THE AMERICAN Socialist

Atoms and Power:

THE BIGGEST PORK BARREL IN HISTORY

Rift In the West

China Is the Wedge

AUGUST 1954

25 CENTS

CLIPPINGS

AFL ECONOMIST, SEYMOUR BRANDWEIN, gives figures on current wage trends in the May issue of the American Federationist based on 902 wage settlements in the first 15 weeks of 1954:

Increase (in cents)	Percent of Settlements
none	10
1-3	9
4-6	32
7-9	23
10-12	15
13-15	6
over 15	5

LABOR STATESMEN AT WORK: Speaking at the union's sixteenth annual Southeast regional conference at Savannah, Ga., David Dubinsky, President of the International Ladies' Garment Workers Union, said: "I offer a challenge to non-union employers of the south. If they'll give their workers a guarantee of a minimum wage of 90 cents an hour, then we'll cease all organizational activity in their firms for a period of three years." Some challenge! At any rate, that's the thinking of the labor leaders on how to stop the steady drift of Northern garment and textile plants into the low-wage, open shop South.

MR. BARRY MILLER was kept in the army at Fort Monmouth teaching radar for six months after he had been informed that derogatory information had been received against him and after he had replied and asked for a hearing. He never got a hearing. Toward the end of this term of duty, he was lauded by his superior officers, then suddenly on June 7, without any warning, he was told that he would be reduced from the rank of corporal to the lowest sort of private and given an "undesirable" dismissal. After he reported this to his lawyer over a telephone, he was called back and discharged immediately, which indicates wire tapping.

Mr. Miller's crime was that he was at one time, but not when he was in the army, a member of a Shachtmanite organization, a split-off from the Trotskyists, very anti-Stalinist. I am often the target of Shachtmanite criticism, but I believe the inclusion of this organization on the attorney general's list unfair, as I would testify in a hearing for which the organization has asked, but which it has not yet received after months of delay. (From a letter of Norman Thomas printed in the Chicago Tribune, June 28.)

(On July 16, the Army reversed itself and agreed to give Mr. Miller a discharge under honorable conditions.)

AS THE SUN of freedom begins to rise elsewhere, it is setting here. For the cruel savagery of the Atomic Energy Commission verdict on Oppenheimer, one must go to the great Moscow trials where the old Bolsheviks were entrapped in a spider web woven by the secret police. Brownell's attack on Harry White last winter, the Oppenheimer proceeding now, represent another stage in the adoption here of the Russian practice of rewriting history to defame the opposition, to terrorize critics, to impose total conformity and to brainwash the intellectuals. Notice that the heart of the case against Oppenheimer is that he failed to cooperate fully with the secret police. The FBI is to be as sacred here as the NKVD in Russia. (I. F. Stone's Weekly, July 5)

BRITISH LABOR does not condone many of the acts of Communist China nor does it think that progress for us lies along the road she has felt compelled to follow. But we know from our experience of the Russian Revolution that to thrust revolutions back upon themselves only serves to embitter, prolong and exacerbate the excesses which are the invariable accompaniments of all revolutionary processes. If history has not taught us that it has taught us nothing.

The British Labor Delegation goes to China not necessarily to sanction what has happened there nor to give its benediction to conduct much of which is repugnant to those of us who have been fortunate enough to enjoy easier paths to progress. It hopes to find in Communist China the possibilities of friendly intercourse and fruitful cooperation. It does not surrender to the values that China has adopted nor does it expect China to adopt ours.

The compulsions of history work now this way, now that. Only the self-deluding and the self-righteous dare claim for themselves the right to condemn whole peoples which are striving to redress ancient wrongs and ameliorate intolerable privations. We must all of us hope that the time will soon come when Communist China will take its place in the United Nations and there settle peacefully the problems which otherwise may lead the world into irretrievable disaster. ("Why We Are Going To China," by Aneurin Bevan, British Tribune, June 4.)

MISCELLANY: Former Representative Vito Marcantonio, unseated in 1950 after a tri-partisan coalition ganged up to oppose him, announced that he will seek reelection to Congress this year as an independent candidate. The coalition that was set up against him four years ago is showing signs of breaking up as the Liberal Party and many labor unions are now refusing to back Representative Donovan, whose record in Congress has been a particularly miserable one. Donovan has received Republican blessing, but in the Democratic Party, a primary fight is shaping up....

Quentin Reynolds, author and newspaper correspondent, was awarded $175,001 by a federal jury in his libel action against Westbrook Pegler and two Hearst corporations. It was believed to be the largest libel award ever made in this country. . . . Paul Crouch, one of the top paid informers in the government's stable was caught red-handed in perjury when he swore under oath at the 1954 Smith Act trial in Philadelphia that he knew intimately an individual who he swore he never knew at the 1949 Bridges trial. Crouch, in a panic that he might lose his well paying stool-pigeon job, has demanded a Congressional investigation of Attorney General Brownell, who, he contends, "has given considerable aid and comfort to enemies of the United States" in looking into Crouch's reliability. . . . A Reuters dispatch from Colombo, Ceylon reports that Nina Dyer, 24, a British model, was married to Baron Henri von Thyssen, German multimillionaire steel magnate. Among presents von Thyssen gave his bride were an island in the Caribbean, a black panther and a $30,000 string of black pearls.

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The American Socialist
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Rift In the West

WE HAVE reached another climacteric in the grim conflict that started when Churchill blew the trumpet for the cold war in 1946. The overwhelming new fact of world politics is that England has disengaged itself from Washington, and is pursuing an independent policy. This is not an episodic shift on the political chessboard. It represents a *major realignment,* which decisively alters the balance of power.

All through the Second World War and the years thereafter, the lodestar of British foreign policy was its alliance with Washington. In the recent few years, even though they were being elbowed aside in different parts of the globe by the stronger Wall Street rivals and forced into increasing subservience to Washington's edicts, the British Tories hung on grimly to the alliance which they considered the indispensable foundation stone of the world capitalist structure. What has happened to induce Churchill to reverse himself so completely and blow up the policy which he originated and repeatedly defended against all critics and opponents?

Not minor irritations, but prodigious hammer blows are responsible for this 180 degree turn. The British ruling class has arrived at the compelling conclusions that the cold war as a strategy of blackmail and pressure is bankrupt, and is now boomeranging; that the cold war is preparing a third world war—a catastrophe which will wipe Britain off the map of civilization. The British have apparently further decided that the American leaders are reckless and irresponsible, and may drag them into an atomic war without real consultation or deliberation. Hence, Churchill and Eden, prodded and pushed by the growingly militant Laborite opposition, have announced in effect: "Gentlemen, we cannot decide your policies for you, but we are getting off this cold war train."

IT IS one of the supreme ironies of history that Churchill, the organizer of White Guard intervention in Russia in 1919, who by his own recent boast tried "to strangle Bolshevism in the cradle," the man who quarreled with Roosevelt in the Second World War to open a military front in the Balkans and hold back the Red armies from moving westward, one of the major architects of the cold war, this same Churchill should now, in the twilight of his life, journey once again to Washington, to plead—for what? To plead for "a real good try for peaceful coexistence" with Russia. Who would have dreamt that this doughty warrior of imperialism would drop the sword to garb himself in the discarded mantle of Henry Wallace?

It was not virtue, but impotence that led the British imperialists to drop the cold war and become pawnbrokers for a settlement with the Soviet bloc. Churchill announced but a few years ago that he had not become the King's First Minister to preside over the liquidation of the British Empire. But India and Burma are gone, Egypt is slipping out of the grip, the Near East is in turmoil, Malaya is in the throes of civil war—and the end is not in sight. Britain emerged from the war nominally victorious, but in reality financially bankrupt and no longer a first-rate power.

The cold war, rather than consolidating Britain's diminished power and stabilizing world imperialism, has accelerated the disintegration and threatens Britain with extinction. Hence, the British rulers didn't have to be geniuses to figure out that they had to change their course in a hurry.

Britain has been hinting, arguing, exhorting for an abatement of the cold war and a try for an agreement with the Soviet bloc ever since Churchill's speech proposing a top level conference of the Big Three. What has made the Tories desperate and brought the break with Washington to a head, was not pangs of conscience induced by a re-reading of the Sermon on the Mount, but the French disaster in Indochina and Admiral Radford's schemes for intervention and preventive war. The British saw themselves on the very brink of a fathomless

abyss, and decided they had better act, and act fast. Co-existence, Churchill decided, is better than non-existence.

A CHAIN REACTION series of events quickly followed. Britain's emphatic refusal to get dragged into Indochina threw Washington's intrigues into disarray and scuttled present intervention schemes. The fall of Dien Bien Phu two weeks later sealed the fate of France in the Far East. Britain then proposed a Far Eastern Locarno, in other words, that all the major powers guarantee the arrangements and borders finally agreed upon. But any Locarno-type agreement means a *de facto* recognition of China and a calling off of the cold war, at least in the Far East. Washington responded with the enraged roar of a wounded mountain lion.

The American oligarchy's policy stands exposed as irrational. It cannot go to war, and it refuses to make an agreement with the Soviet bloc and call off the cold war. Not only is it exposed as irrational, but the promoters, gamblers and hucksters of Washington are isolated as never before. The visit of Churchill and Eden simply underlined the break between the British and American rulers.

Meanwhile, Mendès-France, the new Premier of France, has gone to Geneva, where undoubtedly an armistice will be signed partitioning Vietnam and neutralizing Laos and Cambodia with no outside state permitted to provide military equipment, instructors or troops. The agreement will be signed by France and England as well as Russia and China. Neutralist Asia—India, Burma, Indonesia—is behind such a settlement and doesn't want U.S. troops, arms or interference on the Asian continent. If there was any question on this score before, Chou En-lai's triumphal tour to India and Burma should have dispelled all doubts. So where does this leave Dulles' strategy, and what happens to Washington's cold war?

EVERYBODY in authority around Washington seems to be so shell-shocked by these developments that the noises emanating from our august Capitol are even less intelligible than usual. The only answers to the crisis of humanity that the Solons have come up with thus far are the threats of "the Senator from Formosa" to withdraw from the UN if the majority admits China, and Eisenhower's and Dulles' contributions that although this may not be a smart way of putting it, we will never, never, never agree to China's admittance. In other words, come what may, the cold war must go on!

But we have already had seven years of cold war, and experience has demonstrated that there has never been a more disastrous design than this Truman-Acheson-Eisenhower-Dulles cold war. It has devoured untold substance of our wealth. It has kept the peoples in jitters. It has made Americans hated throughout the world. It threatens a new holocaust. It has presently thrust the country into a blind alley.

The situation literally cries out for the rise of a peace party. The situation cries out for a policy calling on the United States to come to a *modus vivendi* with the Soviet bloc, to halt the cold war and let the world proceed about its business for a while. Such a program corresponds to the needs of the American people. It would answer their deepest aspirations.

