 states.

Supported by American Civil Liberties Union and other liberal organizations, similar anti-injunction bills were introduced in 12 state legislatures in 1937, but none passed.

In a recent decision (September, 1937) in Colorado, District Judge Otto Bock ruled that state anti-injunction law, passed in 1933, took

precedence over Colorado's 1915 compulsory arbitration act: "The 1933 law expressly repeals the right of a court to issue an injunction forcing men to work."

On the other hand, a decision by Federal District Judge Collet in Missouri, July 7, 1937, held that National Labor Relations Act justifies issuance of an injunction to an employer to restrain striking and picketing by a minority of his employees. This decision suggests, as explained in International Juridical Association's *Monthly Bulletin* (August, 1937), that "if Congress fails to respond to employer pressure for balancing the so-called 'one-sidedness' of the Wagner Act, the courts will not fail."

Move to Incorporate Unions. Chambers of Commerce, National Association of Manufacturers, realty advisory boards and other anti-union business bodies have recently advocated incorporation of trade unions in order to interfere with union activity. Bills providing for compulsory incorporation of unions were introduced in some state legislatures in 1936-1937, but passed in none.

American trade union movement is 100% opposed to incorporation, on ground that it would open the way for spies to make union records public and establish a blacklist; could result in attachment of union funds; would hamstring trade union members desiring to change union affiliation or to take some other

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progressive stand that might be opposed by a few members.

Spying on Labor. New and startling facts on use of industrial espionage against workers by leading American corporations were disclosed during 1936 and 1937 before Subcommittee of Committee on Education and Labor of U. S. Senate. Hearings were held pursuant to S. Res. 266 (74th Congress) which authorized this committee "to make an investigation of violations of the rights of free speech and assembly and undue interference with the right of labor to organize and bargain collectively." Sen. Robert M. LaFollette, Jr., was chairman of the subcommittee.

One estimate by Heber Blankenhorn, industrial economist of the National Labor Relations Board, in testimony before the committee, put the number of spies and undercover men employed against labor in the United States at 40,000. He estimated also that American employers spend at least \$80,000,000 a year for this type of "service."

General Motors Corp. officials told the committee that their various subsidiaries had paid \$419,850 to Pinkerton's National Detective Agency alone in the period from January, 1934, through July, 1936. To all such agencies which it used during this brief period General Motors paid a total of \$839,764.

Some of the major nationwide spy organizations serving leading United States corpora-

tions exposed at the hearings to date have been Railway Audit and Inspection Co., Corporations Auxiliary Co., Pinkerton's National Detective Agency, William J. Burns International Detective Agency, Sherwood Detective Bureau, and the various multi-named subsidiaries of these agencies. The committee showed also the close relationship of certain of these agencies with companies manufacturing gas for use in strikebreaking. Extensive spy and black-listing bureaus operated by such employers' associations as the National Metal Trades Association were revealed also by the committee.

Vigilantes in Recent Strikes. During steel strikes starting May 26, 1937, organized bands of vigilantes in many centers of Ohio and Michigan helped steel companies in efforts to break strikes. A few instances of such vigilante action follow:

Called out by Mayor Daniel Knaggs, vigilantes at Monroe, Mich., in a night orgy, June 10, 1937, hurled tear and vomit gas bombs at strikers' picket lines around Newton Steel Co. (Republic Steel Corp. subsidiary). After beating strikers with baseball bats, the advocates of "law and order" dragged sympathizers from their homes, beat them, burned a tent used as picket headquarters, and wrecked a dozen automobiles belonging to strikers. Mob included American Legion members and National Guardsmen, without their uniforms; 90

many were identified as steel company employees.

At Youngstown, Ohio, on call of Sheriff Ralph Elser, June 3, 1937, hastily sworn-in deputies helped Republic Steel Corp. in effort to open plants. At Warren, Ohio, a vigilante group was formed for similar purpose.

In upper Michigan near Ironwood, early in July, 1937, 50 to 60 vigilantes attacked and beat three men active in helping timber strikers; Henry Paull, attorney for timber workers union; Luke Raik, president of the union; and an old man in charge of union headquarters. Injured were left helpless; later found and taken to hospitals. Vigilantes also wrecked union headquarters.

On July 15, 1937, at Chattanooga, Tenn., a gang of 16 "business and professional men" drove out Noel Beddow, regional director of Steel Workers Organizing Committee, and L. J. Smith, federal labor conciliator. Vigilante action accompanied employers' efforts to break the strike of 2,000 iron and steel workers in that area.

At West Dearborn, Mich., the "Knights of Dearborn" met once a month in Calvin Theater Building, according to reports in June, 1937. Almost all members of this organization are Ford company men, pledged to anti-union activities.

Also at Dearborn, Mich., Ford encourages a Nazi organization, Friends of New Germany, now the German-American Bund. Although

Nazi sympathizers have distributed Silver Shirts literature without company interference, United Automobile Workers of America members have been beaten for attempting to distribute union leaflets.

