

To all Editors, Columnists, Commentators — for IMMEDIATE RELEASE as feature article, letter-to-editor, or as background material for editorial writers.



SPOTLIGHT presents this brief summary of a 3130 page report made to the Timken Roller Bearing Company by John Yezbak & Company—the result of fourteen months careful study and research by a staff under the direction of the Yezbak Company, a widely known and highly respected advertising and public relations firm of Cleveland, Ohio.

THE C.I.O., COMMUNISM, AND FREE ENTERPRISE

By JOHN YEZBAK

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A comprehensive study of C.I.O. and Communist attitudes toward the American system of free enterprise has just been completed by The Timken Roller Bearing Company of Canton, Ohio, on the initiative of its president, William E. Umstatt.

On page after documented page, it reveals the astonishing coincidence of these attitudes as established by official publications and periodicals of both organizations, testimony before congressional and other hearings, general newspapers and magazines, books, speeches and miscellaneous other sources.

Most dramatic instance of this coincidence came during the beginning of World War II, when the position of the Soviet Union was not at all clear. When it became necessary for the Communist Party in the United States to shift positions rapidly, the C.I.O. was only as far behind them as publication dates would permit.

But in almost every instance where some aspect of the free enterprise system is involved, the survey shows how the official C.I.O. line, sometimes even to the wording, followed the Communist Party line as persistently as a shadow.

This is not too surprising when it is realized that Daily Worker editorials are not merely to be considered as the Party line on the subject being discussed, but are also actual, day-by-day directives for political action, as clearly indicated by the following editorial from the Daily Worker of April 16, 1937, column 3; page 6.

"We want to address ourselves, in this instance, particularly to Communists and Communist sympathizers. In editorials of the Daily Worker, there is worked out the day-by-day guidance of the Communist Party policy. These editorials should not be treated merely as clear exposes of the tactics and policies of the bourgeoisie in their fight against labor, but as guides and proposals for discussion in the Communist Party units for the purpose of carrying forward in fullest force the struggle of the Communist Party.

"We speak particularly of yesterday's editorial, 'On Guard,' because that at the present is the chief note struck by the Party to rally our membership in struggle against the new danger that is manifesting it-

self. (proposed amendment of the Wagner Act)

"But we wish to impress on our readers, particularly members of the Communist Party, that all editorials, and particularly the most basic one, should be approached as the official expression of the Communist Party in the leadership of the Party's day-to-day activity and they should be so discussed and treated."

Even after the great purge, in which hundreds of Communists and many unions were expelled from the C.I.O. as being obviously Communist-dominated, the basic policies and attitudes of the C.I.O. carried over from the earlier days.

On such matters as Taxes, Banking and Credit; Big Business and Industry; Controls and Subsidies; Cooperatives; Education and Schools; Employment; Legislative Programs; Socialized Medicine; Profits; Farmers and Farm Problems; Government Ownership and Controls; Housing; Monopolies and Trusts; Planned Economy and many others, the C.I.O., by accident or otherwise, follows a line previously laid down by the Communist Party.

As an example of this, compare the following two editorials. The first is from the Daily Worker of April 19, 1941. The second is from The C.I.O. News of May 5, 1941, sixteen days later.

MAKE WALL STREET PAY FOR WALL STREET'S WAR!

"To the question that has been bothering the American people—where will the government get the 40 billion dollars to pay the armament manufacturers? — the answer has now been given.

"It is to come from the pockets of the people themselves.

"That is the meaning of the new plan of the Treasury Department to raise an additional 3½ billions in new taxes. For these taxes, it is clear, will strike directly at the poorest people of the country. Workers making \$16 a week and less would have to pay income taxes under this plan. Meanwhile all the working people and small farmers would probably be shouldered with additional burdens through sales taxes. And this tax proposal is only a starter.

"Attempts are made to create an impression that somehow the corporations would be hit too. But this is only window dressing. For the whole policy of the Roosevelt Administration since the outbreak of the war has been in just the opposite direction: to ease instead of increasing the present mild taxes on the rich.

"Thus, not only was the excess profits tax originally written last year so as practically to exempt the aviation and biggest steel corporations, that is, the companies with biggest war contracts, but it was revised early this year to provide still wider exemptions and reduce the war taxes of the corporations by an estimated \$100,000,000.