Unfortunately, at the moment, the mass of our people are too dazed by the witch-hunt to be able to exert independent pressure. Unfortunately, the labor movement and the liberals are too caught up in the anti-Communist hysteria to exercise initiative and provide leadership. In other words, the country is still too poisoned and the inertia too great to expect the immediate response that there ought to be to the debacle of the Dulles policy. But as sure as day follows night, the response will come and the resistance to the cold war madness will grow.

"Responsible" Witch-Hunting

THE HOUSE Judiciary Committee has rejected two Eisenhower-Brownell witch-hunt bills which have outlawed "infiltrated" unions and authorized firing of "security risks" in all plants, and has substituted a plan of its own to set up a special commission to study "security" in American industry. The commission, four members each from industry, labor and the "public," would be appointed by President Eisenhower and report back to Congress by January 15. This, we must surmise, would be the more responsible government body to which the witch-hunt must be entrusted, and for which the labor and liberal leaders have been clamoring.

BROWNELL

The new plan will probably be hailed by the labor leaders as a victory over McCarthyism, since it parallels closely the Meany-Reuther proposals submitted to the House committee. Rather than a victory, however, it is actually another link in the chain of government licensing of unions. The fact that the labor leaders are going along with this makes it doubly pernicious. It is the same short-sighted policy that led them to "live with" the Taft-Hartley Act and to play footsie with the witch-hunt against the left-wing unions. The results are tragic indeed: the inundation of the unions with red-baiting, the weakening and retreat of the whole labor movement.

The CIO leaders may think they will gain a narrow factional advantage over the independent unions by means of a government commission aimed at

wiping out left-wing outfits. And the "labor statesmen" probably feel they have put over a clever piece of filibustering which will sidetrack the dangerous Brownell proposals. But in the process, the entire labor movement is placed in jeopardy, and the witch-hunt advances another step, with the acquiescence of the labor officialdom.

In other words, in exchange for a temporary sidetracking of a more violent anti-union measure, the labor movement is enmeshed both as a supporter and as a participant in the official witch-hunt. This will not turn back the thought-control drive. It will simply aid and abet the whole process.

HELD IN ABEYANCE, but still pending in the Senate, is the original Eisenhower-Brownell bill, which is a rewrite of the vicious Butler-Goldwater bills, shelved some months ago, providing for government licensing of unions. The original Brownell proposal would have "liquidated" organizations designated by the Attorney General as subversive—including "infiltrated" unions, other associations and even business institutions. As modified in the Senate Judiciary Committee, power to illegalize such organizations was eliminated, but the essential features remain intact.

A union put on the "infiltrated" list by the Attorney General would be deprived of collective bargaining rights, would have to register as subversive and so label itself in all its publications and official statements. The Senate committee considered Brownell's proposal too drastic, since they felt it would be better timed to provide legal liquidation of the Communist Party before you went around liquidating "subversive" unions. In the House, however, the watered-down Reuther-Meany proposal for a commission was considered the superior tactic. Possibly it will win concurrence in the Senate. The witch-hunters may figure it is better to proceed a step at a time, with the agreement of the labor leaders, than to leap too far ahead and thereby alert the labor movement to determined opposition.

But the labor officials are treading on quicksand. At the very time that the House Judiciary Committee passed the commission proposal, the Senate Judiciary Committee approved Brownell's notorious wire-tap bill, which would invade the privacy of every American and legalize the Gestapo methods of the FBI.

Even if the Reuther-Meany proposal is finally adopted by Congress, it would start the very same sequence of events moving for which Brownell is pushing, even if at a slower pace. The pattern of development is clear: A witch-hunt commission, with CIO and AFL representatives participating, would start investigating the dissident unions. After finding that these unions were "infiltrated" with subversives, legislation would be necessary to act on the commission's recommendations.

Having endorsed the government's general policy by first proposing and then participating in the commission, organized labor would be hard put to oppose a law ostensibly meant to do something after the investigating stage is completed. That the Congressmen do not intend to wait too long is indicated by the House Judiciary Committee January 15 deadline. At that point, during the next session of Congress, the Eisenhower-Brownell bill will undoubtedly be reintroduced in some form. Then, backed by a labor-management - government commission finding, the Senate Judiciary Committee headed by McCarthyite Senator Butler of Maryland could claim a body of evidence requiring the passage of the "infiltration" bill.

THAT THE witch-hunters are not going after the so-called left unions exclusively, but are out to bust up the whole labor movement, ought to be very clear even to the labor officialdom. Senator Butler, one of the top agents of the Big Business conspiracy, spelled out what he means by an infiltrated union last May: "In the field of labor, which next to foreign affairs is the most sensitive and fertile field for socialist infiltration, collectivist attitudes manifest themselves primarily as pro-union, anti-management bias." How any union worthy of the name could escape the "infiltrated" label is hard to figure, with such a criterion as the rule.

Another section of the Brownell bill would empower the government to "root out" so-called subversives not only from "defense" plants, where a purge is already in full swing, but from all civilian production. Thus, anyone whose views were considered beyond the pale by the Attorney General would be denied the right to work, and thereby the right to exist.

If as a result of the House Judiciary Committee action, the labor leaders now breathe a sigh of relief and relax the vigilance of the labor movement, then Brownell will have won a signal victory. It must be realized that these witch-hunters ask several times as much as they expect to get at any given moment. Sufficient for their purposes that they get the ball rolling in the right direction. They can then move on to complete the job after the initial moves have had a chance to take effect. The labor movement will not be safe until it realizes that it is in mortal danger. The ranks must be alerted and labor's full resources used to turn back the menace.

Chiang Kai-shek Invades U. S.

ON JUNE 17, Federal Judge Sylvester J. Ryan fined the *China Daily News* $25,000 and sentenced its editor, Eugene Moy, to jail for two years.

The paper, founded in 1940 and friendly to the Mao regime, has repeatedly had to struggle for its existence against the pressures and hoodlum attacks initiated by Chiang Kai-shek supporters who head the Chinese Consolidated Benevolent Association. Finally in April 1952 the U.S. government stepped in to deal the death blow, indicting Moy and four other persons under the Trading with the Enemy Act, for carrying several advertisements from Hong Kong banks which informed Chinese in America how they could legally send money to relatives in China.

The government's case was clearly a political reprisal against a paper whose editorial policy was disapproved by Washington, as several other Chinese newspapers (which support Chiang Kai-shek) had carried the same advertisements and were not indicted. Before sentence was imposed, Colonel Esbitt, assistant U.S. attorney, made a savage attack on the *China Daily News* as a mouthpiece of the Chinese Peoples' Republic.

The attorneys for the defendants have filed notices of appeal, pending which Mr. Moy is back at his editorial work.

The monopolists have their snouts in a billion-dollar trough: A fantastic story of government give-away and business steal unprecedented even in checkered U.S. annals.

Atoms and Power:

Biggest Pork Barrel In History

by Wm. Raleigh

CONTROL OF atomic power has become a bitterly contested issue in public debate. What concerns the protagonists in this particular controversy is not the potential of the atom as a destroyer of modern civilization, but its potential as a source of profit to the power trusts.

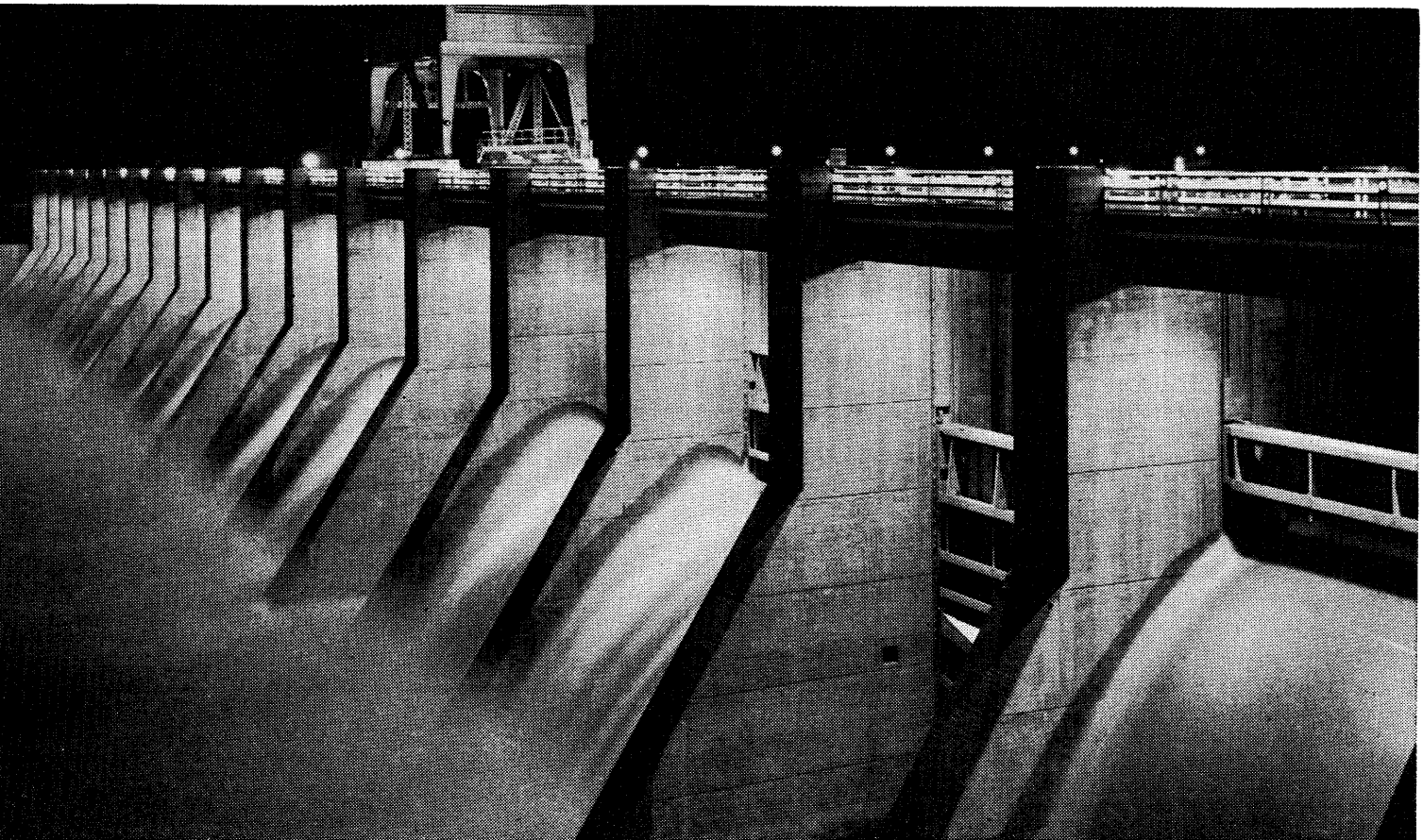
In the Eisenhower program to combat "creeping socialism" at home, atomic power has taken its place along with water power and other natural resources, hitherto considered part of the inviolable public domain, as a sector of the economy which must be turned over to private exploitation. Widespread public opposition to this give-away proposal has attracted the Democrats to the issue as campaign material. Thus the most ambitious profit-priming conspiracy in American history has hit the headlines.