Other vigilante strike-breaking organizations in Ohio and Michigan include the Young Nationalists of Toledo; Workers Councils for Social Justice, encouraged by Father Charles E. Coughlin; the Law and Order League in Detroit, Mich., and Massillon, Ohio.

Citizens National Committee, organized in Johnstown, Pa., July 16, 1937, is an outgrowth of Citizens Committee of Johnstown which tried to break 1937 steel strike. Their open shop advertisements in newspapers all over the country, costing at least \$60,000, were inspired and partly subsidized by Bethlehem Steel Corp. At hearings before National Labor Relations Board in September, 1937, it was disclosed that Francis J. Martin, chairman of Citizens Committee, received from Bethlehem Steel's plant manager "approximately \$30,000," during the strike, to be handed over to Mayor Daniel J. Shields for strike-breaking purposes.

Mohawk Valley Formula. James H. Rand, Jr., president of Remington Rand, Inc., perfected a strike-breaking plan during strike at his plants in summer of 1936. Naming it "the Mohawk Valley formula," he recommended it to National Association of Manufacturers which has publicized it among employers.

Same scheme was widely used during steel strike of 1937.

National Labor Relations Board reported in July, 1937, that Rand's activities violated the labor law. Board described the formula as attempting to discredit union leaders as "agitators"; calling upon citizens as a "law and order" committee to help break the strike and dramatizing "back to work" movements.

Labor Prisoners. There were 70 long-term labor prisoners in jails and penitentiaries of the United States on October 21, 1937, serving sentences of from one year to life. These labor organizers and their families receive help from the Prisoners' Relief Department of the International Labor Defense, 80 East 11th Street, New York City.

Anti-Labor Arrests, 1937. During only three months, January 1 to March 30, 1937, according to incomplete figures compiled by International Labor Defense, there were 4,547 arrests in labor struggles. Of these, 1,019 were in automobile strikes; 1,678 were in sit-down strikes exclusive of auto strikes; and 1,850 in other labor struggles. In 1936, there were 18,000 arrests in labor struggles, and in 1935, 19,000.

Defense of Foreign-Born. Assisting foreign-born workers who are often exposed to discrimination and arrest, the American Committee for Protection of the Foreign-Born takes up cases of deportation and other violations of

civil rights. Its address is 100 Fifth Avenue, New York City.

Killings of Workers. During first six months of 1937, 21 workers were killed in labor struggles. This 1937 figure was greater than total for whole of 1936, when 14 workers lost their lives in strikes and other struggles. All were victims of gunmen, strike-breakers, police, deputy sheriffs or other assassins, generally direct agents of employers.

Of these 21 workers killed in the first half of 1937, 10 were murdered by Chicago police in the Memorial Day massacre (May 30, 1937), in strike of steel workers against Republic Steel Corp.

According to incomplete record compiled by Labor Research Association, 49 workers were killed in labor struggles in 1934; 39 in 1935; 14 in 1936.

Black Legion Murders. Charles A. Poole, WPA worker, was slain on May 12, 1936, by members of Black Legion near Detroit, Michigan. Dayton Dean testified in court, June 3, 1936, that he shot Poole because Black Legion's oath required him to take commands from his superior officers, no matter how criminal their nature.

Harvey Davis, "colonel" of Black Legion regiment, was named as author of murder plot. On September 29, 1936, all but one of the men on trial for Black Legion slaying of Poole were found guilty of murder. Twelve

are serving long prison terms for this murder. By April, 1937, 46 members of Black Legion had been convicted in Detroit courts of killing, conspiring to kill, or for other crimes connected with Legion's reign of terror.

Five men are serving life terms in prison for murder of Silas Coleman, Negro worker, who was shot on July 25, 1936, witnesses testified, to provide a "thrill" for a Black Legion party. "Colonel" Davis also ordered the murder of Coleman.

Complicity of the Black Legion in seven murders has been clearly established. There were also cases of flogging, violent threats which came near to execution, arson, bombings and plots to murder citizens.

Lynching. From 1882 to 1935 (inclusive), there have been 4,681 lynchings in United States, according to incomplete records compiled by Tuskegee Institute. In 1935, 20 persons were lynched, five more than in 1934. Of these 18 were Negroes. In 1936 there were 18 lynchings.

A measure, such as Gavagan anti-lynching bill, supported by National Association for the Advancement of Colored People, National Negro Congress and other progressive groups, and passed by the House of Representatives in April, 1937, would provide penalties for members of lynch mob as well as officers who permit prisoners to be killed or injured by mob violence.

DeJonge Case. Dirk deJonge, a Communist and leader of the unemployed, spoke at a meeting in Portland, Oregon, on July 27, 1934, to protest against police violence in Pacific Coast marine strike. He was arrested at meeting, tried, convicted and sentenced to seven years' imprisonment under Oregon criminal syndicalism law. Edward Denny, chairman of meeting, was sentenced to two years, and three others were indicted under same law.