"More and more the whole 'defense' program is revealing itself as a gigantic scheme for making the rich still richer by making the poor still poorer. The working people are supposed to pay in blood and dollars for the biggest profit orgy that American capitalism has ever known.

"Instead of heavier taxes on the people, increase the corporation and excess profits taxes; tax all dividends and bond interest (most of the latter now goes tax free). Make Wall Street pay for Wall Street's war."

THE TAX BURDEN

"The same kind of people who advocate wage-cutting as a solution to all economic problems are now full of ideas for making the lowest paid and most productive citizens carry most of the tax load necessary to meet the huge expenditures of war production.

"The various tax proposals now before the House ways and means committee, in fact, embody that very principle of placing most of the burden on those least able to pay.

"The CIO therefore is launching a vigorous campaign to combat these vicious and economically unsound proposals.

"Pres. Murray, in testimony before the House Committee, pointed out

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that in the past ten years the burden of federal taxation on working people has grown heavier in size and proportion; while the proportion paid by the well-to-do has decreased.

"The CIO emphasizes the importance of reversing this trend. It calls for (1) relief from income taxes on lower incomes and lifting of excise and sales taxes, except on luxuries; (2) no additional excise or sales taxes and no extension of income taxation on lower incomes; and (3) increased taxes on high individual incomes, estates and growing corporation profits.

"It is the course of economic wisdom as well as justice to place the tax burden on those most able to pay, and to relieve those least able to pay. But it will take all the strength of labor to prevent the opposite course from being pursued."

Three big questions are raised by the study: (1) Was the C.I.O. created to destroy the free enterprise system? (2) Does the C.I.O. plan to replace our present system with a labor-dominated socialist regime? (3) Are the Communists now actually out of the C.I.O.?

While no attempt is made by the Timken survey to give specific answers to any of these questions, the most likely answers are there.

The study shows, for example, how the Communist Party, frustrated for many years in its attempts to penetrate the A. F. of L., finally achieved its purpose with the formation of the C.I.O. and the acquiescence of its leader at that time, John L. Lewis.

As is pretty generally known, the C.I.O., which then stood for the Committee for Industrial Organization, was formed at the instance of a minority report submitted at the 1935 annual convention of the A. F. of L., following the voting on a resolution calling for industrial organization rather than craft organization of the American Federation of Labor.

This minority report was submitted by John L. Lewis, one of the most outspoken adherents of industrial organization. So fervent was his presentation, ten member unions of the A. F. of L. were swept along with him in his announced intention of allowing this type of organization within his own union.

These first ten unions were the nucleus of the C. I. O., and withdrew from the A. F. of L. to form this powerful young organization — later to be expelled from the A. F. of L. Leadership of the new group naturally fell to Lewis, who was determined to see the C. I. O. grow.

The eager Communist Party watched this somewhat nebulous, ill-defined movement with mouth-watering anxiety. This, they were no doubt thinking, could be the break they had been waiting for.

For years, the impatient communists had been forced to work on or with the outspoken radical groups such as the "Wobblies," or the insular A. F. of L., which could not be prodded or pushed into anything that had the faintest odor of political activity.

They badly needed a group such as this new C. I. O. if they were ever to seize control of the government. For, as they themselves have often said, with the labor organizations under control, it is never too difficult to effect a coup, as recently demonstrated in Czechoslovakia.

Accordingly, as the survey reveals, the Communists made plans to win over John L. Lewis, who, up to then, was an outspoken enemy of the Soviets. In a shorter time than they could have dared hope, he succumbed to their blandishments. Lewis knew the one thing needed to hold his new organization together and make it grow were men who had vast training and experience in recruiting and in the direction of activities. The Communists were ready-made for the job, eager, willing, and, if possible, even more anxious than he to see the new organization expand.

As early as 1936, Communist influence in the C. I. O. was beginning to be felt, as in public speeches, John L. Lewis began to reflect Communist thinking.

The C. I. O. was to be the first step. Then amalgamation with the A. F. of L.; after which the new giant labor organization, under the guidance of the Communists, would organize the farmers into a Farmer-Labor Party. This Farmer-Labor Party was to be the instrument by which the Communist Party would then dominate the United States.