Eisenhower has dumped the consumer-power potential of atomic energy into the grab-bag of public wealth along with the off-shore oil deposits, national timber preserves, the Tennessee Valley Authority, the power of the great rivers, and the systems of rural electrification, all to be handed gratis to the trusts as a matter of capitalist principle.

The oil billionaires are already feeding on the Tidelands Oil give-away in Texas, their swelling coffers eloquent testimony to the fact that in this respect Eisenhower has scrupulously kept his campaign promise. But at long last, with elections drawing near, this give-away program is running into opposition.

In his book, "Report on the Atom," published at the turn of the year, former Atomic Energy Commission Chairman Gordon Dean motivated Eisenhower's program on atomic power. The development of atomic reactors for domestic power production should be turned over to private interests, he counseled. "The commission should never be in the atomic-power business in the sense of building and operating large power reactors for the sale of electricity to consumers." This stand was included in Eisenhower's February 17 message to Congress and later incorporated into the Cole-Hickenlooper amendments to the Atomic Energy Act of 1946. If these amendments are adopted, the results of billions of dollars of federally subsidized atomic research will be turned over to monopolist exploitation. AEC Chairman Strauss stated in support of these amendments:

> *In order that the principal effect of realizing nuclear power may be to confirm and strengthen rather than to change our economic institutions and our way of*



life, we believe that nuclear power as it becomes economically attractive, should be integrated into the existing power economy of the nation; that nuclear power should be produced and distributed by the public-power system [read private monopolies] *and not by the commission.*

TO MAKE clear that this would automatically exclude small municipally owned power companies and cooperatives whose finances are limited, Strauss pointed out, "Much development work will need to be done before small nuclear plants producing at competitive costs can be built to meet small loads."

Dean also emphasized this point, stating, "With few exceptions, knowledge and experience in the reactor field are concentrated in such concerns as General Electric, Westinghouse, Union Carbide and duPont, which, whatever their motives, whether patriotic or selfish or both, secured a 'foot within the door' by undertaking reactor-development contracts with the government." Of course, even these huge monopolies would not be expected to risk their capital on such a venture. As Dean diplomatically explains, "the government would have to go ahead risking experimental money necessary to create the technological climate needed" for private capitalism in the field.

The truth is that power-reactor development is far too costly not only for small power developments, public or private, since the cost of original equipment is astronomical, but is also beyond the scope of the "risk capital" of the trusts. The plan is that, with government subsidy taking care of the risk, large combines alone would become the beneficiaries of the public-financed reactor plants.

Eisenhower has further proposed that government-held patents in the atomic field, now a strict federal monopoly, be turned over to private corporations for exploitation. This opens up the possibility that production of atomic weapons would be turned over for private profit to the big industrial outfits, like the production of tanks and planes.

Once entrenched in this field, their research heavily subsidized by the taxpayers' money, private corporations as they developed new devices could monopolize them through patents, and further rob the public through licensing fees.

The staggering size of the atomic give-away proposal cannot be understood without taking into consideration not only the future profit potential of reactor-power production, but the entire government-financed nuclear research and production program, which at a cost of tens of billions of dollars has brought nuclear science to the point of effective use of atomic energy for the production of consumer power. Up to this point private enterprise has been content to allow the government to monopolize atomic production as well as the heavy costs; the giant industrial monopolies have been content to participate as subcontractors to the government, profiting handsomely without the slightest gamble. But now the revolutionary discovery of atomic power, having reached the point at which it could be used to benefit the consuming public, stands as a threat to "our economic institutions," namely the greed of the trusts.

The Cole-Hickenlooper Bill, which will be voted on as this article goes to press, includes an even more immediate threat to cheap public power. One obscure clause enables the AEC to negotiate twenty-five year contracts with the power trusts in the Ohio Valley. Its purpose is to legalize Eisenhower's recent order to the AEC to prevent expansion of the TVA by contracting with the Middle South Utilities, Inc. and the Southern Company, a private power combine, to build a 600,000 kilowatt steam plant in West Memphis, Arkansas.

SINCE THE GOVERNMENT atomic plant at Paducah, Kentucky, has tapped a tremendous share of TVA power, the TVA long ago requested funds to expand its facilities to meet both the government needs and the pile-up of pending applications from rural cooperatives and other consumers in the valley area. Eisenhower's directive to AEC is a circuitous scheme to block this needed expansion of TVA. It would enable the AEC to use government funds to pay for the building of a huge privately owned power plant on a twenty-five year contract basis, insuring the power combine of a nice profit as well as a government-paid-for plant.

Aside from the philosophical excuse that this would prevent "creeping socialism," Eisenhower has claimed by some tongue-in-cheek reasoning that this would be in line with his "economy" program, saving the taxpayers the $100 million cost of building a TVA addition. But the fact is that the government would actually pay for the plant anyway, through a twenty-five year amortization guarantee; and in addition, the contract would cost the government over $5 million a year more than TVA power. Even the AEC, under banker chairman Strauss, has stated that the power trust contract would cost $92,125,000 more than a TVA supply of power over the same period.

Representative Chet Holifield, California Democrat and member of the Joint Committee, stated quite correctly, "The public will foot the bill while the private utilities get a free ride."

Part of Eisenhower's sanctimonious apology for this brazen program to put the power consumers under the thumbs of the trusts has been his claim that this will encourage "local interests." But this claim is refuted by the local business men themselves, illustrated by the following statement of the *Nashville Tennessean,* in an editorial reprinted by the *AFL News Reporter*:

There is simply no way to justify the Presidential order that the Atomic Energy Commission contract with a private power syndicate for a steam plant that would supply power to the Tennessee Valley Authority. The cost factor alone should have been sufficient reason for expanding TVA's facilities enough to meet AEC's needs instead of negotiating this circuitous handout to the private power industry.

More is involved, however, than just the added cost, for in forcing this strange course of action upon the Atomic Energy Commission, the President has placed that body in a strange, new role. This is so because the power that will be provided by the new plant will not go directly to any of the AEC's installations. Instead, it will go into the TVA system to make up for 600,000 *kilowatts of the power the TVA is furnishing AEC. The net effect of this brazen deal will be to block needed TVA expansion, to give private power the foot-*

hold in the TVA area it has been seeking so long, and to guarantee the participating companies a huge built-in profit at the expense of the American taxpayer.

Middle South Utilities, Inc. and the Southern Company are holding companies with headquarters in New York. They represent Big Business in a big way. And because they do, they can now look forward to bountiful rewards won at the expense of the public interest.

ORGANIZATIONS REPRESENTING millions of Americans have publicly condemned Eisenhower's power give-away, including the AFL, the CIO, the American Public Power Association, the National Rural Electric Power Association, the National Rural Electric Power Cooperative Association, the Cooperative League of the U.S.A., the National Farmers Union and others. The power steal can lay no claim to grass roots support.

But further than the donation to private power monopolists, the contract would assure the blocking of needed TVA expansion to serve both consumer needs and even industrial needs in the area. This year the Rural Electrification Administration has $170 million in pending applications for funds to build power lines for rural areas. The National Association of Cooperatives has asked for $249 millions to catch up with a backlog of old applications. But Eisenhower's budget requested only $90 millions, although this was increased in the House of Representatives. Thus, the administration is seeking to prevent both expansion of TVA which is the source of cheap power piped into the rural areas by the REA cooperatives, and the extension of REA construction, while private power interests are being favored.

What this means to the average power consumer has been established by the TVA experience. In New York City, for example, where consumers are at the mercy of private utilities, the cost of 100 kilowatts is $4.44, while in Memphis, Tennessee, in the TVA area, the cost is $2.50. The record shows that private power companies charge far more for power, even where the building of their plants was subsidized by the government. The Federal Power Commission has repeatedly ruled that savings in costs resulting from special tax amortization concessions to power companies need not be reflected in their rates. The power companies salt away an additional profit through government subsidy, and the consumer pays, both in the form of taxes to finance the plants and in high rates.

Since 1933 when TVA was established, the power combines have never let up their campaign to wreck the public power program. The *CIO Economic Outlook* pointed out last February:

There is a drive under way for the goverment to sell TVA to private business. At least one of the advocates of the sale of TVA to private owners has let it slip that private ownership will mean higher rates. Charles E. (General Electric) Wilson told Scripps-Howard newspapers that a condition of the sale should be an agreement that state commissions will not handicap the new private owners by requiring them to maintain the TVA rates.

IF ANYONE has been wondering what the Hoover commission on government reorganization is all about, a look-see into the ex-president's recommendation on power will be enlightening. Hoover's proposals to bring about government "efficiency" embodied a plan to liquidate the federal power program. His plan provided first that "The Congress shall cease to make appropriations for more steam and hydro-electric plants solely for power." Such projects, he recommended, should be built by private enterprise. "The Congress shall follow the precedent of the Colorado (Boulder Dam) project and make no appropriations for new multiple-purpose projects unless the electric power is first leased" (to private power combines, of course).

The 83rd Congress, in its first session, enacted Hoover's proposals. A TVA request for a new steam plant was killed. Plans for new hydro-dams were shelved. Construction of the Table Rock dam in Missouri was stopped. (This dam would have aided flood control in that disaster-ridden area.) Where other dams under construction had not yet leased their future power to private utilities, they were slowed down and sabotaged by withholding of funds.

Following Hoover's recommendations, the Department of Interior has rushed to dispose of the remaining dam sites to private operators. The Columbia River Basin power source has been leased to private companies for twenty years. The Missouri River Basin has been offered to private companies.

The Federal Power Commission is now concluding its hearings on the most controversial of all these power give-aways, the Snake River development at Hell's Canyon. The Idaho Power Company, acclaimed by Eisenhower as one of the "local interests" with which the government should "cooperate," but which holds its board of directors meetings of Eastern bankers in Maine, is trying to get authorization with the help of the administration to build three small dams in the Idaho-Oregon sections of the Snake River. Prior to this fight, Hell's Canyon had been chosen as the site for one huge dam to provide power for a great area. This is the deepest river gorge in Amer-

ica, and the last great dam site on the continent.

According to the *CIO Economic Outlook,* the Idaho Power's three dams would provide 575,000 less kilowatts than the one huge dam proposed several years ago by the government:

> *A second major issue in the Hell's Canyon fight is high-cost vs. low-cost power. The Idaho Power Co. would have to sell power from its dams at 6 mills per kilowatt. Hell's Canyon dam power could be sold at 3½ mills, and repay the government investment. . . . The fight over the Hell's Canyon dam symbolizes the current political issue involving electric power. On the one side are labor unions, many farm organizations and business groups. . . . On the other side are the private power corporations and their friends. And in the balance lies the future fate—in terms of continued growth and development—of the Northwest.*

The May 17 *New Republic* estimated that the Idaho Power Company has already spent $650,000 in its campaign to seize the Hell's Canyon site from the American people in connivance with the Eisenhower administration.

DOUGLAS McKAY, former governor of Oregon and now Secretary of the Interior, is the power trust's Lochinvar out of the West.