In an appeal to state Supreme Court, conviction of deJonge was upheld. But by a unanimous decision on January 4, 1937, U. S. Supreme Court ruled that application of criminal syndicalism law in deJonge case was unconstitutional. DeJonge and others were then freed.

Herndon Case. Angelo Herndon, sentenced to 20 years on a Georgia chain gang because he attempted to organize unemployed Negro and white workers together in Atlanta, was set free by U. S. Supreme Court on April 26, 1937. The young Negro labor organizer had been arrested, tried and convicted in 1932 under a Civil War statute barring "any attempt to persuade or otherwise induce others to join in any combined resistance to the lawful authority of the state." He was freed on bail in 1935.

In a 5 to 4 decision, Supreme Court held there was no proof that Herndon had "incited to violence." Without such evidence, the

law unreasonably limited freedom of speech and assembly. While majority decision did not specifically declare the Georgia measure invalid, it held that "so vague and indeterminate are the boundaries thus set to the freedom of speech and assembly that the law necessarily violates the guarantees of liberty embodied in the Fourteenth Amendment."

McNamara Case. J. B. McNamara was sentenced to life imprisonment for alleged participation in the bombing of the Times Building, Los Angeles, California, in 1910, during a bitterly-fought metal trades strike. Matt Schmidt was sentenced in 1915 to life imprisonment for alleged connection with the same bombing. By 1937, McNamara had already served 25 years and Schmidt 21 years in prison.

In September, 1936, at its 80th convention, the International Typographical Union (of which McNamara was a member) adopted a resolution urging Governor Frank F. Merriam of California to free McNamara. In the same month, 48 prominent trade unionists and liberals petitioned Governor Merriam for his pardon. American Federation of Labor at 56th convention, November, 1936, passed a resolution urging that he be freed.

In September, 1937, McNamara was still held in Folsom Prison, Repressa, Calif., and Schmidt in California State Prison, San Quentin, Calif.

Mooney-Billings Case. On July 22, 1916, during "preparedness" parade in San Francisco, a bomb exploded. Several local labor leaders who had organized street railway workers were arrested, charged with "murder." In 1917, Tom Mooney was sentenced to hang, and Warren K. Billings to life imprisonment. Later as a result of mass protests in United States and abroad, particularly in Soviet Russia, soon after the Revolution, Mooney's sentence was commuted to life imprisonment.

Every witness in the trial has been discredited; chief witness recanted; all living members of trial jury admitted they were misled; Mooney trial judge has denounced the conviction. Case gives every evidence of frame-up by public utilities companies of California. Throughout 1936, hearings were held before Referee A. E. Shaw, appointed by Supreme Court of California, on writ of habeas corpus for release of Mooney. U. S. Supreme Court ruled in 1935 that procedure in state courts had not yet been exhausted.

Measures introduced in California legislature in 1937 term, to provide pardon for Mooney, passed state assembly and were defeated in state senate. Mooney is still (November, 1937) confined in California State Prison and Billings in Folsom Prison.

Scottsboro Case. Eight unemployed Negro boys were sentenced to death in Scottsboro, Alabama, on April 6, 1931, on a frame-up

charge of "rape" of two white prostitutes. Boys were innocent. Trial was conducted under influence of threatening white mob of 10,000. In case of a ninth boy, a mistrial was ordered. Five trials have been held.

November 7, 1932, U. S. Supreme Court granted reversal of original death verdicts.

April 9, 1933, at second trial, Haywood Patterson was again convicted and again sentenced to death. Two months later Circuit Judge James E. Horton set aside verdict.

December 6, 1933, at third trial, Patterson and Clarence Norris sentenced to die.

April 1, 1935, U. S. Supreme Court reversed convictions on ground that Negroes were excluded from juries in case; ordered new trial.

January 23, 1936, at fourth trial, Patterson sentenced to 75 years in prison. Negroes excluded from jury, though called on panel.

June 14, 1937, Alabama Supreme Court affirmed 75-year sentence against Patterson.

July, 1937. Fifth trial. Sentences: Clarence Norris, sentenced to death; Andy Wright, 99 years; Charles Weems, 75 years; Ozie Powell, 20 years.

Four of the boys were freed, July 24, 1937: Olen Montgomery, Willie Roberson, Eugene Williams, and Roy Wright.

Scottsboro Defense Committee includes representatives of American Civil Liberties Union, International Labor Defense, League for Industrial Democracy, National Association for

the Advancement of Colored People and several church organizations.

Nazi Activities in U. S. Representative Samuel Dickstein of New York (Democrat) on July 27, 1937, asked House of Representatives to investigate activities of German National-Socialists in the U. S. He listed names of 46 persons, described as "expert spies and agitators"—Nazi representatives in this country—and he later added to this list.

In July, 1937, it was revealed in New York newspapers that the German-American Bund maintained Camp No. 21, called "Nordland," at Andover, New Jersey, and other camps near New York City. A group of Italian blackshirts paraded with Germans carrying the swastika emblem at opening of Nordland camp. Military drill is a feature of these Nazi camps.

