

## IV

# THE BACKGROUND OF THE LABOR PROBLEM

An address delivered at the Parrish Memorial Art Museum  
Southampton, Long Island, September 5, 1937

## THE BACKGROUND OF THE LABOR PROBLEM

Speaking in this place one year ago, I named the regulation of trade disputes as one of the six major problems confronting our people and our government at the present time. It was then pointed out that those of us who work, whether with our hands or with our brains, constitute an overwhelming proportion of the population of any modern state and that therefore the interests of those who work, taken in the larger sense, are identical with the interests of the public as a whole. It was pointed out that disputes between those who work and those for whom they work are steadily increasing in number and in violence, and that these disputes are now commonly accompanied by strikes, which are a form of war. Attention was called to some of the steps which had recently been taken, particularly in Great Britain, to regulate and to govern these trade disputes and to prevent them from becoming a damage and a danger to the interests of the general public.

During the year which has passed, this matter has taken on new and menacing importance. It is high time that American public opinion rose to the height of its responsibility for bringing into existence such policies as will protect the interests of the public and the principles of our government from the devastating effects of that form of economic war which has come to be the

very ordinary and usual accompaniment of trade disputes. This matter cannot be permitted to drift indefinitely without very grave consequences. It is of highest importance that these problems be not looked upon solely in their superficial aspect or from the viewpoint of those immediately concerned and the pressure groups which they organize, but that the forces and aims which underlie and shape them be brought to light and interpreted.

From the dawn of history, the human race has been engaged in one sort of struggle after another. At the beginning, individuals struggled with their environment in order to protect themselves against wild animals and to secure the wherewithal to maintain existence. As time went on and civilization took definite form and developed various social, economic and political institutions, however simple, this struggle became one of group against group and eventually of nation against nation. Within a given nation, men found themselves, either by temperament, by ambition or by necessity, thrown into more or less close and continuing contact with others who were pursuing the same activities as themselves. These groups have been described by historians as social classes. There was a time when the priestly class was eager to establish its control and superiority over both those who were engaged in military activities and those who were developing some form of industry. Later on, the landholders came to be a group by themselves, and for long generations the feudal system was the result. With the rise of modern industries and the application to human needs of the astounding scientific discoveries of the past century and a half, there

came a new division between those who work for wages and salaries and those who are, or who represent, the owners of capital by means of which industries are carried on.

It is important to realize that these group struggles and group ambitions are natural, not artificial, and that they are the outgrowth in large part of difference in human capacity and intelligence, as well as of difference in social, economic and political opportunity and environment. It must be realized that with the advent of democracy it was no longer necessary or even possible for these groups or classes to be permanent and fixed in their membership, even if such had been the case in earlier times. It is of the essence of democracy that there be equality of opportunity for all men and that each and all be invited and tempted to exert themselves to the utmost in order that the society of which they are a part may have the fullest benefit of their abilities and their knowledge, as well as in order that they themselves may pass easily and quickly from one group or class to another according as circumstances invite and permit. In a democracy there is and can be no place for fixed and definite social, economic or political classes. Other and non-democratic forms of government may permit or require these, but democracy cannot do so without turning its back upon its fundamental principles. Therefore it is that persistent care must be taken to prevent these natural and normal struggles between individuals and groups from developing into a class struggle or class war between groups whose membership is fixed and definitely settled beyond hope of change.

The doctrine that all history is to be interpreted in terms of a class war between those who possess and those who do not, however popular it seemed at one time, is crude, unhistorical and untrue as a matter of fact. The economic interpretation of history is important but subordinate, as Professor Seligman conclusively proved a generation ago.<sup>1</sup> There can be no question, however, that the economic aspect of history has taken on greatly increased significance during the past century because of the world-wide rise on a huge scale of the industrial system with which we are now familiar. In any large sense, neither the national market nor the world market existed prior to the seventeenth century. Down to that time, industry and trade were dominated by the needs and possibilities of a market that was strictly local. Then, with world-wide exploration and settlement came new conditions which paved the way, first for the displacement of the local market by the national market, and then for the addition of the theretofore unknown world market. It is the national market and the world market which are at this moment engaged in a struggle for dominance, the outcome of which will determine the history of our civilization for generations to come. Economic nationalism is today engaged in the perfectly futile endeavor to make the national market independent of the world market, a policy which can have but one end, and that is overwhelming disaster to the nations themselves which undertake to pursue it.