One of his first acts in office was to give a 20-year contract for Bonneville and Grand Coulee dam energy to private utilities, in violation of previous government policy of preference to cooperatives and local power consumers. The result is that the rural electric co-ops, facing expanded demand for power among farmers, are without generating sources of their own and with no federal supply to purchase at low cost. McKay has further cut off federal development of the power resources of the area by pushing through cuts in Bonneville appropriations, and holding new sites for private power companies. To take advantage of the Interior Secretary's policy, five Northwest power companies have formed the Pacific Northwest Power Company, a huge monopolistic combine.

McKay's power policy has aroused a storm of protest in the Northwest, as have his efforts to turn over vast federal timber lands to private pillage. In one such deal McKay turned over to the Al Serena Mines, an Alabama owned company, $200,000 worth of fir timber. The government collected about $2,200 for the acreage. In addition, McKay has put into effect an "access" policy which favors big timber operators and shuts out the small operators, selling 80 percent of the timber lands owned by the government to firms who control access to the areas.

What he is doing in the Northwest McKay is trying to outdo in California. Here he is pushing a deal, rivaling the Tidelands Oil grab in magnitude, to turn the federally owned Central Valley Project over to the state of California. The CVP comprises a half-billion dollar federal investment in reservoirs, dams, powerhouses, canals, transmission lines and a whole complex of power development.

What is at stake here is the campaign by California private utilities to destroy the low-cost competition represented by the CVP. California citizens, with good reason, fear an almost certain rate rise if title passes. Private utilities have frequently branded CVP rates too low.

IN OKLAHOMA another power storm is raging over the decision of Congress to wipe out contracts between the Federal Southwest Power Administration, an agency of the Department of the Interior, and rural cooperatives. Under these contracts the federal authority entered into agreements with generating and transmission co-ops to purchase all power generated by the co-ops and supply them with their power requirements from federal projects.

Having repudiated these agreements, after a long unsuccessful campaign by private utilities to have the contracts voided legally in the courts, the government has driven the co-ops to the verge of bankruptcy, forcing them to raise rates. Funds were cut off from the SPA to make it impossible for it to honor its agreements with co-ops. Farmers in the area have protested in vain. They have been told to seek their power from private utilities.

All in all the Big Business government headed by Eisenhower has in a short time made a veritable shambles of the public power program, and has gone a long way toward turning what is left of the public domain over to private interests. In addition to the Tidelands Oil steal, the TVA-AEC scheme, the Hell's Canyon giveaway, the California, Northwest and Southwest breakdown of public power in the interests of the utility monopolies, the administration has effectively sabotaged the soil conservation program, and the federal cattle grazing preserves, by opening them up to private plunder.

With the staggering swindle of atomic energy as the climax of this campaign against "creeping socialism," Eisenhower has carried his "crusade" for free enterprise to its ultimate conclusion. Already one can say that no president has done so much for so few.

Although the posing of the argument as one of "socialism" vs. "free enterprise" is pure administration fakery, nevertheless there is an issue involved of great importance to the American people. This has been recognized by a coalition of farmer-labor forces in opposition to the giveaway program.

Correctly stated, the issue as presently debated is between public ownership of vital natural resources utilized for public good, or private monopolist control of such resources, straitjacketed and limited by the high-price, high-profit policies of the monopolies.

There are, however, broad social questions implicit in this struggle. Public power even under the system of capitalist nationalization has over the years dramatically demonstrated its superiority to private ownership. So clear has this been that the private utilities, using their control of the government as a weapon, are determined to stop the process before it encroaches too far on the entire monopoly structure. Allowed to continue unchallenged, it is undeniably true that the consuming public could turn toward the nationalization of other industries, having already gained from nationalization of power.

AS YET this is not the issue. What is now involved is the maintenance of government ownership of a limited segment of the economy, the thwarting of the conspiracy of the government and powerful monopolies to destroy nationalization in this sector.

"Mr. If" is trying to cheat out a niche for French capitalism between the rocks of colonial revolt and domestic discontent. How far will he be able to get?

Mendes Looks For An Out

by Our European Correspondent

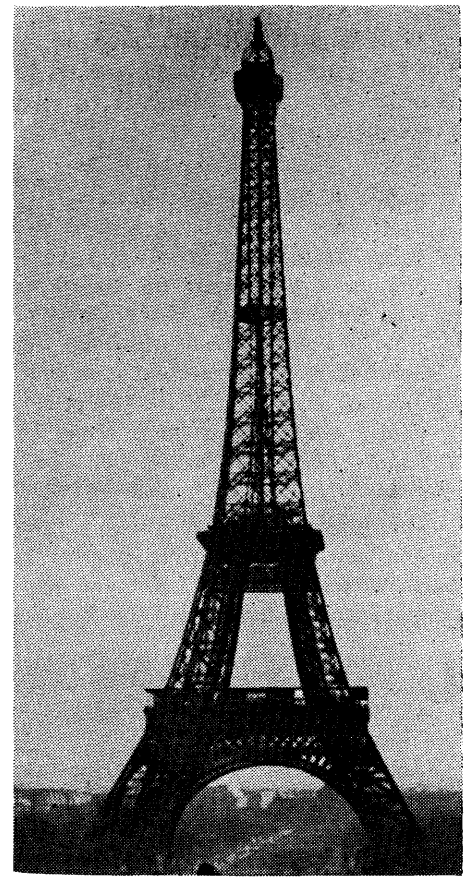
PARIS, July 12

FOR THE FIRST TIME in many a year, the world not only knows the name of a French premier but it has already given him many flattering nicknames. In his own country, Pierre Mendès-France has been hailed as "l'homme nouveau" (the new man); in Britain he has been dubbed "Mr. France." The world popularity of the new premier is a strange thing: it derives not from what he has done but from what he is expected to do. He never led an army like General de Gaulle, nor a country like Churchill, nor a big political party like Robert Taft. Still by a combination of dramatic events, Mendès-France has been thrust forward as a central world figure at a critical moment in the struggles between East and West, and upon him, it is said, rests the issue of peace or war in Indochina. The distinguished French journalist, Claude Bourdet, now visiting the U.S., even writes that Mendès-France can save America from the war-with-Asia gang and . . . from McCarthyism!

Disregarding the exaggerations it is no small task that Mendès-France has cut out for himself. How can he do all this? By rolling the dice on the international diplomatic dice-boards at Geneva and turning up the winning number. It will be a good trick—if he can pull it off. Yet many signs point to a lucky throw—not the least of which was the total failure of the Dulles strong-arm policy for Southeast Asia and the conflicts it produced in the Western camp.

When the "Mr. If" of French politics was given his big chance, the French had all but lost the war in Indochina. The Vietminh guns, smashing the last defenses at Dien Bien Phu, sounded the death-knell of French colonialism in Asia. The military situation was far more critical than the censorship permitted the news reports to reveal. Little by little, the facts in all their grimness came to light. Somebody in the cabinet leaked to the Paris weekly, *Express,* the report of the two top-ranking French generals, Ely and Salan, who had been sent to Indochina on a fact-finding mission. The report said in a nutshell that the military position of the French in all of the Tonkin area in the north had become untenable. Unless its forces were regrouped and pulled out of the bulk of the area to a few defensible points, new and greater catastrophes than Dien Bien Phu were in the making. "The hopes," the report went on, "placed in the rapid formation of a (native) Vietnamese armed force capable of playing an independent role in the conflict ended in total disappointment."

The panicky exodus from the area when the French command began the military withdrawal showed that



French colonizers and their native retainers were under none of the illusions that may have prevailed in Paris or Washington. The jig was up, and they knew it. Mendès-France now warns that just to hold on, in the event there is no cease-fire, will require the abrogation of the law prohibiting sending conscripts overseas and the immediate dispatch of two contingents of 25,000 men.

UNDER THESE CONDITIONS, it now becomes apparent that Bidault's bellicose diplomacy in the first weeks of the Geneva conference was sheer bluff. For all his intricate attempts to play Russians against Chinese, and Chinese against the Vietminh, he had only one trump card to play—American intervention in Indochina and the "internationalization" of the war. But Dulles had promised Bidault more than the Pentagon was prepared to deliver, more than the British government, blocked by a Bevanite rebellion, was willing to let him deliver. The Laniel cabinet had climbed far out on an American limb which went crashing down in the first big emergency. The collapse had a stunning effect on French politics. It was the end of a seven-year trail. In all this time Washington had called the tune to which French cabinets danced. Some pirouetted better than others, gracefully eluding decisions, cheating, bargaining, wheedling dollars and concessions, always playing for time. But defeat in Asia, threatening remilitarization of Western Germany, the rumblings of a new colonial war in North Africa, were the unmistakable signs that the dance was over.

In this desperate situation, the French parliament turned to Mendès-France with a kind of mocking challenge to

pull French capitalism, if he could, like Houdini, through the keyhole of disaster. In the eyes of the cynical politicians, the chief virtue of this move was that it was to be a one-man act. If he succeeded, they would adopt him as a "great son of France." If he failed it was no responsibility of theirs. Big changes were to be effected without any major shakeup in political alignments in the country. Whether Mendès-France went to the right or the left was to be left for a later stage, only if and after he had succeeded in pulling a rabbit out of the hat in Indochina.

Only the absence of strong internal pressures from right or left could permit such a broad-gauge political maneuver. The working class, to be sure, has no lack of grievances; its wages are frightfully low, housing conditions are abominable. But after years of abortive and unsuccessful struggles, of constant disappointments and a disunited labor movement, the French workers prudently weigh their moves. They seem to be deliberately awaiting the development of those favorable political conditions where the weakness of their capitalist enemies would make up for the incompetence of their leadership and permit them to strike with maximum effectiveness. It is a kind of calculated passivity. In the meanwhile, however, Mendès-France could take the helm of government free from any clamor in the factories and the streets which would claim his major attention. The Socialist and Communist parties could throw their votes to him in parliament in conditional support without serious concern about the consequences in their ranks. And Mendès-France could repudiate the CP votes, and make no promises to the SP, without endangering his government. On the other side, he faces no serious threat from the right, whose forces were dispersed in the disintegration of the Gaullist movement and have not yet been reconstituted.

IN ONE of the many attempts in the world press to describe the political nature of the new premier, a comparison has been drawn between him and Franklin D. Roosevelt. Superficially, there are many points of resemblance. Like Roosevelt, Mendès arrives at a time of great national emergency. He creates the impression of the liberal messiah who makes scathing denunciations of the powers-that-be, the vested interests, the forces of conservatism; of the prophet who foresees doom unless there are sweeping changes, being careful however not to be too specific about the exact nature of these changes. For years the present premier, as a deputy in the National Assembly, was known for his ringing speeches against the do-nothing governments he indicted as responsible for the decline of France as a world power, for the economic stagnation of the country, for the crisis in the colonies, for the blind-alley in diplomacy. To govern, he preached, means to choose. At the same time he refused to join any of the governments (after De Gaulle) and be tarred by the opportunism, corruption and political paralysis that stuck to the other politicians. In this way, he built his reputation as an honest, moral man, strong on principles (vague though they may have been)—a rare animal among post-war French politicians.

