

organized and systematic about their politics, and have actually *increased* the influence of business and the upper class in politics.

NEW PATTERNS OF CONTRIBUTIONS

Along with this change has come another—corporations and business organizations have switched most of their money away from the Republican and to the Democrats! In 1976, business PACs contributed over five million dollars to Democratic candidates. Two months before the November 1978 elections (the latest figures available at press time), business PACs had given one million, four hundred and thirty thousand dollars to the Democrats and only one million, one hundred and seventy thousand to the Republicans. This is hardly an accident. If you can call a winner, why not take out a little loyalty insurance before the election? As *Business Week* magazine put it, Business lobbyists have had a field day with the now-departed 95th Congress. With that kind of record, business has little incentive to make a sharp ideological shift in its giving practices (to Republicans)."

THE OLD AND THE NEW

Besides the huge and growing financial clout of the business PACs, many old-style ways of politician-shopping remain. Telethons, much like the Jerry Lewis charity telethon, are one way

to raise millions of dollars with small and medium-sized contributions. The 1973 Democratic telethon netted almost two million dollars, and was possible only because Kentucky Fried Chicken chief John Y. Brown (and a few associates) co-signed for loans of well over two million dollars to cover TV time and other costs. There is no limit on the amount that can be raised by selling convention-book "advertising" space, which netted the Democrats one million dollars in 1964.

Even though the presidential general elections are now financed almost totally by tax money, presidential primary and nomination campaigns are not. Some tax-money "matching funds" are used, but there is no limit on the amount of private money that can be raised and spent on top of that. Democrats collected \$24 million in private donations during the 1976 nomination campaigns, including almost ten million given to Jimmy Carter. Most of that came in donations of \$500 or more.

Long before a candidate gets the connections and popular name needed to run for President, he or she must come up through years of local, state, and congressional elections. Only about half of the states regulate political contributions from rich individuals or corporations. So many wealthy Americans buy their politicians before they become nationally known, thereby getting them at a discount. Both Georgia Governor Jimmy Carter and Texas Senator Lyndon

Johnson received financial aid from Gulf Oil Co. on their way to the top.

The reforms of the Watergate era have not and will not stop the fat cats from calling the plays from the sidelines of the Democratic Party. As Professor Domhoff has said, "*Despite the social and economic hardships suffered by hundreds of millions of Americans over the past one hundred years, the power elite have been able to contain demands for a steady job, fair wages, good pensions, and effective health care within very moderate limits compared to other highly-developed Western countries. One of the most important factors in maintaining those limits has been the Democratic Party. The Party dominates the left alternative in this country, and the sophisticated rich want to keep it that way. Democrats are not only attractive to the working man, but vital to the wealthy, too, precisely because they are the branch of the Property Party that to some extent accomodates labor, blacks, and liberals, but at the same time hinders genuine economic solutions to age-old problems.*"

Or as Henry Ford II put it in 1972, "We must elect a Democratic President so I can start living like a Republican again." Americans who are looking to find a "party of the common people" will surely have to look beyond the Democratic Party that has been so kind to Henry Ford II and his friends in the Social Register.

THE WRECK OF THE PEOPLE'S PARTY . . .

Sold Out to the Democrats

February 1979

by Duane Calhoun

These words, describing American big business, come from a political manifesto written some years ago:

"They have crushed competition, bankrupted thousands of honest men, oppressed the poor, robbed and plundered the helpless, until today they are absolute and supreme masters of the situation, able to regulate production, control prices, grind the faces of the poor, build up enormous fortunes for the trust funds, elect Governors and Presidents...purchase Legislatures and Congresses, and hold high carnival while...people starve...all over the land."

These words did not come from the Communist Party chairman, nor from a radical student of the 1960's. They were written by Congressman Milford W. Howard of Fort Payne, Alabama, who was elected to the House of Representatives on the People's Party ticket in 1894.

The People's Party (also called the Populists) was a radical political party organized by farmers, industrial workers, and middle-class reformers. Its founding convention was held in Cincinnati, Ohio

in May of 1891. In the Presidential election of the following year, its candidate, General James B. Weaver, polled over a million votes. The Populists elected the Governors of Kansas and Colorado, and in 1884 elected six senators, six congressmen, several hundred mayors and other local and state officials.