Karl Marx, who with all his limitations and shortcomings was the possessor of an acute intellect, said

<sup>1</sup>Seligman, Edwin R. A., *The Economic Interpretation of History* (New York: Columbia University Press, 1902).

nearly a century ago that "The relation of industry and of the world of wealth in general to the political world is the chief problem of modern times."<sup>2</sup> This is profoundly true, but it must not be forgotten that in approaching the industrial problem of today we are face to face with tendencies and movements which have existed since civilization began, with an economic condition in which the whole world is a possible market for the product of any industry, and in which industry itself has developed in so remarkable a degree that it has made its interests and its problems of outstanding importance, not only in the economic but in the political life of the present-day world.

There are some popular, almost ruling, misconceptions which should be cleared away. Of these the chief is that there is a social and economic system properly described as capitalism. There is no such system. The words capital and capitalism are very modern. One of the earliest definitions of capital, and one of the very best, is that made by McCulloch in 1825.<sup>3</sup> He defined capital as the accumulation of the products of previous labor. It would not be easy to find a clearer or more satisfactory definition. Capitalism, used as the name of a system of economic organization, is very recent indeed. It did not come into anything like common use earlier than sixty years ago. To speak bluntly, capital is not the foundation of any economic system whatsoever. Capital is the product of social, economic and

<sup>2</sup>Arnold Ruge und Karl Marx, *Deutsch-Französische Jahrbücher* (Paris, 1844), p. 75.

<sup>3</sup>McCulloch, John R., *Political Economy* (London: 1825), Vol. II, p. 73.

political liberty. Therefore it is liberty, the underlying principle, which is at stake and not capital, which is only the product of liberty. Capital is what remains to the worker by hand or brain when he has met the cost of his work and of his livelihood. Every worker, by hand or by brain, becomes a capitalist the moment he saves anything. When he puts his savings in a bank or in an annuity or in an insurance policy, he is co-operating with those of his fellow workmen who have also become capitalists, to provide the means to multiply work through co-operation with others who, like himself, have made good use of their liberty. The present-day popular use of capitalism as a term of contempt and derision is absolutely without historic or economic justification. This term was seized upon by the enemies of social, economic and political liberty because of its presumed unpopularity and it has been used with increasing violence and vehemence as a weapon of attack against liberty for a full generation. It is the favorite weapon of the Communists and radical Socialists and should be recognized as such. While they profess to be fighting capital, what they are really fighting is that which makes capital possible, namely liberty, whether social, economic or political. They are shrewd enough not to attack liberty directly for they know full well how disastrous to themselves the consequences of such an attack would be among any English-speaking people.

It is also an illusion to assert that all wealth is produced by labor alone. A cursory reading of history and observation of any uncivilized tribe, whether ancient or modern, should dispel this illusion at once. Mere labor may gain a livelihood, but little or nothing more.



It is intelligence which produces wealth. This intelligence may guide the hand of the bricklayer or that of the house painter or that of the locomotive engineer or that of the draftsman, but in each case it is intelligence, and not the mere physical operation of the human hand, which adds to the possessions of mankind. It is this same intelligence, working in a different sphere of expression, which makes possible the poet, the artist, the orator or the statesman. All of these, whether their work be done primarily with their hands or not, have much more in common than is ordinarily understood.