Unlike Roosevelt, however, Mendès-France has no strong party behind him. He belongs to the Radical Socialist Party (which is neither radical nor socialist). Before the war it was something like the Democratic Party in size and program. But since then, compromised by the record of its leaders at Munich and during the fall of France, the party lost its influence over the middle class and has dwindled into another French party torn by internal quarrels. Its place has been taken by the MRP, the Catholic center party, generally pro-American in its policy, which has been the pivot for most of the post-war regimes in France. Their abstention, during the vote on the premier, permitted Mendès-France to take office and to benefit for a time from a kind of hostile toleration on their part.

FOR ANOTHER THING, the power of Mendès-France, unlike that of Roosevelt, is not clearly based on an alliance with the labor movement. The leaders have extended him a certain critical support but among the ranks there is neither enthusiasm nor antagonism, rather an attitude of watchful waiting. Mendès-France could not have turned to the unions without at the same time making an alliance with the working class political parties to which they are closely attached. That would have meant making a choice which neither he nor any other important French capitalist political figure is prepared to make at this time: the choice of basing himself on the dynamic forces of French society, of breaking with the State Department which would never tolerate a governmental alliance in which the Communist Party and the C.G.T., its powerful union federation, would obviously be one of the component elements.

If Mendès-France can get over the hurdle of foreign policy into the arena of domestic issues, this choice will present itself in an even more critical way. He has been advocating full employment and a large-scale housing program. This plan requires the refashioning of French economy by increasing the productivity of industry, extending its export trade, overhauling agriculture and redirecting investments away from mere profit-grabbing into productive enterprises. Major convulsions would obviously result from such a drastic overhauling. For one thing, it would require a substantial cut in the heavy burden of armaments that weighs down the French economy, and this would mean a direct collision with the policy-makers in the Pentagon. But the choice to be made at home would be even sharper: Either a turn in a kind of "welfare state" direction nationalizing all the key industries, a program of capital financing by stiff taxation on corporate interests and the search for trade outlets in the Eastern bloc; which of course would mean a kind of "popular front" with all the drastic consequences on France's foreign policy. Or an attempt to raise both productivity and capital accumulation at the expense of the workers and the lower middle class by a major drive against their already low living standards. That would mean a direct offensive against the labor movement and an open door to fascism.

BEFORE Mendès-France runs up against this domestic dilemma, he has still three gigantic choices to make in foreign policy:

1. *Indochina.* Up to now, the major difference between

Bidault and Mendès-France on Indochina has been that the former was playing for time while the latter sincerely wants to end the war. The difference is not, however, between remaining in Indochina or withdrawing. If, in other words, the Vietminh forces and their Chinese allies believe they can extract an advantageous truce at Geneva, Mendès-France can keep his promise to the parliament. This means that he must evade all the traps and obstacles set by the State Department and the MRP crowd which is doing its best to trip him up. But even if he gets through, the problem is not settled but merely postponed if the truce takes the form of geographic partition or of a coalition government. The French situation in "loyal" Vietnam is far more precarious than was the American situation in South Korea. Robert Guillan, the well-informed correspondent for the Paris *Le Monde* sums it up as follows:

> *Vietnam today is the China of Chiang Kai-shek: the resemblance is striking. As if by a wager, our policy has succeeded in bringing Vietnam in five or six years to the same estate as China after twenty years of the rule of the Kuomintang. . . . A complete absence of contact between the leaders and the popular masses has been one of the principal marks of the unstable governments which have succeeded one another at Saigon. From General Xuan to Prince Buu Loc, the men who have led Vietnam have never represented anyone but themselves. They have held power thanks to our connivance and without any mandate from their people. . . .*
>
> *Extortion is a major plague of the regime. It is universal, enormous, organized. Protected by the head of the state, it has taken on such proportions as to lead to a paralysis of the administration, to a veritable dissolution of the Vietnamese state. The example set in high places is promptly emulated since the exploiters of the regime know that the good times won't last much longer. . . . .*
>
> *Bao Dai's unpopularity becomes ever more glaring in the entire country. Cochin China ignores him, Annam distrusts him, Tonkin hates and vomits him up. . . .*

2. *German Rearmament.* The new premier inherits this political bone-crusher from all the previous regimes which dexterously postponed the ratification of EDC while constantly promising the State Department that they would ratify. The parliament and the country remain as divided as ever on EDC. Instead of making a clear choice, Mendès-France speaks vaguely about some "alternative," some compromise between advocates and opponents. But meanwhile Adenauer, backed up by Churchill and Eisenhower, has come up with a very concrete alternate proposal: either the French parliament ratifies EDC before the August vacations or Germany, as a sovereign nation, will rearm separately. Part of this threat is intended to prevent what is called "planetary negotiations" between Mendès-France and Molotov; that is, an agreement on Indochina in exchange for non-ratification of the EDC. Only if an equally strong threat is not delivered by Molotov and Chou En-lai can Mendès-France scrape through Geneva by the skin of his teeth. But later on, given the clear indication of the new premier that he has no intention of saying "No" to Eisenhower-Churchill-Adenauer, his regime faces the same explosive situation over German rearmament as did its predecessors and can also be blown up in the division and conflict over it.

3. *North Africa.* The situation in France's North African possessions is beginning to "rot"—to use the expression now common among French commentators—in the same way as it did in Indochina some years back. Tunisia, Morocco, Algeria—these are the last bastions of the French empire, the source of fabulous profits and wealth for French capital. Nationalist movements of considerable scope and power have arisen in all three countries, which France has been able to contain through manipulating subservient feudal potentates. But in more recent times, the nationalist fervor has spread into the palaces of the sheiks and the beys, forcing the French overlords to remake the dynasties supported by no one except their own military forces. Opposition and rebellion have grown by leaps and bounds. The colonial administrations have countered by scores of shootings and arrests—including the leaders of the nationalist movements in Tunisia and Algeria who have been banished to prison islands. The French colonists, with the same fascist mentality as Malan's followers in South Africa, have set up terrorist organizations which have assassinated trade union leaders and nationalist figures in cold blood.

FOR A LONG TIME the nationalist movements were kept within certain bounds by parties that generally conformed to the rules of French colonial legality. But now there has appeared in Tunisia the same type of formation that grew up—along different lines, to be sure—into the power of Vietminh: the "fellaghas," an organized, armed group of partisan bands. They call themselves "the Tunisian Army of Liberation" and invite recruits to "enroll under the banner of the revolution." Operating from mountain and desert hideouts, they have answered terror by terror. No one knows exactly how numerous they are—some say 200, some 400—but all are agreed that they have a tightly knit organization, that they benefit from the support of the native population which supplies them with shelter, protection from the police and probably funds as well, that they have important connections throughout the Near East. "The situation is serious, very serious," says a reporter from Tunisia in *Le Monde.*

How will Mendès-France choose in North Africa? The record of his predecessors is one of broken promises where independence and autonomy are concerned, wretched living standards where the people are concerned, and brutal repression toward the opposition. Thus far his announced plans are the carrot and the stick—give certain concessions, whose exact nature and extent are not yet known, and transfer a sizable part of the expeditionary force from Indochina, if the war ends, to North Africa. This too, as will be seen, is not a choice but the postponement of a choice.

Mendès-France took power on a gambler's "if." If he gets past the fatal decision in Indochina, he will still have all the big "ifs" of French foreign and domestic policy to face.

In a United Fruit Co. offensive directed by U.S. Ambassador Peurifoy, the popular Guatemalan regime has been overthrown. Here's the story behind the headlines.

Operation Diabolo:

The Quislings Take Over In Guatemala

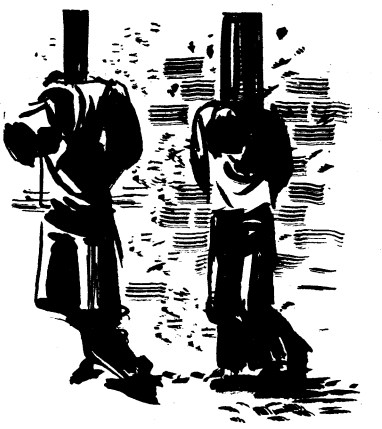
by Michael Burns

FROM THE capital of Honduras, an exiled colonel of the Guatemalan army, the son of a rich planter, wrote a letter to a friend in Nicaragua. The letter, dated September 20, 1953, was addressed to Colonel Somoza Debayle, son of the Nicaraguan dictator. It read: "The government of the North, recognizing the impossibility of any other solution to the grave problem of my country, has taken the decision to let us go ahead with our plans." The writer of the letter, Carlos Castillo Armas, described the "humanitarian effort" to overthrow the Guatemala government as involving the setting up of a spy and assassin training base on the Nicaraguan island of Monotombito. He named this plan "Operation Diabolo," for which he was promised "rivers of money."

In the space of nine months, one of the few democratically elected governments in Latin America was destroyed. Ex-colonel Armas became the chief of a ruling military junta, and the "rivers of money" became the means by which "rivers of blood" began flowing from the courtyards where the firing squads were at work. "Operation Diabolo" was a success, and the Guatemalan people added a new heartbreaking episode to an old story of intervention and terror.

Most South American revolts have usually been "palace revolutions," where the new regime put up a new list of government personnel and everything went along pretty much as before. From one regime to the next, ownership of the land remained concentrated in the hands of the same families. The few foreign companies continued to control the export of agricultural or mining products. And the whole structure continued to rest on the backs of the peasants and laborers.

This unvarying pattern has been broken in the past two decades as the native middle classes grew stronger and tried to free themselves from the reins of the imperialist overlords. The recent governments of Chile, Bolivia and Guatemala mirror the growing strength and ambitions of the South American middle classes, and the increased organization and militancy of the laboring population. The Arbenz government was similar to the



Estenssoro government in Bolivia and other middle-class national revolutionary regimes. But it is a fact that it went further and attempted more than others of this type to give land to the peasants, to break the grip of the foreign exploiter, and to permit the people to organize themselves into unions and parties for their protection.

GUATEMALA is a typical Central American country. About the size of Ohio, it has a population of three million, 60 percent Indians and the rest mainly mixed Indian-and-white. Like most other semi-colonial countries, it entered the twentieth century with no capital or

industry of its own, and with the hanging weight of a feudal-type agricultural economy around its neck. In a system that dates back to Spanish times, 2 percent of the population owns 70 percent of the land while 75 percent of the population owns only 10 percent of the land.

The long line of Guatemalan dictators gave away enormous slabs of the country's birthright to the foreign companies. By the Thirties, the United Fruit Company had acquired upwards of 600,000 acres of land in return for carrying the mails on its ships, and the small amounts of taxes that it paid. A monopoly on railroad transportation was granted to International Railways of Central America (a United Fruit subsidiary), plus 50,000 acres of land. Eventually, through its own control or through its subsidiaries, the United Fruit Company exercised a monopoly over every means of communication, telegraph and telephone systems, radio stations, etc. Empresa Electric (a J. P. Morgan outfit) received a monopoly over electric power. Guatemala became in every sense a "banana republic"—a virtual United States colony. The ports, the ships, the railroads, tremendous sections of productive land—even the navigable Motagua river—became the property of U.S. companies.