This wooing of both farmer and worker, with only a coy fang or two showing, is demonstrated by the following paragraphs from an editorial in the Daily Worker of November 22, 1937:

"The action of the national convention of the Farmers Union in moving toward cooperation with Labor is great news.

"We congratulate this progressive farmers' organization. In face of the reactionary anti-labor propaganda being spread among the farmers by various disguised Big Business agencies, the Farmers Union has shown the way to defeat the Trusts and bring a better life to the producing masses of the nation. That way is development of a close alliance of farmers and workers.

"It is now up to organized labor to make the partnership between the two groups something more than sentiment and good resolutions. At its recent Atlantic City conference the C. I. O. pledged support to legislation designed to establish fair prices for the farmers. The decisions of the Farmers Union meeting open the way toward translating them into action through the formulation of a common farmer-labor legislative program.

"It is to be hoped that the A. F. of L. will also accept the invitation of the Farmers Union to collaborate. The Big Business conspiracy against recovery should spur the formation of a united front of the C.I.O., A. F. of L., Farmers Union and other progressive organizations to defeat the drive of the Wall Street Trusts and win the enactment by the special

session of Congress of much-needed social legislation."

But the official journal of the C.I.O. kept strictly away from political subjects until 1939, when the C.I.O. changed its full name to the present one, Congress of Industrial Organizations. Then the C.I.O. went seriously to work to express its views on many political issues, many of which, as the record shows, were Daily Worker opinions of previous years.

This is not too difficult to understand since Len De Caux, editor of the C.I.O. News, purged in the late forties, was admittedly a Communist.

As to the second question as to whether the conscious political aims of the C.I.O. are those of the Communist Party, the survey can only indicate an answer. But since the Communists have always been known for their cynical espousal of liberal causes to further their own secret ends, it is interesting to speculate on just how much the teachers may have managed to teach their pupils.

On the final question: did the C.I.O. purge of 1948-49 get all the Communists within the organization, the survey can only point to basic Communist thinking and techniques as revealed in its pages, for a clue to the answer. Accordingly, the chances are preponderant that as the known Communists were uncovered and expelled, new Communists, perhaps more clever at infiltration, were sent in to replace them. It is more than likely that the Communists would stop at nothing to replace them. It is more than likely that the Communists would stop at nothing to remain within the C.I.O., perhaps a sleeping giant now, but one that could be made fit and ready when the time came.

* * *

"We have not forgotten that free private initiative did not meet the requirements of war, and it will not meet the requirements of peace."

Walter Reuther, while advocating a national planning agency to co-ordinate economic factors for conversion to peace as soon as war ends, 1944.

*

"... I say this convention ought to go on record saying to the government, unless the steel industry is willing to get off their fat bottoms and expand steel production, the government has to step in and do it for the people to protect our economic jobs back in those plants ..."

Walter Reuther, during the 11th annual convention UAW-CIO, 1947

On January 11, 1950, Pegler wrote in his column: "The UAW, indeed the entire CIO as well, owes its very existence to a campaign of crime which under the Constitutions of many of our States, would have been treason." In this same column, Pegler quotes Dr. J. B. Matthews, "our greatest authority," "a scholar," adept in Oriental languages, religions and philosophies, "a patriotic American, an implacable foe of all Communists," and "a close political associate of the Reuthers," as saying that the Reuthers' "present position rests entirely upon those acts of violence in which Walter collaborated to the fullest with the Communist Party." Pegler concludes that when Dr. Matthews states "Walter and Victor Reuther, went to Russia to work in a factory and qualify themselves . . . he speaks with an authority that has never been discredited."

Herewith one letter (copied from a photostat of the original in the files of the Un-American Activities Committee) written from Russia in January, 1934, by Victor and Walter Reuther to Melvin Bishop (brother of Merlin Bishop, a CIO official in Conn.) and his wife, Gladys.

Victor G. Reuther
B. Paumep
Anepikarakin 11. Don. 4
Abmozavoz, Topkini
C. C. C. P. U. S. S. R.