In a series of articles in the *Sunday Worker*, March 28 to April 18, 1937, John L. Spivak exposed activities of these Nazi organizations, their officers and sympathizers, in the U. S. Spivak's earlier exposé of Nazi activities, published in *New Masses* (October to December, 1934) was issued as pamphlet, *Plotting America's Pogroms*.

SPAIN

People's Front. People's Front parliament was elected in Spain in February, 1936. After second ballot which took place on March 1, 1936, deputies elected included 263 representing People's Front (including 14 Communists and 98 Socialists); 65 centrists; and 135 conservatives of the Right. In addition, 10 Basque Nationalists (Separatists) gained seats in Parliament.

Victory of People's Front in 1936 followed five years of struggle after overthrow of monarchy in April, 1931. A parliament (Cortes), was elected in June, 1931, but was dissolved by President Zamora. An uprising of the people in autumn of 1934, in which Asturian miners played an outstanding part, was put down with extreme bloodshed and terror. Political prisoners, jailed in 1934, were not released until after republican victory in 1936.

War in Spain. On July 18, 1936, General Francisco Franco and the fascist "Union Militar Espanola" attacked the Popular Front government of Spain in Madrid and other cities. It was later proved that German and Italian military forces had been plotting with and assisting Franco from the beginning.

United Action for Spain. With voluntary contributions of money, clothing and medical supplies, people of the U.S.S.R. were the

first to send aid to the People's Front government of Spain, attacked by Fascist armies. This fraternal help continued throughout months of struggle to maintain Spanish democracy.

Appealing from the beginning for united action by Communists and Socialists in support of Spanish democracy, Georgi Dimitrov, as general secretary of Communist International, addressed repeated letters to Labor and Socialist International and International Federation of Trade Unions.

June 20-21, 1937, a meeting was held at Annemasse, Switzerland, between representatives of C. I., led by Maurice Thorez, Secretary of the French Communist Party, and L. S. I., led by Louis de Brouckere and Fritz Adler, to consider possibilities of common action. June 24, L. S. I. and I. F. T. U. demanded recall of fascist troops from Spain and more action in defense of Spanish democracy.

International Brigade. Assisting the Loyalist forces in Spain, since the end of 1936, has been the International Brigade, made up of workers from 52 countries. Of this International Brigade, the Lincoln Battalion from the United States has been an important part. It helped to turn the tide for Loyalist Spain in the great battles of February, 1937, and has carried on in the face of tremendous odds.

Included in the International Brigade are

Abraham Lincoln and George Washington Battalions from the United States.

Economic Resources. Mineral resources of Spain include coal, zinc and iron mines in Bilbao and Santander; lead mines in Cartagena and Dinares; mercury mines of Almaden; iron mines in Cantabria; copper mines in Cordoba; and zinc in Asturias. It was reported early in July, 1937, that the Basque province, rich in iron mines and steel mills, would "serve as a needed source of raw materials for Germany and Italy." (*New York Times*, July 4, 1937.)

The British-owned Rio Tinto, Ltd., with lands near Huelva, Spain, holds the most important western European copper mines. German and Italian forces have been requisitioning ore from British-owned mines at low prices and often without payment. British iron and steel industry now imports almost 1,000,000 tons a year of high-grade iron ore from Bilbao district.

Fruit, olive oil and wine are among Spain's most profitable exports.

Land Ownership. Under People's Front government in Spain, all land now belongs to the people. The land situation before February, 1936, had been as follows:

1%	of the population owned	51.5%
14%	of the population owned	35.2%
20%	of the population owned	11.1%
25%	of the population owned	2.1%
40%	of the population owned	0.0%

Within the territory held by the Spanish republic, all of the 51.5% of land, formerly owned by the richest 1%, has become public property, divided among the poor peasants and agricultural workers.

United States and Neutrality. Special resolution on neutrality, passed by U. S. Congress, January 7, 1937, barred shipments of arms or other war material to Spain. Resolution, however, did not apply to Germany, Italy or Portugal which have constantly shipped war material to Gen. Franco and his fascist forces. Rep. John T. Bernard, Farmer-Labor Congressman from Minnesota, voted against this neutrality resolution.

For first time in U. S. history, a permanent law on "neutrality" was passed by Congress, April 29, 1937, and approved by President Roosevelt. It applies to civil as well as international war.

Whenever President finds that a state of war or civil strife exists, it becomes unlawful to export from U. S. to that country "arms, ammunition or implements of war." Measure was interpreted to apply to either faction in Spain, thus putting democratically elected Spanish government on a par with Fascist rebels. By interpretation of Department of State in March, 1937, U. S. neutrality policy forbade any U. S. citizen to go to Spain to give aid to Spanish government.

SOVIET UNION

New Constitution. By new Constitution of U.S.S.R. adopted in 1936, a charter of liberties for every citizen is established. These include the right to work, the right to leisure, the right to education, the right to material security in old age or in case of physical disability, the right of sex equality, and the right of racial equality. In elections for Supreme Council and Council of Nationalities in December, 1937, entire Soviet citizenry of 18 years of age and older chooses the highest governmental body of the country, by direct vote and by secret ballot.