It is also to be borne in mind that when the words Socialism and Communism first came into use a century ago, they described states of mind and ideals, not economic institutions. The state of mind and ideals of Socialism, in particular, were praiseworthy in high degree. They meant that men were not to give themselves over to a life of selfishness and one of purely self-concern, but that they were to think of their fellow men, their companions in the state, their happiness and their well-being. These ideals meant also that gain-seeking, however useful, practical and necessary within proper limits, must not be permitted to pass from under the control of moral principles and the moral sense. So long as Socialism represented all this, it was holding a high and fine ideal before the lovers of liberty. This ideal was one which lovers of liberty could aim to achieve without any surrender of liberty or without any overthrow of the historic institutions which liberty had brought into existence. It was when Socialism passed from being a state of mind and an ideal, to a program of social, economic and political action that it became

dangerous to man's highest interests. When it came to mean a plan of public action which substituted compulsion for liberty and strict regimentation for freedom, then Socialism lost its power to inspire and became the symbol of a spirit and type of social, economic and political reaction which would sooner or later check liberty in grievous fashion and perhaps destroy it forever. In other words, the aims of Socialism achieved under the protection and on the basis of the principles of liberty offer a program of hope and progress, while the aims of Socialism achieved through the denial or destruction of liberty are a fatal blow to all that is highest and best in human nature.

It is just because these fundamental and underlying facts and principles are not understood and interpreted that there is so much unclear thinking and unwise action in respect to the labor problem. Every one in his right mind sympathizes with him whom we describe familiarly as the under-dog. Every one in his right mind must wish that health, comfort and happiness be the reward of all those who work, whether with hand or with brain, and that no stone be left unturned to bring this about. The notion that one man may oppress his fellow man for his own gain or glory is immoral. It violates all sound principles of human life and conduct. The way to get rid of it, however, is not by the destruction of any one of the fundamental principles by which human life and human conduct have so long been guided and inspired. The way to get rid of it is by the education of public opinion which, however slow and halting, is the one sure basis for sound and continuing public action. To this may properly be added such legal

enactments as wise discretion and large-minded human sympathy find to be really helpful and in consonance with the underlying principles of a sound democratic order.

The first step to be taken in relation to these matters is to make it perfectly plain by statute what forms of agitation and organized activity will be permitted by the public when undertaken either by organized employees or their employers, and what forms will not be permitted. When this vitally important step shall have been taken, it will then be proper to study how best, whether by compulsory incorporation or otherwise, organizations of employees or of employers may be held and made responsible for any action in violation of law. Enlightenment, fair dealing and education can do much, but while human nature remains as it is there will be need of the authority of enforceable law to protect the public from injury and outrage.

It is unfortunately the obvious fact that wage-workers in this country are quite innocently being exploited on a large scale by those whom we have come to describe as racketeers. Nothing is doing so great damage to the interests of the wage-worker as this exploitation. His sympathies, his emotions and his fears are played upon. He is compelled to take action in which he does not believe and to make payments which he does not desire to make, under the threat of denunciation or persecution for disloyalty to his fellow wage-workers. Not only hundreds but thousands of wage-workers who have had no desire whatever to lay down their tools have been compelled by their so-called leaders to engage in strikes under the guise of promoting the interests of wage-

workers, while all that was really at stake was the glorification of these unworthy leaders and the satisfaction of their thirst for power. The truth of this statement is demonstrated by the frequency with which strikes are organized and called when the wage-workers themselves are either entirely satisfied with the conditions under which they are at work or would be able quickly to adjust any differences with their employers through conference or arbitration.

A clear illustration of this is found in some recent happenings in the City of New York. Some months ago pickets paraded not only for days but for many weeks in front of certain buildings, carrying signs saying that workmen of a particular trade were on strike and that their employers were unfair to organized labor. In at least two cases where this picketing was carried on for months there was no strike whatsoever, nor any threat of strike. When the pickets—who had not themselves been employed in the buildings which they picketed—were asked why they were picketing, their answer was that they had been told to do so by the executive officer of their local union. When asked whether they were aware that there was no strike of workers in the building which they were picketing, the pickets replied that they knew nothing about it but were simply carrying out their orders. Pressed for a statement as to what wage conditions their union asked, they named a figure which, if accepted by the employers, would have reduced the annual wage of each of the wage-workers in the trade in question by \$256. This reduction the employers had no intention whatever of making or of being

forced to make. This picketing went on until it came to an end because of its own ridiculous absurdity.