Eager to cash in fast profits, the imperialists imposed a single-crop system of bananas and coffee in agriculture. The effects on the people were disastrous. The Guatemalan laborer, who numbers over 200,000, worked for wages which were at times as low as three cents a day, and the peasant (campesino) gave 50 to 70 percent of his produce to the landlord. The weekly diet of a farm worker sank below subsistence level. About three-quarters of the population remained illiterate and barefoot. The near-starvation level of existence was ensured by laws forbidding the formation of labor unions, punishing strikes with courts-martial, and forced labor decrees.

BUT IF IT WAS hell on the Guatemalan people, it was a veritable heaven for the United Fruit stockholders. The company grew in its fifty years of existence from a tiny one-lung outfit to a corporation worth over one-half billion dollars, and controlling 3,000,000 acres of land throughout Central America, of which it cultivates less than one-fifth. Its profits are incredibly high. As late as 1951 it made 33 percent profit on its holdings. And throughout the years one can only calculate the profits on its investment in the thousands of percent. It has called the turns in Guatemala not only economically but politically as well. No dictator or military junta could long rule without its support. Its policies were the guiding principles by which the country was ruled. Almost no industry was permitted, and practically all native capital was invested outside the country.

In a monograph on "Aspects of Social Reforms in Guatemala 1944-49," (*Colgate University Studies,* 1949) Leo Suslow writes:

> *Since monoculture [single-crop system] rests upon the large landholdings (and vice versa), raising the standard of living through diversification and mechanization is greatly dependent upon changes in the distribution of the profits and/or land. The foreign corporations and the native large landholders oppose diversification and the development of a domestic market.*
>
> *To increase production per capita in the monocultural products only benefits the owners who spend their profits abroad during trips or by the importation of luxury items, or, as in the case of the United Fruit Company, the major portion of the profit goes abroad to foreign shareholders.*

When it is also considered that more than 90 percent of Guatemala's exports goes to the United States and that 75 percent of its imports comes from the United States, that old gas balloon that the United States "has no colonies" is blown to bits.

Despite the outcries and tumult in the American press about Communist machinations and infiltration, the Arbenz regime was actually a cautious-moving, middle-class affair which attempted to put through some very modest reforms long overdue. Although the revolution that overthrew the dictator Jorge Ubico occurred ten years ago in 1944, it was not until 1952 that the government passed the Agrarian Reform Law under which land properties not under cultivation were taken over by the government *with the owners to be compensated,* for the purpose of distributing the land to the landless peons. Until the 1952 law, the main accomplishments and decrees were in the sphere of social legislation of the most elementary sort: the right to form unions, the right to strike, minimum wage laws. Of course, in serf-ridden Guatemala, those mild reforms took on revolutionary hues. In a few short years, wages rose 500 percent! But even with this huge increase, wages were forty to fifty cents a day on the coffee *fincas* and up to two dollars a day on United Fruit's banana plantations. The number of schools, pupils, school teachers doubled. The General Confederation of Labor was organized with a reputed membership of 100,000.

HOWEVER, in undertaking these necessary reforms, the government found that it had to forego the label of "respectability." Each reform engendered opposition from the old landed aristocracy and the foreign companies. As employers and landowners had to pay out

hundreds of thousands of extra dollars a year in wages, cries of communism directed against the government became more frequent.

By 1953, 60,000 peasants had received plots of land or were in the process of receiving plots parceled out from the seized estates. With each reform, as the onslaught of reaction grew more furious, the existence of the government became tied closer to the workers and peasants. It was forced to rely on these groups time and again in withstanding the conspiracies and armed revolts engineered by the large landholders and the American overlords. In the ten years of its rule, the Guatemalan democracy weathered over thirty revolts against it, financed and instigated by either the old reactionary cliques or agents of the United Fruit Company.

By 1953, as the land reforms were going into effect, the Wall Street tycoons put on the squeeze. Washington, seeing that the government was not subject to the ordinary pressures or bribes, determined to unseat it. The operation was slightly more indirect than Churchill's brutal intervention in British Guiana, but of the same type—and not very much more indirect, either.

The first U.S. move was to brand the Guatemalan government as "communist-infiltrated." In the early part of 1953, Secretary of State Dulles called for action "to meet the threat of Communist aggression and subversion" in the Western Hemisphere. A little later the State Department handed Guatemala a note protesting as inadequate the compensation paid United Fruit for its nationalized land. As the U.S. steamroller of "anti-communism" pushed on and the Guatemalans still remained firm, the threats became more brutal and open.

In December 1953, the Assistant Secretary of State for Inter-American Affairs, John M. Cabot, stated: "In the Caribbean area . . . we face the implacable challenge of Communism . . . [It has] established one center of infection, and there are circumstances which favor its spread elsewhere. From the viewpoint of our national security, there is practically no area which is more vital to us." One month later Senator Alexander Wiley, chairman of the Senate Foreign Relations Committee, warned that Guatemala "has become a dangerous bridgehead of international communism in this hemisphere." A few months later, the State Department presented to Guatemala an indemnity claim for $16 million for the United Fruit Company. U.S. Ambassador to Guatemala John E. Peurifoy threatened: "We cannot permit a Soviet republic to be established between Texas and the Panama Canal."

COL. ARMAS

WHILE THE RECORD was clear that both the U.S. and the United Fruit Company were opposed to "Kremlin subversion" in Guatemala, the facts about the character of the Arbenz government didn't jibe at all with the lurid pictures. President Jacobo Arbenz Guzman pointed out that the "communist threat" in Guatemala had been discovered by the United Fruit Company long before such a party existed. "How," asked Arbenz, "could they invent an umbrella before it rained?"

At the time of the government's collapse just one month ago, not a single Communist Party member had reached cabinet rank, and its strength in the legislature was only four out of fifty-six. Of course, this is not to deny the very great Communist Party influence in the country and government, because of control of the labor and peasant organizations.

But the reforms promulgated since 1944 were not socialistic at all. In fact, in the United States they have been accomplished a long time ago. In 1953 Dr. Toriello, then Guatemalan ambassador to the U.S., outlined the programs of his government and the meaning of the reforms: "Carrying forward the economic and social transformation of the country by seeing to it that the people are better fed, that wages rise, that agrarian reforms are affected, that agriculture is mechanized, that industrialization proceeds, that communications are improved and that capitalist methods of production are instituted."

The experience of the Arbenz regime has demonstrated once again that a strictly middle-class government just cannot achieve this admirable and necessary program. But that is another story. The fact is Dulles and Co. knew very well the true character of the Arbenz government and its aims. All the talk about Kremlin penetration was simply dust thrown into the eyes of the gullible to justify brutal intervention against a supposedly sovereign power. What the State Department was frightened about was that the revolutionary example of little Guatemala would spread throughout Latin America, and the Wall Street overlords would be driven out of their lush preserves. That is why the Cabots and Lodges and Dulles moved with such determination to wipe out this government.

THE UNITED STATES succeeded in surrounding Guatemala with a ring of hostile dictatorships. Under the promptings of U.S. Ambassador Angier Biddle, Dictator Osorio of El Salvador suddenly unearthed a "communist plot" against himself. The Nicaraguan dictator Somoza discovered a "Soviet submarine" lurking off the coast, leaving caches of arms marked with the hammer and sickle. In Honduras, a strike of banana workers to raise their wages to $15 a week was discovered to be, in reality, a "communist conspiracy." (*Time* magazine had previously explained that United Fruit "has been all the

happier with trouble-free Honduras, its most important base. Such Red-enforced labor concessions as extra Sunday pay, improved housing, free medical care, severance pay and paid vacations, now the accepted rule in Guatemala, seemed unnecessary in 'safe' Honduras.")

When Guatemala received a shipment of arms from Czechoslovakia, the threats against the Arbenz government rose to shrill proportions. The State Department intervention conspiracy went into high gear. Previously, the U.S. had made a special point of preventing arms from reaching any of the Central American states. Even arms that were being sent to dictators friendly to the U.S. (as to Galvez of El Salvador) were off-loaded and the ships forced to return to their base. Only where a direct interest existed in fomenting revolt were arms permitted to these countries—and then, as in the case of arms sent into Nicaragua and Honduras for entry into Guatemala, they were flown in directly from the United States.

Beside military assistance pacts which the U.S. signed with the countries surrounding Guatemala, military missions were flown in, and combat battalions trained. In Mexico, the State Department accomplished a reversal of the government's formerly pro-Guatemalan attitude by simply withholding loans of the Export-Import and International banks. On May 19, Nicaragua broke off relations with Guatemala and the attack on "communism" loomed closer. On June 10, from Honduras, Joseph B. Rendon, former unsuccessful candidate for Congress, wrote a letter back home to a friend, "Your pal will be in the middle of the blood and thunder about Friday, Saturday or Sunday, June 18, 19 or 20."

United Fruit Batting Order

Here are some illustrations of the tieups between United Fruit and its banks and subsidiaries, and Washington:

John Foster Dulles, Secretary of State. Member of the law firm of Sullivan and Cromwell, which is counsel for International Railways of Central America (United Fruit railroad system). The *N.Y. Times* of June 20, 1954, said: "If somebody wants to start a revolution against the Communists in, say, Guatemala, it is no good talking to Foster Dulles. But Allen Dulles, head of the CIA, is a more active man. He has been watching the Guatemalan situation for a long time."

Thomas Dudley Cabot, Director of International Security Affairs for the State Department at the policy level. Director of the First National Bank of Boston (bank of the United Fruit Co.).

John Moors Cabot, Eisenhower-appointed Assistant Secretary for Inter-American Affairs. The brother of Thomas D. Cabot.

Robert Cutler, Administrative Assistant to the President, dealing with the National Security Council. Former president and director of the Old Colony Trust, which consolidated with the First National Bank of Boston, United Fruit bank.

Sinclair Weeks, Secretary of Commerce. Director of the First National Bank of Boston.

Spruille Braden, former Under-Secretary of State for Latin America. Now public-relations director for United Fruit Co. Said Braden, ". . . suppression [of communism] even by force in an American country by one or more of the other republics would not constitute intervention. . . ."

Demonstrations of this kind erupted throughout Latin America in protest against State Department "Operation Diabolo" and in support of democratically chosen Guatemalan regime.

Rendon, a former OSS agent, hit the nail squarely on the head: the "blood and thunder" began June 19. Said a *N.Y. Times* dispatch from Honduras, "Although it has been a wide-open secret for days that Guatemalans were moving to border points and that weapons including Bren guns, mortars and at least one flame thrower, have been assembled for them, the Honduran government has insisted that nothing out of the way was going on."