Industrial Production. In 1936, industrial production in the Soviet Union was 272% above level of 1929. During same year, production in Europe, excluding the Soviet Union, was still 0.4% below 1929 level; production in North America was 11.2% below pre-crisis level.

Production in Soviet Union rose every year during period of crisis and depression in capitalist world.

During third Five-Year Plan (1938-1942) in U.S.S.R., it is proposed to increase industrial production by 300%.

In 1929, the Soviet Union accounted for only 5.4% of total world production. In 1936, this percentage had risen to 18.6%. The index of production in the Soviet Union rose from

a base of 100 in 1928 to 125.8 in 1929 and 480.9 in 1936.

Capital invested in industry (mainly in manufacturing) increased from 28,600,000,000 to 49,000,000,000 rubles during period 1933-1936. A further increase to 68,100,000,000 rubles by 1938 is planned.

From 1932 to 1937, the use of electrical energy increased 227.5% and of all types of mechanical power 197.8%.

Mineral Resources. Mineral resources of the U.S.S.R., as compared with the world's total shows the following:

<i>Mineral</i>	<i>% of World's Total</i>	<i>U.S.S.R.'s Place</i>
Coal	16	2nd
Oil	30	1st
Iron ore	4	1st
Manganese	75	1st
Copper	16	4th
Lead	11	—
Zinc	19	—
Phosphates	60	1st

National Income. National income in U.S.S.R. in 1936 reached 86,000,000,000 rubles, surpassing 1913 level by about 300%. A total of 99.5% of this income is produced by workers in various branches of socialized industry and agriculture.

Soviet Trade Unions. Trade unions in Soviet Union comprised a membership in October, 1936, of 21,614,700 or 83% of the 25,560,400 persons eligible. This is easily the largest trade union movement in the world. Mem-

bership in these unions has grown from about 1,500,000 in July, 1917.

Education. In 1937, the U.S.S.R. had an enrollment of about 30,000,000 pupils in its primary and secondary schools. There were over half a million in higher schools and universities.

It is planned that universities, teachers' colleges, pedagogic institutes and normal schools should graduate, during period of third Five-Year Plan some 690,000 teachers. These teachers will be appointed immediately upon graduation.

In tsarist Russia only 7,800,000 children attended primary and secondary schools. Number of schools built under the Soviet regime is greater than that built during three centuries of the Romanoff dynasty. Illiteracy has been reduced from 67% in 1917 to less than 10% in 1936.

Social Insurance. One-tenth of total national income of Soviet Union was spent in 1936 on social insurance benefits financed by state-owned industry but administered by trade unions. Amounts paid in social insurance benefits rise with increase in country's wealth.

Of total amount spent for social insurance in recent years, about one-third has gone for medical care and sanatoria for insured people. Sanatoria provided through social insurance cared for 1,957,000 in 1935. A sixth

of the social insurance was spent for pensions, which are given at the age of 55 to 60.

Complete system of social insurance in the Soviet Union includes sickness benefits, compensation for industrial accidents, old-age pensions, maternity benefits, and other aid. When unemployment existed up to 1930, workers also received unemployment benefits.

Co-operatives. Of the world's 75,000,000 consumers organized in co-operatives, 40,000,000 are in the Soviet Union. Centrosoyus, the National Union of Consumers' Co-operative Societies in the Soviet Union, is the largest single contributor to the budget of the International Co-operative Alliance.

At the beginning of 1937, Centrosoyus had affiliated with it 22,500 village societies with a total of 109,000 trading units. Membership in the Soviet societies is based on voluntary enrollment and subscription to the share capital of the society. In 1936, 165,000 workers were enrolled in co-operative training schools in the U.S.S.R.

Working Hours. In the Soviet Union, the working day is the shortest in the world, seven hours. The 7-hour day is further reduced to only 6 hours for those who work in hot or damp places, under compressed air, or amid noxious gases or who are exposed in any way to industrial poisons.

Office workers are on the job only six hours a day. Aim is to make the 6-hour day

universal. Most Soviet workers are on the six-day continuous week, with five days of work followed by one day of rest. Many workers, however, are on the five-day basis, working four days and then resting one.

Workers Clubs. In the Soviet Union, the trade union center for education, sports and recreation is the workers' club, often called the Palace of Culture.

"Usually," says Albert Rhys Williams in *The Soviets*, "it is a spacious building, with halls for lectures, concerts and movies; rooms for radio, dancing, chess."

Often there is a laboratory with test-tubes, chemicals and retorts for amateurs, always a library, and a reading room where people are really reading.

The unions themselves publish several national dailies, scores of plant newspapers, thousands of shop organs and weeklies and tens of thousands of broad-sheets and "wall-newspapers" dealing with the intimate life of the factory. . . . Adjacent to the club are fields for tennis, football, volley-ball, basketball, parachute jumping.