Public opinion has been shocked, and justly so, by the amazing revelations of the type of racketeering carried on in the County of New York which have been made by Special Prosecutor Dewey in his most able and successful effort to protect the interests of the public and of the wage-worker alike from exploitation by the racketeering of those who call themselves organizers of labor. These racketeers are aided in turn by the cowardice of those holders of public office who, fearing the antagonism of what they call the labor vote, refuse to protect the interests of the public, as they have sworn to do, by the enforcement of law. One does not know whether to denounce more emphatically these timorous office holders or the racketeers who make use of the hopes and ambitions of the wage-worker, as well as of the sympathy of the general public for the wage-worker, in order to gain for themselves power which comes in part from the control of the unaccounted expenditure of large sums of money and in part from the control over the conduct of an industry which would follow upon the granting of their excessive demands.

Within the limits of practical possibility, the shortening of the hours of labor, the increase of monetary wages and salaries and the provision for security in case of illness or dependent old age, are highly desirable, indeed necessary, as much in the interest of the general public as in that of the wage-workers themselves who are to be directly affected. The practical problem is how to bring about these desirable results without per-

mitting economic war at the cost of the general public or the exploitation of the organized wage-workers by those who profess to be their representatives and leaders. The development of collective bargaining is sound and its results admirable if it is participated in by those and only those—or their chosen representatives—who are affected by its results. No wage-worker should be compelled to join in collective bargaining if he does not wish to do so, nor should he be allowed to suffer at the hands either of his fellow workers or of his employers because he prefers to hold himself aloof from any compulsory organization. That is why the so-called closed shop is not only undesirable, but highly inconsistent with any doctrine of personal or economic liberty. As a matter of fact, the advocates of the closed shop, while among the most violent denounciators of Fascism, are alert and eager to practice Fascism at the very first opportunity to do so. There is no more reason why a citizen of the United States should be required, in order to find opportunity for employment, to enroll himself as a member of a trade union, than why he should be compelled to join a given political party, a given church, a given Masonic lodge, or a given debating society.

What, then, are the first steps which should be taken by the public and its government to lessen the likelihood of industrial war and to limit such war when it does break out, so that the public damage will be the least possible? For answer to this question one need not look to the policies and experience of any totalitarian state. The methods by which a totalitarian state would seek to deal with the matter are not only inconsistent with democracy but highly offensive to it. Marked

progress has been made, however, both in Sweden and in Denmark, toward solving this fundamental problem. But the most important action from the point of view of the people of the United States is that which was taken by the government of Great Britain following the disastrous general strike of 1926, when it enacted the Trade Disputes and Trade Unions Act of 1927. The drafting and enactment of this statute called for both courage and vision, neither of which, fortunately, was lacking. The title of the statute is, "An Act to declare and amend the law relating to trade disputes and trade unions, to regulate the position of civil servants and persons employed by public authorities in respect of the membership of trade unions and similar organizations, to extend Section 5 of the Conspiracy and Protection of Property Act, 1875, and for other purposes connected with the purposes aforesaid."

The Act proceeds in simple language to define illegal strikes and lockouts; to provide for the protection of persons refusing to take part in illegal strikes or lockouts; to prevent intimidation; to provide that no member of a trade union shall be required to make contribution to the political fund of a trade union; to establish regulations as to civil servants and their membership in organizations of which the primary object is to influence or affect the remuneration or conditions of employment of its members; to forbid local and other public authorities from making it a condition of employment or of continuance in employ of any person that he shall or shall not be a member of a trade union; and finally, to restrain the application of funds of trade unions in contravention of the terms of this Act.

The provisions of this remarkable Act invite and well repay most careful study. While the enactment of this statute was strongly opposed by the Labor Party in the House of Commons, it has been neither repealed nor amended during the ten years following its enactment, although the Labor Party has been in control of the government for part of that time.

