

# Labor, Wake Up!

IN 1918 PRESIDENT WILSON called some striking machinists in an arms plant "disloyal," and another plant was commandeered by the government when the owners refused to abide by a decision of the National War Labor Board. This country's experience in the World War was punctuated with strikes, but on the whole, arbitration methods worked well, particularly in plants operating on a cost-plus basis. And manufacturers of civilian goods conceded wage demands readily, adding the extra cost, plus profit, to their prices.

A very important change in the position of organized labor has taken place since 1918. At that time it was a litigant in dispute with capital. The government was the judge. Now, through labor legislation and through representation in government, it has acquired a place on the bench. Like all priv-

ileged groups it is part of the State.

But an essential condition of privilege is that the State which creates it may destroy it. The usual procedure is for the State to absorb the privilege it finds necessary to destroy. In Germany the absorption took the form of a "labor front" under complete domination of Hitler's henchmen, including former labor leaders. The British parliamentary procedure made absorption quite simple; a few places in the cabinet were conceded and labor's freedom of action ceased and in place of a voice on wages it got legislation of dubious market value.

Just how labor will become a vassal of the State in the United States is not quite clear yet. The outlines of the transition from freedom to slavery are visible in the active participation of labor leaders in the administration of the defense economy. But

ability of any threat to its power from public disapproval of its plans particularly where its power is somewhat circumscribed by constitutional forms. Therefore it must prepare the public for an acceptance of its acts. That's propaganda.

Thus we have the "good risk" argument. The language of the market place, which is always available to need to carry favor for an act of power. Britain will get the money regardless of its ability or willingness to repay. But the House of Morgan cannot say that. It must make the citizens believe that their tax money is being wisely invested.

Why? If we are at war, and if we believe Britain is fighting for us, why not make an outright gift of the money? Why ask the British for a list of their securities and bond holdings in this country? Why ask them to pledge their notes?

Evidently the House of Morgan has reason to believe that the citizens whose money it is about to give away are not so concerned that this is their war. That seems to be the only explanation for the "good risk" equipment.

us who have been taught to receive all wars as the machinations of international bankers. Can there be any other cause of war? Is it true, as some said in 1918, that wars are caused by the conditions that bring about poverty? I bet the last for and is the prime cause of war?

However, the financial side of war, even if it is not causal, must not be overlooked. Somebody must pay. Unless and until the state leader to grip all property for the purpose of conducting war, thus abolishing the market and the price system, and reducing all its citizens to automation, money will give a part in war. In the present war, it now so fears, the fiduciary agency is destined to be the House of Morgan—that is, the United States Treasury.

This came to light a few weeks ago when the head of this house was reported to be in consultation with British borrowing agents and James Jones, Federal Loan Administrator, declared that "Britain is a good risk for a loan." In the modern approved propaganda technique, this announcement presages a movement to make our national funds available to the British