Abmozazoof, Topkini
January 20, 1934

Dear Mel and Glad:

Your letter of December 5, arrived here last week from Germany and was read with more than usual interest by Wal and I. It seemed ages since we had heard from you so you might well imagine with what joy we welcomed news from Detroit. It is precisely because you are equally anxious I know to receive word from the "Workers' Fatherland" that I am taking this first opportunity to answer you.

What you have written concerning the strikes and the general labor unrest in Detroit plus what we have learned from other sources of the rising discontent of the American workers, makes us long for the moment to be back with you in the front lines of the struggle; however the daily inspiration that is ours as we work side by side with our Russian comrades in *our* factory, the thought that we are actually helping to build a society that will forever end the exploitation of man by man, the thought that what we are building will be for the benefit and enjoyment of the working class, not only of Russia, but the entire world, is the compensation we receive for our temporary absence from the struggle in the United States. And let no one tell you that we are not on the road to Socialism in the Soviet Union. Let no one say that the workers in the U.S.S.R. are not on the road to security, enlightenment and happiness.

Mel, you know Wal and I were always strong for the Soviet Union. You know we were always ready to defend it against the lies of reactionaries. But let me tell you, now that we are here seeing all the great construction, watching a backward peasantry being transformed into an enlightened, democratic, cultured populous now that we have already experienced the thrill, the satisfaction of participating in genuine proletarian democracy, we are more than just sympathetic toward *our* country, we are ready to fight for it and its ideals. And why not? Here the workers, through their militant leadership, the proletarian dictatorship, have not sold out to the owning class like the S. P.

in Germany and like the Labor Party in England. Here they have against all odds, against famine, against internal strife and civil war, against sabotage, against capitalist invasion and isolation, our comrades here have maintained power, they have won over the masses, they have transformed the "dark masses" of Russia into energetic enlightened workers. They have transformed the Soviet Union into one of the greatest industrial nations in the world. They have laid the economic foundation for Socialism, for a classless society. Mel, if you could be with us for just one day in our shop you would realize the significance of the Soviet Union. To be with us in our factory Red Corner at a Shop Meeting and watch the workers as they offer suggestions and constructive criticism of production in the shop. Here are no bosses to drive fear into the workers. No one to drive them in mad speed-ups. Here the workers are in control. Even the shop superintendent has no more right in these meetings than any other worker. I have witnessed many times already when the superintendent spoke too long, the workers in the hall decided he had already consumed enough time and the floor was then given to a lathe hand who told of his problems and offered suggestions. Imagine this at Fords or at Briggs. This is what the Outside World calls the "Ruthless Dictatorship in Russia." I tell you, Mel, in all the countries we have thus far been in, we have never found such genuine proletarian democracy. It is unpolished and crude, rough and rude, but proletarian workers' democracy in every respect. The workers in England have more culture and polish when they speak at their meetings but they have no power. I prefer the latter.

In our factory which is the largest and most modern in Europe and we have seen them all, there are no pictures of Fords and Rockefellers, or Roosevelts and Mellon. No such parasites, but rather huge pictures of Lenin, . . . etc., greet the workers' eyes on every side. Red banners with slogans "Workers of the World Unite" are draped across the crane-ways. Little red flags fly from the tops of presses, drill

presses, lathes kellers, etc. Such a sight you have never seen before. Women and men work side by side—the women with their red cloth about their heads, the men with their fur hats. We work here seven hours per day, five days a week (our week here is six days long). At noon we all eat in a large factory restaurant where wholesome plain food is served. A workers' band furnishes music to us from an adjoining room while we have dinner. For the remainder of our one hour lunch period we adjourn to the Red Corner recreation where workers play games, read papers and magazines or technical books or merely sit, smoke and chat. Such a fine spirit of comradeship you have never before witnessed in your life. Superintendent leaders and ordinary workers are all alike. If you saw our superintendent as he walks through the shop greeting workers with "Hello Comrade" you could not distinguish him from any other worker.