The time has come for the enactment of similar legislation in the United States. If properly drafted and considered solely from the viewpoint of the public interest, this legislation may well prove to be a Magna Carta for the wage-worker, whether organized or unorganized, in that it will open the way for him to free himself from exploitation and control by the racketeers. It will help bring to an end the practice of using the public sympathy for those who work as a means of inflicting quick and grave damage upon the innocent public itself.

An indication of what is likely to happen may be found in the important bill (Number 346) introduced into the Assembly of the Legislature of the State of New York on January 25, 1937, by Mr. Wadsworth of Livingston County, and in that introduced into the House of Representatives at Washington on April 5, 1937 (H.R. 6148), by Mr. Hoffman of Michigan. The bill of Mr. Wadsworth is entitled:

An Act providing for annual reports by unions, associations and organizations of employees for the protection of its members employed in private enterprise in this state, to provide information to its members and to the public with respect to its activities, authorizing such unions, associations and organizations to submit suggested legislation for the relief of unem-



ployment and providing for certain other matters incidental thereto.

The bill introduced by Mr. Hoffman is entitled:

A Bill to provide for the registration of labor organizations having members engaged in interstate or foreign commerce and to impose duties upon such labor organizations and the members thereof and to impose liability for unlawful acts upon such organizations and the members thereof, and for other purposes.

The reading of these two proposed acts of legislation will make it plain that the minds of some, at least, of the people's legislative representatives are moving along sound and helpful lines, not in a spirit of animosity or antagonism toward the wage-worker, but quite the contrary. It is the highest interests of the wage-worker which these two proposed statutes have in view, and those highest interests are identical with the interests of the public as a whole. It is the American habit, when a new emergency of any kind arises, to propose to enact a law. This is all very well so far as it goes, but it must not be forgotten that any law affecting human conduct which is either behind public opinion or too much in advance of it, will neither be respected, obeyed nor enforced. It will simply become one more source of contempt for law and neglect of it. Therefore it is of highest importance that in proceeding to formulate public policy in respect to any aspect of the labor problem, public opinion be carefully studied before any new enactment is proposed.

At the present time, it would seem to be quite obvious that public opinion will not countenance what are called

sit-down strikes, or sympathetic strikes in industries other than that directly affected by a dispute between employer and employee, or strikes in breach of an existing agreement as to collective bargaining or labor relations, or strikes called without a vote by secret ballot of the members of the organization immediately concerned, or strikes designed or calculated to coerce the government, whether local, state or national, either directly or by inflicting hardship and damage upon the citizens of any community. All these acts should be made, and in my judgment can now be made, illegal and the law against them enforced, because it will be upheld by public opinion. At the same time, any law of this kind must be so carefully drafted that it will in no wise limit the freedom of the individual worker or of the group to which he may belong in endeavoring within the limits of the law to improve the conditions under which he works, whether physical or monetary.

When so much shall have been done, it will still be necessary to make certain that the labor organizations themselves can be held responsible for their acts. The shortest and quickest way in which to accomplish this is to provide that these labor organizations shall be incorporated and required to make reports at stated intervals of their financial operations. It is quite impossible to avoid establishing these policies if we really propose to bring order out of the existing chaos and to develop a situation in which the condition of the wage-worker may be steadily and satisfactorily improved.