The 1890's were hard times for most Americans. Farmers, especially in the South, were hit hard by the falling prices of crops and the rising prices of tools. The *Southern Alliance Farmer* newspaper reported from Georgia in 1891, "*Hundreds of men will be turned out of house and home, or forced to become hirelings and tenants in fields that they once owned...The doors of every courthouse in Georgia are placarded with the announcements of such (sheriffs') sales.*"

Workers fared no better. Their strikes for decent wages were met with strike-breakers imported from other cities. Private "detective" agencies like the Pinkertons used spies and clubs against union supporters. The National Guard and the Army were sent out to break up picket lines and enforce court injunctions

against strikes. Unlike the "Gay 90's" of our schoolbooks, jobs were hard to get, unions were almost unheard of, and the average laborer spent an hour's wages to buy five pounds of flour.

The delegates to the second Populist convention, at St. Louis in 1892, represented a grass-roots movement of Americans. Almost two-thirds of the delegates were from farmers groups; nearly one-third represented labor unions; the rest were middle-class reformers and intellectuals. Rich bankers and industrialists of the kind that dominated the Republican and Democratic conventions were nowhere to be found.

THE POPULIST PLATFORM

The People's Party called for radical, democratic reforms. They sought the extension of democracy, calling for the use of the initiative and referendum. This was a means of bypassing the corrupt, capitalist controlled legislatures through adopting legislation by direct, popular vote. They demanded a graduated income tax, the eight hour day, the outlawing of

anti-labor court injunctions, and public ownership of the railroads.

The Populist Platform also called for "the protection of the colored race in their legal rights," by opposing the disenfranchisement of Black voters and the lynch law then prevailing in the South, a center of the populist revolt.

Tom Watson, the Populist leader from Georgia, had this to say about the role of racism among poor whites:

"You might beseech a Southern white tenant to listen to you upon questions of finance, taxation, and transportation; you might demonstrate with mathematical precision that herein lay his way out of poverty into comfort; you might have him 'almost persuaded' to the truth, but if the merchant who furnished his farm supplies (at tremendous usury) or the town politician (who never spoke to him excepting at election times) came along and cried 'Negro rule!', the entire fabric of reason and common sense which you had patiently constructed would fall, and the poor tenant would joyously hug the chains of an actual wretchedness rather than do any experimenting on a question of mere sentiment..."

Unfortunately the Populists did not build on this understanding. The movement in the South was largely segregated and steered away from the issue of social equality, leaving the white farmers prey to the very sort of demagoguery Watson describes. Watson himself, one of the most politically astute and far-seeing of the Populist leaders, later became one of the most rabid, racebaiting, segregationist politicians in the South.

Another plank in the Populist Platform called for "Free Silver" — the minting of silver money at the rate of \$16 from every one gold dollar. This was a response to the "hard money" policies of the capitalist class. The farmers, in particular, favored inflation as a means of dealing with their chronic indebtedness. While there was a certain logic in the free silver demand, it became a panacea, that is a simple-minded answer to a many-sided, complex problem. The more conservative elements in the movement seized on it because it tended to obscure the more fundamental causes of the impoverishment of the workers and farmers — namely the system of private property and wage slavery. In fact Free Silver was one of the least threatening of the populist demands and thus quite naturally, far-seeing elements of the capitalist class sought to divert the movement into a singular focus on this issue.

As Tom Watson explained:

"Free silver is right and we ought to have it, but it is a mere drop in the bucket...Certain wirepullers in Washington are scheming to sidetrack the People's Party by having it surrender all of its platform excepting the Free Silver plank. In a Party whose only test of membership would be the advocacy of free silver, how could we keep the corporations from coming in and forever checking our advance toward governmental ownership

of the railways? How could we purge it of these privileged classes who oppose an income tax? Our enemies, seeing us sweeping onward with steady growth, seek to divide us, confuse us, side-track us..."

Watson's warning was to prove all too prophetic.

From the 1892 Omaha convention, where the basic People's Party program was hammered out, to the high-water mark of the 1894 elections, Populist membership and support at the polls grew and spread. In the 1894 Congressional elections, the People's Party got nearly a half-million more votes than they had in the 1892 Presidential campaign. Their vote grew even faster in the industrial cities and states — from 2,000 to 40,000 in Chicago, from 500 to 3,000 in Pittsburgh, from 12,000 to 45,000 in Wisconsin.

A poll taken by the American Federation of Labor in 1894 showed that nearly all the union members who were running for political office in that year campaigned on the People's Party ticket. This was in spite of the hostility of Samuel Gompers, president of the AFL, who claimed that working with the two old parties was the only "practical" political policy.

"POPULIST LAMB LIES DOWN WITH DEMOCRATIC LION"

The rapid growth of the Populists threatened the future of the Democratic Party. In order to preserve its social base and take the steam out of the Populist movement, the Democrats moved to steal the Populist thunder and destroy the People's Party. In this effort they were aided by a faction of the People's Party, known as the "fusionists", who favored amalgamation with the Democrats. Many of them were officeholders, hungry for more patronage and anxious to advance their careers. While not representative of the sentiments of the Party rank and file, the fusionists were well organized and had secured control of the national Party machinery.