Trials of Conspirators. In August, 1936, in Moscow, U.S.S.R., 16 persons were tried for participation in terrorist conspiracies against the Soviet government. Defendants included Zinoviev, Kamenev, Yevdokimov, Bakaief and 12 others. They confessed planning the assassination of Sergei M. Kirov, member of the Presidium of the Central Executive Committee (U.S.S.R.), and other acts of treason and

terror. Kirov was murdered on December 1, 1934.

All were sentenced to death and executed. A prominent British attorney and member of Parliament, D. N. Pritt, answered criticisms of this trial in a pamphlet, *At the Moscow Trial*. (International Publishers, 1937.)

During last week of January, 1937, 17 other persons, charged with treason, sabotage, assassination and counter-revolution, were tried in Moscow. These included G. Piatakov, Karl Radek, G. Sokolnikov, G. Serebriakov and several other ex-government officials. Testimony of the defendants showed that the assassination of Kirov was part of a widespread terrorist conspiracy. They confessed that under direction of Leon Trotsky, plans were also made to assassinate Stalin, Molotov, Voroshilov, and other Soviet government leaders.

Thirteen of the conspirators were sentenced to death and executed. Three others, Radek, Sokolnikov and Arnold were sentenced to 10 years each; Stroilov to 8 years' imprisonment.

Generals' Trial. Eight generals of the Soviet Red Army were tried for espionage, convicted and executed in June, 1937. They were convicted of systematically supplying a foreign state with espionage information, committing sabotage for the purpose of undermining the Red Army and preparing for its

defeat, and of aiming at the dismemberment of the Soviet Union and the restoration of a government of landowners and capitalists.

Several of the eight generals, among them M. Tukhachevsky, were former officers in the tsarist army.

On special court martial that convicted these generals sat loyal officers of the Red Army, including such well-known men as General Budenny, Marshal Bluecher, General Dybenko, and General Shaposhnikov.

Wreckers' Sabotage. Until the early 1930's the U.S.S.R. was able to boast an almost total absence of serious industrial accidents. But beginning in 1933, particularly in three industries—railway, coal mining and chemicals—a considerable number of sudden, unexplained and disastrous "accidents" occurred.

On one railway route alone in the period 1935-1936, at least 63 persons were killed and 154 injured in mysterious train disasters. In April, 1934, an engineer, Boyashimov, was murdered for trying to clear up wreckers' sabotage in the Kuznetsk coal basin. Following the murder of Sergei Kirov, December 1, 1934, a vast conspiracy was uncovered and traced to the "United Terrorist Center," headed by Zinoviev and Kamenev and directed by Leon Trotsky.

Facts on these acts of sabotage and their connection with German and Japanese espionage agents were revealed at trial of the so-

called "Parallel Center" in Moscow, January 23-30, 1937.

Trans-Polar Flights. Three Russian flyers, Valeri Chkaloff as pilot, George Baidukoff as co-pilot, and Alexander Beliakoff as navigator, were the first to fly from European continent to North American continent by way of the North Pole. Leaving Moscow, U.S.S.R., June 17, 1937, they reached the U. S. army field, Vancouver, Washington, June 20. Their flying time was 63 hours, 17 minutes, during which they covered 5,288 miles.

The second crew of Soviet aviators to fly non-stop from Moscow to the United States over the North Pole broke the world distance record. Three flyers, Mikhail Gromoff, pilot; Andrei Yumasheff, co-pilot; and Sergei Danilin, navigator, landed near San Jacinto, California, on July 14, 1937, after flying 62 hours, two minutes.

Their distance from Moscow to landing field was 6,262 miles, 608.5 miles greater than the previous non-stop record, set by P. Codos and M. Rossi (France) on their flight from New York to Syria, August, 1933. Actually, however, the Russian flyers flew 6,700 miles, thus breaking also the closed course distance (without refueling) record, set by Bossoutrot and Rossi (France) in 1932. *New York Times* commented editorially (July 15, 1937):

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Fine as is the record-breaking aspect of the performance, however, it is less stimulating to the imagination and less optimistic in regard to new fields for wings to conquer, than the apparently easy confirmation of the feasibility of the North Polar route. With laudable persistence and great technical skill, the Soviet airmen have developed a true utility from their great Arctic domain. To them must go the palm for the discovery of the true Northwest Passage of the twentieth century.

Camp at North Pole. In spring of 1937, a Soviet station was established at the North Pole under leadership of the scientist, Dr. Otto Yulevich Schmidt. Daily weather, temperature and other scientific reports are sent out from this station.

Station includes an air-drome, tents for scientific instruments and radio broadcasting and other equipment.

Peace Policy. Proposals for the general disarmament of nations were first advanced by the Soviet government at international conferences, while Lenin was still alive. Maxim Litvinov, Commissar for Foreign Affairs of the U.S.S.R., has repeatedly proposed total disarmament in statements before disarmament conferences of the League of Nations.

Soviet Union has non-aggression pacts signed with France (September 2, 1933); with China, signed in August, 1937, and with other nations. Her firm peace policy is shown on the Far Eastern border where, by repeated provocative acts, Japanese imperialist government has attempted to incite war.