THE MONEY which Castillo Armas had been promised for his coup was apparently delivered to the last penny. Castillo paid his mercenaries in hard cash, and supplied them with expensive U.S.-made rifles, machine guns and sub-machine guns. His air force consisted of P-47's and P-38's (the Guatemalan government had only a few training planes—that was the "threat to the Panama Canal"). He flew his men in from the capital of Honduras to the Guatemalan border zone.

Nine days after the invasion started, the Arbenz government fell. In the ensuing two weeks it was succeeded by four military juntas, with Castillo Armas finally coming up as top dog. The United Fruit Company could point with pride to Armas as "our boy."

The Armas junta let no grass grow under its feet. In short order it went after the unions, dozens of union officials were killed, the constitution was suspended, the Agrarian Reform Law shelved, the legislature dissolved, civilians disarmed, and the jails filled with political opponents. Armas quickly announced that the foreign companies "would receive full guarantees in our country." To implement the new "democracy," the vote was taken away from illiterates—three-quarters of the population.

U.S. State Department officers belched like satiated

buzzards. Dulles referred to the rape as a "housecleaning," and warned other Latin American countries that "the ambitious and the unscrupulous will be less prone to feel that communism is the wave of the future."

The reaction of the Latin American peoples was quite different. Demonstrations of students and workers took place in almost every South American capital. Anti-Guatemalan newspapers and U.S. embassies were stoned. In Mexico, mass demonstrations were held and a wreath "in memory of the Good Neighbor Policy" placed on the door of the U.S. embassy. The Latin American embassies in Guatemala City absorbed one thousand refugees, with Mexico and Argentina accounting for 500 and 175, respectively.

In the British Parliament, the Armas coup was called an "American invasion by proxy." A British MP asked where the Armas crew got the napalm bomb they used to attack a British vessel. In Rio De Janeiro, the anti-communist editor of *Tribuna da Imprensa* wrote that the U.S. "is compromised in the view of the American peoples by her constant and unequivocal protection of the tottering authoritarian regimes that swarm in the continent." The feeling of those Latin American countries that managed to escape the iron fist of the United Fruit Company was summed up by a Salvadorean: "Thank God, we have no bananas."

OUT OF A NUMBER of explanations for the quick collapse of the Guatemalan government a few facts stood out. Though the Arbenz regime had evidence of the coup being prepared, it showed itself unwilling to take any stronger measures than publicizing the plot and jailing or exiling some of the leaders. The Minister of the Interior, Augusto Charnaud MacDonald, two weeks before the invasion, stated that no emergency was to be declared, and the anti-government press was not to be censored. Later, when the railroad town of Zacapa fell to the Armas mercenaries, a clique of army officers took over policing Guatemala City and disarming the peasants and workers.

Confronted with the massive opposition of imperialism, the middle-class ruling group could only have hoped to survive by determinedly arming the workers and peasants, calling for defense of the republic to the death, and appealing over the heads of the dictators to the other Latin American peoples for sympathy and support. Such an outright revolutionary policy was obviously beyond the power of this or any similar middle-class revolutionary group. But shunning this policy meant relying on the army, whose officer caste quickly collapsed before the imperialist pressure and forced the elimination of the government.

It might be asked why the Guatemalan Communist Party, which was in the leadership of the labor and peasant masses, did not organize independent opposition to the military coup d'etat. Of course, the details of the day-to-day internal developments of the last weeks of the Arbenz regime are unknown to us. But it is clear that the CP policy of identification with the middle-class government made it impossible for the Communists to pursue an independent policy, and to resist the last-minute collapse. The Arbenz regime thus fell without a struggle.

This experience demonstrates not only the great progressive accomplishments of the Arbenz regime, but their strict limitation, as well. The program, so far as it went, was excellent. The government proved too weak in practice, however, to carry through such an ambitious project. The workers' and peasants' movements, which tied themselves to the regime, fell under the axe as did the regime itself in the final capitulation.

THE EXPERIENCE thus points up again the necessity for an independent policy on the part of the workers' and peasants' movements, and of extending the revolution beyond the borders of the individual South American countries. It is very difficult, if not impossible, for an impoverished little country of three millions, or even three times three million, to halt the onslaught of the Colossus of the North.

However, Dulles's confidence that the Guatemalan counter-revolution "promises increased security for the future," is not at all warranted. The conditions which led to the revolution in Guatemala are present throughout Latin America. From the economic view, most of these countries are semi-colonies of Washington-Wall Street. They have the same burdens of feudal oppression hanging over the land as in Guatemala. Their people exist on the fringes of subsistence living. Politically, their governments have little stability. There is no security for imperialism in Latin America.

Though the Arbenz regime fell beneath the reactionaries' blows, it went further than any similar regime of its type in resisting the American imperial power, and left a deeper impact on the consciousness of the Latin American peoples than any previous revolutionary challenge had done. The lessons of the achievements as well as the defeat will sink in and the next attempt will stand on the shoulders of the Guatemalan revolution.

Blackjack John

As U.S. ambassador to Greece in 1950, John E. Peurifoy threatened to cut off U.S. aid if the Greek voters adopted proportional representation. The Greek newspapers called him the "super-governor."

Appointed ambassador to Guatemala in 1953, Peurifoy told Guatemalan Foreign Minister Toriello that he couldn't guarantee peace with Armas. "There would have to be a clean sweep."

Over a month before the invasion, when asked about the prospects of the Arbenz government, Peurifoy gazed into his crystal ball and said: "We are making out our Fourth of July reception invitations, and we are not including any of the present administration."

Later, when Colonel Diaz complained that "bodies lie in the streets and the buzzards feast on them," Peurifoy replied that merely getting the communists out of the government and abolishing the leftist parties wouldn't be enough. "Communism must go," said pitiless John.

"How much did the U.S. have to do with the turn of events? No matter who furnished the arms to Castillo Armas, it was abundantly clear that U.S. Ambassador John E. Peurifoy masterminded most of the changes once Castillo Armas began his revolt. It was he who helped spot the phoniness of the first palace change, and it was he who saw to it that the new government was solidly anti-communist." (*Time* magazine, July 12, 1954)

Real wages—what you can buy with your pay envelope—are notoriously hard to figure with precision. But there seems to have been a downward turning point after war started in Korea.

What's Happening To Real Wages?

THE KOREAN WAR was the turning point in the living standards of the American workers. Up to that time, real wages were generally on the rise; even when they didn't go up they held their own in most cases. But since 1950, all the evidence points to a drop in what the worker can buy with his weekly pay envelope. The drop is not yet severe, but it is persistent.

By January 1954, the average wages of the 40 million workers in manufacturing and non-manufacturing industries had reached a level of $65 a week. This represents an increase of approximately $10 a week over the average weekly wage in 1950, the first year of the Korean war. Superficially, this fact would appear to support the propagandists of capitalism as to the "health" of the system. But the real facts are quite the contrary.

A decline in workers' wages resulted from three factors:

- A reduction in the number of weekly hours. Full pay checks would be about $66.50 now instead of an average of $65 if not for the decline in hours that has taken place (about one hour a week).
- An increase in federal, state and local taxes. In 1950 the worker paid an average of over $10 a week through open and hidden taxes for support of the war economy, etc. In 1954, this has risen to possibly $16.50 per week.
- A rise in consumer prices over the last three years of more than 12 percent. To the average worker's paycheck, this has meant a reduction of $5.85 a week.

When these factors are taken into account, wages in terms of what the worker can buy, *real wages,* have decreased close to 4 percent from mid-1950 to January 1954. In other words, the average worker had about $44.50 of purchasing power after taxes at the start of the Korean war, and he now has only about $42.50 of buying power in real dollars. (See Chart 1)

THE WORKER can now produce, in the same amount of time, significantly more than he could three years ago. During this same period that workers' real wages have fallen, workers' output per man-hour in the non-government sector of the economy has risen close to 9 percent. Thus, the chief generating forces of depression—a constricting market as compared to increasing labor productivity—are beginning to take effect.

This can be seen in the proportion of personal consumption expenditures to the value of national production as a whole, the gross national product. In 1950, personal consumption expenditures were 68 percent of total national product. In 1953, this consumer buying took almost 5 percent less of the national product. (See Chart 2) In other words, the rise in consumer purchasing power could not keep up with the rise of production. The main reasons for this are the fall in farm purchasing power and the decline in real wages as shown in Chart 1.

Only under capitalism do production and consumption combat each other in this fashion. The more products the worker puts out, the smaller the proportion he gets in wages and the faster the glutting of the market, which causes a downturn. The recession and unemployment we are now experiencing, even in the midst of a war boom, show the inexorable laws under which the capitalist system operates.

The progress of capitalism in the long run is tied up with lowering the proportion of wages to the value of the product. In order to stay in business and sell his products as cheaply as his competitors, the capitalist must continually reinvest a larger portion of his capital, not in wages, but in new equipment. Almost half of corporate fixed capital equipment in use in 1952, according to the Department of Commerce, has been purchased since 1946. Though wages may go up, production goes up much faster. The result, as we experienced in the Thirties, and again just before the Korean war, and as we are beginning to experience now, is economic decline.

The tie-in between unemployment and workers' wages and productivity is one that has become a distinctive mark of capitalist economic crisis. In earlier systems, economic shortages were, on the whole, the result of natural factors such as drought, flood, etc. Now, under capitalism,