At the Democratic Convention, the Democratic National Committee and the fusionist faction of the Populists worked out a joint plan for pulling the rug out from under the People's Party. The 1896 Democratic Platform incorporated a number of Populist demands — the graduated income tax, opposition to anti-labor injunctions and, of course, free silver. William Jennings Bryant, a spellbinding orator and Senator from Nebraska, was chosen as the Democratic nominee for President.

At the People's Party Convention that same year, the fusionists, through manipulation of the Party's rules, secured a large chunk of the delegates. While they were well organized, the anti-fusionists were not and the fusion faction succeeded in steamrolling their program through, securing the Party's nomination for the Democrat, Bryant. The anti-fusionists managed to get Tom Watson nominated as the Vice Presidential candidate, but the fusionist Party leadership later ignored this and other convention

decisions and Watson was stricken from the ballot in many states.

In the campaign William Jennings Bryant focused almost exclusively on the demand for free silver, ignoring the rest of the Populist platform, including those planks adopted by the Democrats. Much of the Populist rank and file, disillusioned with the sell out to the Democrats and the nomination of Bryant, sat out the election. The result was that the Republican, McKinley defeated Bryant in a tight race.

The People's Party survived for a few more years but never recaptured its former support. From 1½ million votes in 1894, the Populist tally plunged to 50,000 in 1900. Of the 1500 Populist newspapers publishing in 1896, only 23 remained in 1904. As Tom Watson said: *"The Populist Lamb agreed to lie down in the same pen with the Democratic Lion. Result: lamb soon soon dissolved in the gastric juices of said lion."*

DEMOCRATS BURY REFORM MOVEMENT

And what did the Democrats do with their new Populist sounding platform? Some demands, like the income tax and the referendum, were adopted in some states in later years. But for the most part, the Democrats dumped the Populist program as soon as the heat was off. In 1900 the Party continued to make a few cautious concessions to Populist principle, just to insure the dying People's Party didn't revive. But by 1904 the Democratic National Committee felt safe in saying that the Party "required safety and conservatism as the strongest issues."

True to these words, the Democrats nominated the notorious anti-labor judge, Alton B. Parker, for President. The Democrats continued as the most outspoken defenders of white supremacy, standing solidly behind the system of Jim Crow instituted in the South during the 1890's. The People's Party was dead and the Democrats had returned to business as usual.

It would be a mistake to see the demise of the People's Party as the result of a pure and simple conspiracy between the Democratic Party chieftains and the Populist fusionists. The political weaknesses of the movement left it open to absorption by the Democrats. The lack of a clear class perspective on the part of the Populist leadership and rank and file left the movement vulnerable to free silver demagoguery. A limited and shallow understanding of racism facilitated the takeover by the Democrats, a clear cut party of white supremacy.

Revolutionary political leadership could have combated these weaknesses. But the leading Marxist party of the time, the Socialist Labor Party (SLP), was ill equipped to supply it. The SLP had a sound critique of the Populists' lack of class perspective, but gripped by dogmatic and sectarian prejudice, the Party remained outside the movement and contemptuously dismissed its potential. Even

if the SLP had chosen to participate in the Populist movement, its shallow and dogmatic view of both the farmers and the Black people's movements would have crippled its ability to correct the political deficiencies of the Populists.

The Populist experience offers many lessons for us today — among them the

consequences of trying to achieve fundamental change through the Democratic Party. Tom Watson summed up this lesson in 1896:

"Populists cannot denounce the sins of the two old parties, and yet go into political partnership with them. The moment we make a treaty the war must

cease. By listening to the overtures of the Democratic managers our Party has been torn into factions, our leaders deceived and ensnared, and the cause we represent permanently endangered, if not lost. The labor of many years is swept away, and the hopes of thousands of good people are gone with it."

ROOSEVELT'S NEW DEAL . . . Gift from Above, or Push from Below?

March 1979

by Duane Calhoun

Most Americans believe that Franklin Delano Roosevelt was the man who pulled our country out of the Depression. In school, we're taught that FDR gave the unemployed jobs and relief checks, gave the elderly Social Security pensions, and gave workers the right to form unions. This belief in Roosevelt and the New Deal is one of the reasons why many workers still believe that genuine change can be achieved through the Democratic Party. But this version of events in the 1930's is a myth.