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WARS AND WAR COSTS

Japanese aggression. On July 7, 1937, Japanese troops attacked Chinese at Marco Polo Bridge, near Peiping; on August 11 the attack was launched upon Shanghai from sea, land and air. Japanese air forces bombed principal cities, destroying homes and killing thousands of non-combatants.

United armies of China resisted invasion, but were forced to retreat from northern provinces. In November, 1937, Chinese evacuated Shanghai, and Japanese army pushed towards Nanking.

Invasion of 1937 followed earlier aggression of Japanese in China. Japan's intervention in Manchuria started September 18, 1931. A year later, Japan set up "Manchoukuo," a puppet government in Manchuria. During January, February and March, 1932, Japan attacked Chinese in Shanghai, bombing and burning the Chapei district, but were halted by China's heroic 10th Route Army.

Following Japan's 1937 invasion, boycott of Japanese goods was voted by American Federation of Labor, by Committee for Industrial Organization, and by other groups.

Fascist Alliance. On November 6, 1937, Italy signed the anti-Communist agreement, concluded in Berlin between Germany and Japan on November 25, 1936. Agreement is generally interpreted as a military alliance between the
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European fascist powers and Japan's pro-fascist government, directed primarily against the Soviet Union and democratic countries.

Italy and Ethiopia. Italian fascist troops invaded Ethiopia in October, 1935, after months of preparation for imperialist aggression. By June, 1936, Italy declared Ethiopia was part of the "Italian Empire." Emperor Haile Selassie of Ethiopia was exiled.

World War Costs (1914-18).

Death and Suffering:

10,000,000 known dead soldiers.

6,000,000 reported missing, about half of them dead.

20,000,000 or more wounded.

28,000,000 civilians dead from disease, famine, pestilence.

9,000,000 war orphans.

5,000,000 war widows.

10,000,000 rendered homeless (refugees).

Money Costs:

\$208,500,000,000 net *direct* cost for all countries.

\$152,000,000,000 *indirect* cost for all countries.

\$244,000,000 was average daily expenditure of all countries in war in 1918.

U. S.:

130,128 American soldiers were killed in battle, or died from other causes.

\$1,000,000 an hour was average daily expenditure of government during its participation. Net cost to U. S. government was \$70,000,000,000 up to 1937. Ultimately war cost to U. S. may be \$80,000,000,000 as a result of war debt repudiations.

War Profits:

There were 25,000 known millionaires in 1918, compared to 7,500 in 1914. Profits of 25% to 3,000% made by leading American corporations dur-

ing war years. E. I. duPont de Nemours & Company cleared \$255,500,000 in net profits in five years, 1914-18. Net profits aggregating \$337,000,000 reported by 18 leading U. S. corporations in years 1916-18, compared to \$74,650,000 in the three pre-war years 1912-14. (For other details see *Labor Fact Books II and III.*)

World Armaments Doubled. In two years from 1934 to 1936, world expenditures for military purposes have more than doubled. Figures on armament costs for 60 countries show a rise from \$5,064,100,000 in 1934 to a total of \$10,730,700,000 in 1936. Even this stupendous amount is an understatement, since expenditures by Germany and Italy are not fully revealed.

Military budgets began to rise sharply in 1934, following Japan's increased aggression in Asia and Hitler's advent to power in Germany. Figures (expressed in dollars of 1936 parity) on national military expenditures by six leading capitalist countries in recent years are given by Foreign Policy Association as follows:

	1934	1935	1936
	(in thousands of dollars)		
United States	710,000	911,700	964,900*
Britain	480,600	595,600	846,900
France	582,700	623,800	716,400
Germany	381,800	2,600,000	2,600,000
Italy	263,700	778,100	870,800
Japan	271,900	296,200	307,200

* Including certain items not in regular Army and Navy budgets the figure came to well over \$1 billion.

Britain: After these 1936 figures were issued, Great Britain announced (February 17, 1937)

her gigantic rearmament program calling for expenditures totaling £1,500,000,000 in next five years. At present exchange rate, this means a total of about \$7,320,000,000, an average of \$1,464,000,000 a year—a record peace-time budget for such purposes.

United States is now spending about four times as much in preparing for future war as it was spending just before its entry into the World War.

Military and naval expenditure will cost taxpayers of the United States well over a *billion dollars* during the fiscal year that began July 1, 1937. The "regular" appropriations acts call for over \$516,000,000 for the Navy and over \$415,000,000 for the Army. In addition there are special bills, calling for construction of six auxiliary naval vessels at a cost of \$48,200,000. Then there is a bill being pushed by Army authorizing expenditure of \$21,460,000 for construction on military posts.

It is estimated by Hanson W. Baldwin, military expert of *New York Times*, that the principal European countries are spending at least \$20,000 a minute during the 1937 fiscal year for direct armament expenditure.

U.S.S.R.: In presenting figures on increased expenditures for national defense in the Soviet Union, Foreign Policy Association writers explain that this country is facing the threat of war in both Europe and the Far East. To build a co-ordinated defense system in this vast country on European and eastern fronts, has in-

involved expenditures increasing from approximately \$1 billion in 1934 to \$2.9 billion in 1936.