The interesting thing, Mel, is that three years ago this place here was a vast prairie, a waste land and the thousands of workers here who are building complicated dies and other tools were at that time peasants who had never before even seen an industry let alone worked in one. And by mere brute determination, by the determination to build a workers' country second to none in the world; urged on by the spirit of the Revolution they have constructed this huge marvelous auto factory which today is turning out modern cars for the Soviet Union. Through the bitter Russian winters of 45 degrees below they have toiled with bare hands digging foundations, erecting structures; they have with their own brute strength pulled the huge presses into place and set them up for operation. What they have here they have sacrificed and suffered for; that is why they are not so ready to turn it all over again to the capitalists. That is why today they still have comrades from the Red Army on guard at the factory at all times to prevent counter-revolutionists from carrying on their sabotage.

About a twenty minute walk from the factory an entirely new Socialist city has grown up in these three years. Here over 50,000 of the factory workers live in fine new modern apartment buildings. Large hospitals, schools, libraries, theaters and clubs have sprung up here and all for the use of those who work, for without a worker's card one cannot make use of all these modern facilities. Three nights ago we were invited to the club house in "Soagor" (Socialist City) to attend an evening of enjoyment given by the workers of the die shop. Imagine all the workers with whom we daily work came together that evening for a fine banquet, a stage performance, a concert, speeches, and a big dance. A division of the Red Army was also present as guests. In all my life, Mel, I have never seen anything so inspiring. Mel, once a fellow has seen what is possible where workers gain power, he no longer fights just for an ideal, he fights for something which is real, something tangible. Imagine, Mel, Henry Ford throwing a big party for his slaves. Here the party was no gift of charity from someone above for *we own* the factory, *we* held the meeting and decided to have the party and it was paid for from the surplus earnings of *our* department. What our department does is typical of the social activities which are being fostered throughout the entire factory and the entire Soviet Union.

Mel, we are witnessing and experiencing great things in the U.S.S.R. We are seeing the most backward nation in the world being rapidly transformed into the most modern and scientific with new concepts and new social ideals coming into force. We are watching daily Socialism being taken down from the books on the shelves and put into actual application. Who would not be inspired by such events?

And now my letter is getting long and still I have said little, for there is so much to say and so little time in which to *do it*. We have written Merlin and Coach rather lengthy letters and have requested they forward them to you to save duplicity of material. I believe there is little in this letter which they have not already received so there will be no need of your forwarding this to them.

A word about your letter. You mentioned that.

Keep your eye on the S.P. It being affiliated to the Second International I am not so certain it is "drifting" in the right direction, certainly not in the light of recent events.

Let us know definitely what is happening to the YPSL and also the "Social Problems" Club at C. C. C. . . .

Carry on the fight for a Soviet America.

Vic. and Wal

TO ALL EDITORS: Thanks for tear sheet showing how this was used.

TO THE PUBLIC: The Reuthers and the leadership of CIO have done much to eliminate actual and aggressive Communists, seeking control, from positions of leadership in CIO. But many of the policies and demands being made in the political and economic field by CIO tend to undermine our competitive free enterprise system, and, if granted, would substitute many aspects of collectivist statism for our economic freedom. One example; Karl Marx demanded: 1. "A heavy progressive or graduated income tax." 2. "Abolition of all right of inheritance."

CIO has been the most effective and the most aggressive group in establishing confiscatory upper bracket taxation and the excess profits tax. It was Congressman Eberharter, spokesman for CIO, who, as a member of the House Ways and Means Committee, introduced the demand for a flat 12½% increase in personal tax rates which would have lifted those in the 80% bracket to 92½% tax rate, leaving to those with larger incomes only 7½%.

This provision was fought for by Congressman Eberharter but modified in the Senate to 11% with the option in the taxpayer to pay 8% on his residual income. CIO has most effectively promoted excess profits taxes and controls legislation, substituting the decisions of a vast political bureaucracy on prices, etc. for the action of millions of citizens expressing their far sounder decisions in a free market.

No charge is made that Walter or Victor Reuther or others now in the leadership of CIO are Communists, but the ideology and many of the political and economic demands of CIO have strangely paralleled the collectivist philosophy.

Those desiring the 3130-page report on "The CIO, The Communists and Free Enterprise," compiled by John Yezbak & Co. can correspond directly with him at 3214 Prospect Avenue, Cleveland 15, Ohio, about the availability and prices of copies.

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