It must be repeated again and again that the strike is a form of war and there is as much reason to find ways and means of preventing it as to find ways and means

to prevent military war between nations. Beginning with the first Hague Conference of 1899, the public opinion of the civilized world has turned to arbitration of differences between nations as the first and most practical step toward preventing the appeal to armed force. Precisely the same principle applies to that economic war of which the strike is the method of attack. Samuel Gompers, who was for nearly forty years the most effective and vigorous head of the American Federation of Labor, wrote the exact truth in these words:

The causes of strikes can largely be eliminated by the organization of working people into bona fide trade unions and by the organization of the employers, followed by provisions for chosen representatives to sit around the table and there discuss and determine the problems of industry, transportation, of standards of life and work and service. It is something not widely understood, that industrial agreements reached by negotiations between the organized workers and organized employers are a real product of industry, developed through experience and experimentation, unrestricted and competent to adjust themselves to the growth of the industry out of which they have developed.<sup>4</sup>

In order to accomplish this end, both employees and their employers must be right-minded and fair toward each other, no matter how differently they may at any moment view the problem which then presents itself. What forces violence, the strike, is either stubbornness and unfairness on the part of the employer or ambition for power or personal advantage on the part of those who organize and lead the strike.

<sup>4</sup>Gompers, Samuel, *Seventy Years of Life and Labor* (New York: E. P. Dutton & Co., 1925), Vol. II, pp. 149-150.

Just now there are strongly supported efforts to introduce a new and difficult element into the labor problem through the enactment of legislation, nation-wide in its application, giving authority to an official public agency to regulate wages and the hours of labor. It is hard to understand how any proposal of this kind, however well meant or however carefully drafted, can fail to make new and possibly dangerous trouble. In a territory which stretches from the Atlantic to the Pacific and from Canada to the Gulf of Mexico, conditions of population, of climate, of soil and of livelihood are so widely different that it is almost impossible to conceive of a nation-wide regimentation of any form of industry which would not raise many more problems than it could possibly solve. Any attempt at legislation of this kind throws away one of the greatest advantages of the federal form of government, which is that local governmental authority, that of the constituent states, can be called upon to deal with questions of this kind in a spirit of neighborly understanding of what those conditions are, without attempting to put them all into a strait-jacket that must be worn alike by the citizens of Massachusetts and of Arizona, of Pennsylvania and of Montana, of Michigan and of Florida. Nothing will cause the federal form of government to crack and break more certainly or more quickly than any attempt at a form of nation-wide regimentation of any personal or group activity which forms part of the life of the people. One would have thought that the history of the Eighteenth Amendment should have taught its lesson, but apparently it has not done so. Surely the sound and American way in which to solve this problem is to proceed

to secure state legislation which shall be as uniform as conditions demand and permit, and then to supplement this state legislation by that amount of federal control which may be necessary to make the plan work as every right-minded man would desire.

Plainly, we come back again and again to the fundamental struggle between ordered liberty and regimentation, between economic peace and constant resort to economic war. One of the curious anomalies is that the most vigorous and persistent advocates and supporters of strikes in all their aspects, however disastrous, are those reactionary radicals who so ardently profess their love of peace and their hatred of war of any kind between nations for any purpose. In other words, these reactionary radicals are opposed to all war except that which they themselves desire to make. Whether this be looked upon as tragic or as comic is a matter of taste, but it is a fact of common knowledge and of constant demonstration.

The conclusions are plain. They are, first, that there must quickly be legislation, both state and federal, which shall protect the public from that economic war, particularly when organized and brought about by leaders of labor organizations who are in all essentials racketeers. The British Trade Disputes and Trade Unions Act points the way. When so much shall have been done, it remains then, by formal action, both state and federal, to make the members of labor organizations fully responsible as American citizens for their acts either as individuals or as members of a corporation. The absence of this legal liability, although any advance toward it has been strongly opposed by labor leaders,

is really a distinct damage to the interests of the wage-workers. Mr. Justice Brandeis, more than thirty years ago and long before his appointment to be a Justice of the Supreme Court of the United States, used these highly significant words:

This practical immunity of the unions from legal liability is deemed by many labor leaders a great advantage. To me it appears to be just the reverse. It tends to make officers and members reckless and lawless, and thereby to alienate public sympathy and bring failure upon their efforts. It creates on the part of the employers, also, a bitter antagonism, not so much on account of lawless acts as from a deep-rooted sense of injustice, arising from the feeling that while the employer is subject to law, the union holds a position of legal irresponsibility.<sup>5</sup>

More recently, the present Secretary of Labor in the President's Cabinet said this:

If labor's rights are defined by law and by government, then certain obligations will of course be expected of wage earners, and it is for the public interest that those obligations should be defined by labor itself, and that such discipline as is necessary should be self-imposed and not imposed from without. This is the basis of all professional codes of ethics in modern society. . . . There are many signs at the present time . . . that as labor gains status in the community it also imposes upon itself those rules of discipline and self-government necessary for the maintenance of that status.<sup>6</sup>

These are wise words.