This 1936 defense budget of the U.S.S.R. was 18.8% of the total national budget in that year. But in *Japan*, the 1935-36 military expenditures were 50.5% and the 1936-37 expenditures were 46.6% of the total national budget, even before adding the special outlays voted since Japan started her latest invasion of China in July, 1937.

Italy: Military outlay in 1935-36 was 50.5% and in 1936-37 was 52.7% of the total national budget. Italy's invasion of Spain greatly increased military expenditures in 1937.

Germany: In February, 1937, *The Banker* (London) estimated that Germany was spending in year 1936-37 a total of 12,600,000,000 marks, or about 68% more than the Foreign Policy Association figures given above, for "armaments and defense."

Size of Armies. At least 55,000,000 trained men can "spring to arms overnight" in 48 nations, according to a survey by American military authorities. Regular armies, reserves and other trained men number 54,412,628. This does not include China's uncounted military forces, conservatively estimated as at least 1,500,000.

Of the grand total of trained fighting men, 6,513,824 (not including China's) actually are enrolled in regular armies. Largest regular armies, according to *New York Times* (May 3, 1937) are:

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Soviet Union	1,545,000	Poland	332,427
Italy	1,331,200*	Japan	282,000
France	658,777	Rumania	222,000
Germany	650,000	Spain	199,546
British Empire	384,780	United States	165,000

* Includes 878,200 reserves on active duty.

Soviet Russia, with one-sixth of the earth's surface to defend against fascist aggression, has the world's largest army. While Germany is shown as having only 650,000 regulars, it is well known that Germany has countless thousands trained for military service in "private" Nazi armies and in other reserve forces.

World Navies. United States is second in the world's naval race, according to a tabulation of comparative sea-power, issued by U. S. Navy Department, July 28, 1937. Sea powers rank as follows:

Great Britain	285 warships	1,216,398 tons
United States	325 "	1,083,330 "
Japan	200 "	745,604 "
France	162 "	469,346 "
Italy	206 "	396,683 "
Germany	77 "	147,632 "

Navy officials admitted, however, that the figures for Japan, Italy and Germany might not be complete, as these countries have been carrying on much of their naval program in secret.

Cost of a Battleship. Two 35,000-ton battleships will cost about \$50,000,000 each, as provided for in Naval Appropriation Act of 1937. This act, passed by Congress in March, 1937, allocated \$130,000,000 for construction of fighting craft.

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In October, 1937, keel was laid for *S.S. North Carolina*, to cost \$60,000,000.

Cost of building earlier U. S. battleships has ranged from \$10,028,826 for the *S.S. Arkansas* in 1912 up to \$27,564,481 for the *S.S. Maryland*, completed in 1921.

Combat Airplanes. Number of combat airplanes in different countries, in following list, includes all armed planes, pursuit fighters, light and heavy bombers, attack, armed scout and observation, armed patrol and transport ships, machines in active service, reserves and secondary reserves.

	<i>Jan., 1935</i>	<i>Jan., 1937</i>
British Empire	2,800	4,500
France	3,600	4,000
Soviet Union	3,000	4,000
Italy	2,300	3,000
United States	2,060	2,200
Japan	1,850	2,100
Germany	600	2,600

Rearmament of Germany, carried out secretly at first, has been the most significant development in world airpower in recent years.

American League Against War and Fascism. League was founded in September, 1933, by U. S. Congress against War, meeting in New York City with over 2,600 delegates.

At its fourth congress, held in Pittsburgh, Pa., in November, 1937, there were 1,320 delegates representing organizations with over 4,000,000 members in 26 states. Over 400 of these delegates represented trade unions. At this congress the name was changed to American League for Peace and Democracy. 120

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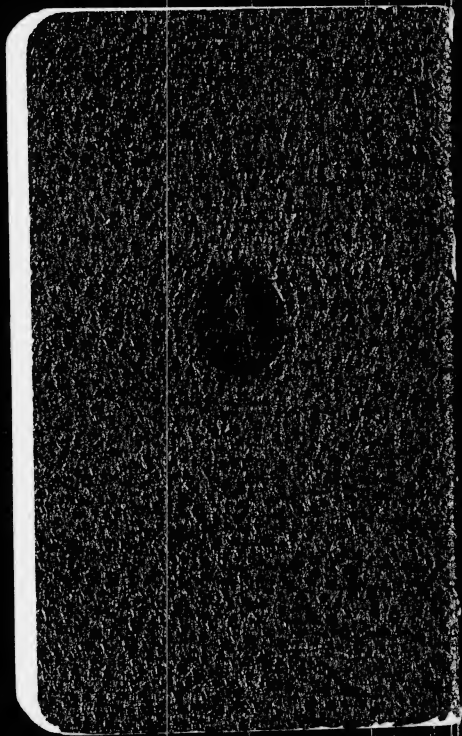
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