Roosevelt and the Democrats gave the American people very little. Working people fought for the New Deal reforms, at the cost of many dead from police and National Guard bullets. Roosevelt's administration gave as little to this grassroots revolt as they felt they could get away with.

Raymond Moley, one of Roosevelt's "Brain Trust" advisors, said: "Remember, Roosevelt at the start was a very conservative President. People didn't realize that. In the first place, he was a very prudent governor of New York. He balanced his budget. He was not a spender. We resisted all the efforts of radicals . . . to spend a lot of money in public works. Roosevelt said: 'there aren't more than a billion dollars of public works that are worth doing.' They wanted five billion dollars. So he compromised on three billion. . . a split between what he said and what they wanted."

THE FIGHT FOR JOBS

When FDR took office in 1933, there were over 12 million unemployed — one in every four workers. In many places the crisis was worse yet — only one in ten garment workers in New York City had a job. The average yearly earnings of those who had jobs was only \$1086 — down from \$1543 in 1929. Nearly 70% of all families in Philadelphia were over a month behind on their rent; the story was about the same everywhere.

Back then, there was no such thing as welfare or unemployment compensation. The poor could beg for money from local private charities, and they would get whatever the administrator decided to give, if they got anything at all. The other choice was to go to the public work-

house, which was very much like prison. In 14 states "paupers" were denied the right to vote.

But working people didn't just quietly starve while waiting for the 1932 elections and Roosevelt. From the beginning of the Depression, organized looting of food by hungry workers broke out in every major city.

The Communist Party called for a demonstration of the jobless on March 6, 1930, and one million unemployed workers turned out in New York, Washington, Philadelphia, Boston, Cleveland, Detroit, Milwaukee, Chicago, San Francisco, Seattle and dozens of smaller cities. The marchers carried banners reading "Work or Wages" and "Fight-Don't Starve"

When jobless workers were evicted from their homes for falling behind in their rent or mortgages, organized groups of unemployed would move them back in again, furniture and all.

Local officials were forced to make concessions. Local relief spending went up by \$170 million from 1929 to 1932. Still, less than \$27 per year was being spent for each of the 12 million unemployed, and many jobless workers got no benefits at all.

In New York City in 1932, the average relief check was \$2.39 per week, and only 25% of the unemployed got that. It was in the middle of the growing demands of the unemployed for work or wages that FDR took office in 1933.

At first, FDR responded by starting direct Federal payments for relief. The average monthly check went from \$15 per family in 1933 to nearly \$30 in 1935. He also started the Works Progress Administration (WPA) in 1935, promising to create a job for every able-bodied worker.

By 1936, WPA employed 2½ million workers. These concessions took much of the steam out of the militant unemployed organizations. By 1938 many unemployed leaders were working for the WPA, and the anger of the average jobless worker was blunted by a feeling that FDR was really trying to help them.

But with the heat off, jobless benefits were cut. After WPA began, direct Federal relief payments were stop-

ped, supposedly to be picked up by the states. Instead, many states cut payments or abolished relief altogether. New Jersey issued begging licenses instead of money to its jobless citizens. Meanwhile, the WPA never came near providing a job for every able-bodied worker.

In 1936, the peak year for WPA, there were 10 million still unemployed. In 1938, \$768 million was cut from the Federal relief and job programs with over 11 million still out of work. WPA funds were cut again in 1939. It took World War II to "solve" the problem of unemployment.

THE FIGHT FOR THE UNIONS

FDR's first big "reform" in Federal labor policy was the National Industrial Recovery Act (NIRA). This law guaranteed workers the right to organize unions without coercion by employers, and set minimum wages and maximum hours. It also gave industry the right to regulate production and fix prices. The "guarantee" of workers' rights was so vague, and the benefits to industry so obvious, that even the Chamber of Commerce came out in favor of NIRA.

But workers believed in that guarantee, and responded with a hurricane of union organizing. The United Mineworkers increased its membership from 60,000 in 1933 to 529,000 in 1934. The Amalgamated Clothing Workers went from 7000 members in 1932 to 132,000 in 1934. Three times as many workers went out on strike after NIRA was passed in 1933 than in 1932.

The corporations fought back. They set up company unions and intimidated their workers into joining. Ninety percent of the half-million steelworkers were signed up in these "employee representation plans". GM announced that they would only deal with employees through such a plan, and would never recognize a union. They fired union supporters right and left. They spent \$80 million on labor spies in 1936 alone. And Roosevelt, "labor's champion", did little or nothing about it.

The NIRA did lead to a slight increase in wages and a decrease in hours. But the Code Authorities that set wage and hour standards in each industry were packed with corporate executives. Only 23 of the 51 Code Authorities had any voting labor representatives at all.