<sup>5</sup>Brandeis, Louis D., "The Incorporation of Trade Unions," *Green Bag*, January, 1903, Vol. 15, p. 13.

<sup>6</sup>Perkins, Frances, "A National Labor Policy," *Annals of the American Academy of Political and Social Science*, March, 1936, Vol. 184, pp. 1-2.

The industrial problem in all its aspects has become world-wide. Its particular form may appear differently in this country or in that, but the underlying conditions are everywhere the same. This is why the industrial problem lies at the very root of every practical movement to restore and to maintain world prosperity, as well as to establish and to maintain international peace. It is becoming obvious that in the United States this industrial problem is to fashion and to control the political differences and policies of the years immediately before us.

The existing political parties, Republican and Democrat, came into existence in their present form immediately following the Civil War. For a number of years past, it has been increasingly plain that these parties no longer represent save in name, the same underlying differences of political thought and purpose as was originally the case. The two party names have great sentimental appeal and many proud memories, but they are no longer really significant in the way that they once were. At the present time, both of the historic American parties are completely wrecked by reason of the fact that the commanding industrial problem cannot be fitted into either of their traditional programs and, as a matter of fact, it divides their membership from top to bottom. The time has therefore come when, if the economic life of the people is to be dealt with constructively and intelligently by government, then the party division of the immediate future must represent different and opposing ways of developing the nation's economic resources and of preventing economic strife, whether

between employers and employed, or between industrialists and agriculturists or between our own people and those of any other nation.

With this in mind, the line of division between the political parties is clearly indicated. The one party, which might properly be called Constitutional Liberal, would aim to deal with economic questions and to solve economic problems as they arise in a spirit of liberal, forward-facing and constructive statesmanship, but within the limits of the principles underlying the Constitution of the United States and its classic Bill of Rights. That Constitution remains open to amendment by the people themselves should it prove at any time to be not sufficiently elastic in its interpretation to meet the really important needs of the moment.

The opposition party, which would probably wish to be called Progressive, should properly be designated as Reactionary Radical, since it would, on the other hand, proceed to deal with the economic questions of the time without any restriction whatever arising from the American form of government. This Radical party, whatever its name, would be reactionary in fact because its aim would be to pull up by the roots everything that exists, to destroy the gains of centuries of economic, social and political development, and to insist upon regimentation by government as a substitute for ordered and constructive liberty. The spokesmen of this Radical party would in words attack Fascism, but in fact they would exceed Fascism in their zeal for control of individual difference and achievement of any kind.

Were the American people to organize themselves into two such parties, the air would be quickly cleared



of many misconceptions and the public would soon come to understand the fundamental differences of thought and of policy that were involved in the party contest. As party names and party divisions now exist, this is not the case, and that of itself is a very serious matter. In a democracy there is no place for a Labor party any more than for a Banker's party or a Farmer's party or a School Teacher's party or a party bearing the name and trying to serve the interests of any other special economic or social group. Democracy implies equality of opportunity and democratic government can only be carried on in accordance with definite underlying principles of thought and action and not with a view to the domination or advantage of any group or class in the population.

The sooner this party reorganization comes and the sooner the American people align themselves on the basis of fundamental principles which apply to present-day conditions, the sooner shall we increase the effectiveness of our government in all its parts and the more adequately serve the interests of the entire people. In no case will the American people countenance the indefinite continuance of any part of their citizenship being deprived of that opportunity and that reward of their honest endeavor which are essential for any one who bears the name American.