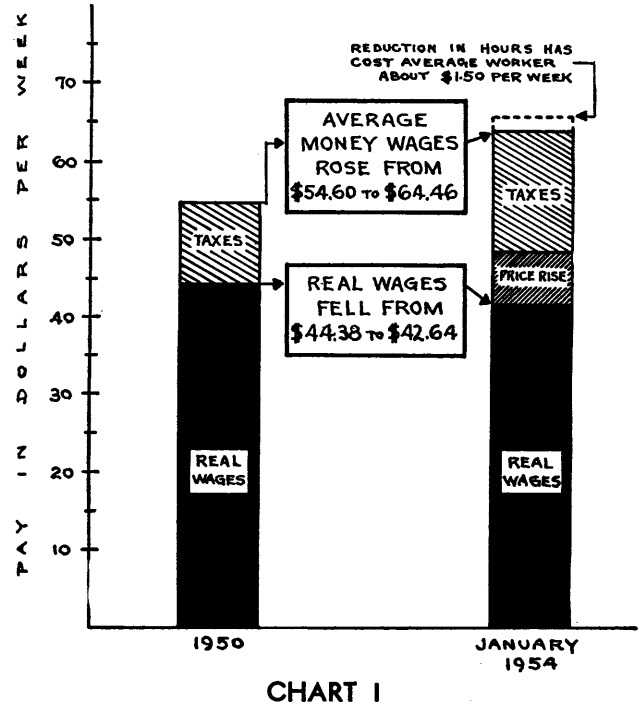


CHART 1

The Fall In Real Wages

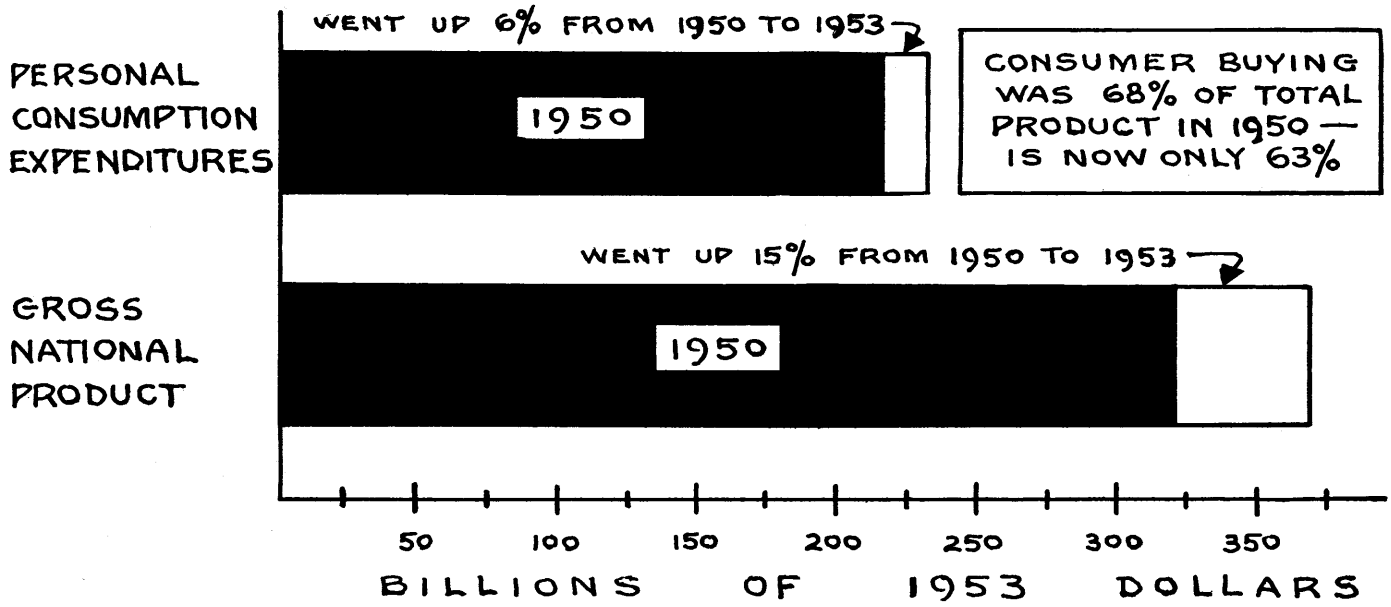


CHART 2 Charts by Parker

Declining Consumer Share of National Product Since Korea

the goose that lays the golden eggs—the worker—as well as the rest of the system, suffers not from natural calamities, but from the production of these golden nuggets themselves.

The political consequences of this economic reality have followed a pattern over the last fifteen years. The workers' increased production is turned toward war goods which, as divorced from socially useful goods, present no danger of glutting the market. As each year goes by, and as productivity increases, more and more of the workers' efforts are turned toward military production and all its varied supplements. From 1950 to 1954, expenses for "national security" almost tripled, representing an increase of $33 billion, and are now approximately 18 percent of the gross national product. The halcyon days of peacetime production have vanished, and from this arise the American drive toward war and the need for a socialist reorganization of society.

Undermining A Militant Local Union

FLINT

THE TRIAL of fourteen officers of UAW-CIO Chevrolet Local 659 proved that International President Reuther is out to destroy an opposition group for political purposes. Originally the fourteen were accused of anti-union actions, misappropriation of union funds, attempting to organize a caucus to attack the union review board, undercover connections with Communists in the local, and a host of minor charges. Without any explanation, the top officers forgot about most of these charges and restricted their case to the publication of several articles in the *Searchlight,* Chevrolet local paper, which attacked the union review board.

Woodcock and Livingstone, International executive board members, repeatedly defended the union's review board and umpire system for the General Motors division. Although they hotly denied every criticism, it was established at the trial that the GM bargaining system is far inferior to that of Ford and Chrysler. In Chrysler, the local union presidents elected by the membership act as a screening committee over grievances. In GM, the union review board is an appointed group responsible only to the GM director and the International executive board.

Everyone was surprised to hear Livingstone admit publicly that Ford locals submit more grievances to their umpire than General Motors locals, although GM has almost twice as many employees. The trial brought out the rotten bargaining practices of GM which in some respects resemble the old company union Works Councils of pre-union days.

As the trial wore on, it became clear that the top officers were out to get the Chevrolet local leaders because of their attack on the review board. This is part of the umpire system of compulsory arbitration of grievances. The success of the auto union in keeping down strikes in GM through the umpire system has been used as a bargaining pawn to gain penny-ante increases. But working conditions have been growing intolerable, and Reuther and the other top officers are aware of the growing demand in GM locals for the right to strike without prior approval of the International executive board. The trial was intended to cut across these demands and by the punishment meted out to silence the opposition.

The International condemned the Chevrolet local publicity committee and officers for maintaining exchange mailings with capitalist publications as well as the *Daily Worker.* This attempt to smear by association was intended to show connections between the Chevrolet local and anti-labor columnists like Victor Riesel as well as association with Communists. All this by union officials who at the drop of a hat are ready to talk about "decent, honest, sincere, straight - from - the - heart unionism." The International officers further made clear at the trial that local union publications will be curbed hereafter.

The trial verdict is now in Reuther's lap. The failure of the Chevrolet local people to exercise their right to challenge has resulted in an all-Reuther jury.

The Chevrolet local is internally ripped apart by the trial and externally assaulted by the witch-hunters. The Reuther officials are certainly guilty of undermining one of the most militant locals of the auto union.

Record of struggles, progress, failures and shortcomings can be told by the Negroes of any big-city community.

Negro Community U. S. A.

by Emmett Moore

FLINT

A SERIES of surveys conducted by the Urban League of Flint has brought out the significant changes in the Negro community during the last fifteen years. This material underscores the basic trend of integration of Negroes in the community both economically and, to a lesser extent, politically.

The Urban League survey establishes that in 1940 the Negro population was 6,685 or 4.4 percent of the total city population. This compares with an estimated 17,800 in 1954, or 9.8 percent of the residents. These figures graphically reflect the mass migration of Negroes from the South to the Northern urban centers during the war and postwar years. The primary driving force behind this movement was the desire to escape Jim Crowism at its worst, and the search for better job opportunities in the North.

The Flint Negroes didn't win their rights in the General Motors empire just by asking for them. Nor in truth have they succeeded in gaining equal rights with their white brothers even today. However, it must be recognized that progress has taken place. In 1940, three years after the union had been established, General Motors still adhered to a rigid Jim Crow policy. It ranged from the no-Negro-hiring-policy in Fisher Body to the restriction of Negroes to broom-pushers in Chevrolet, or foundry jobs in Buick. Concomitant with the national March-on-Washington movement to obtain fair employment practices, 400 Negro janitors in Chevrolet started an inner-union struggle for the right of advancement to production jobs. This marked the first breach in the dike that brought down the barriers to Negroes on production jobs, and provided the basis for mass immigration into the city.

The CIO United Auto Workers, in 1940, while theoretically holding a positive view in regard to Negro participation in the union, had not overcome the backward prejudices of white workers, many of whom had recently come from Southern areas. This is the reason Negroes had to organize within the union to force union leaders to carry through the line adopted ceremoniously at union conferences and conventions.

Negro auto workers organized into homogeneous voting blocs behind leaders and caucuses that promised support to their program. They demanded and received representation on executive boards and local union committees. These organized Negroes found they could obtain a voice in the local union by forming tightly knit groups voting in a bloc at elections.

With organization, Negroes made rapid progress in breaking the barriers that previously held them back. At the present time, the UAW-CIO estimates 80 percent of General Motors Negro employees work on production jobs. The ratio of white to Negro workers in the plant has become more equitable, and the influence of the Negro in the direct affairs of the union has risen considerably.

THIS IS in sharp contrast to the past. In 1940, hardly a score of Negroes held posts in the Flint UAW. And these were concentrated in the Buick local and primarily represented Negroes in the foundry. In fact, a union slate running Negroes for executive office was scurrilously smeared by prejudiced workers. Today, caucuses vie with each other in writing strong planks in their program specifically directed at Negro workers. Each slate will include in its listing Negro members of the caucus. At the present time there are well over 50 Negroes holding elective offices of all kinds ranging from district committeeman to executive board posts. It is becoming less rare to hear of a predominantly white district electing Negro representatives.

The Flint figures on home ownership are also revealing. The Urban League's report disclosed that 65.6 percent of Negroes owned their own homes, which is almost equal with the white population.

Three-fourths of the Negro families interviewed by the Urban League reported incomes of $74.50 a week. One-third disclosed additional family earnings averaging $48 a week. These figures demonstrate the economic advancement of employed seniority workers.

Even with these incomes, Negroes still meet with discrimination in housing. They find it almost impossible to buy *new* homes. As in other industrial centers, they are squeezed into dwellings deserted by white workers. Of

5,931 permits for new homes during 1950-54, only 85 were for Negro families!

The Negro militants in the UAW-CIO were the first to establish, by constitutional decision, local Fair Employment Practices committees. The activities of these committees vary from local to local depending on the drive and initiative of the committee members. The local committees function periodically on city and state political projects, such as efforts to obtain FEPC legislation.

A local union committee has the opportunity to function with the financial resources of the union behind it. The union enables committee members to work full-time, as the occasion demands. In this respect these committees become more effective agencies of struggle than community Negro organizations, which are generally woefully weak in financial and material resources. However, the UAW has recognized the importance of a community Negro organization like the National Association for the Advancement of Colored People. State-wide FEPC conferences are conducted under the joint auspices of the two organizations. These annual conferences of a thousand delegates from all parts of the state represent the Negroes in the state of Michigan and have become an organizational instrument for Negro progress.

From time to time, local union FEP committees will branch out from local union problems and attempt to solve community issues such as discrimination in bowling, restaurants, etc. Recently the Buick local FEP committee, in conjunction with the NAACP, effectively established nonsegregated bowling leagues.

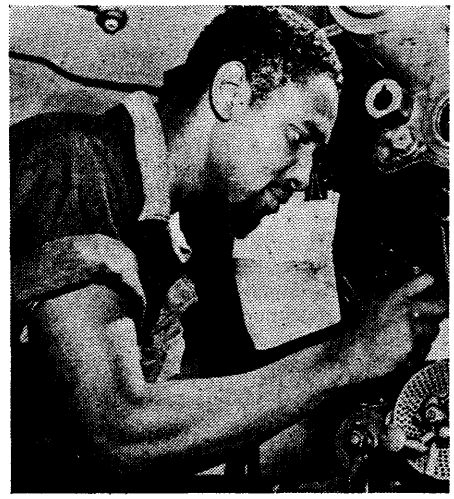
THE NEGATIVE aspects of the Negro movement are more difficult to grapple with. Its leaders have not always achieved as much as they could, given the present circumstances of the cold war and the sensitivity of GM and capitalist politicians to the charge of discrimination.

Even when the ranks stir over vital issues, the leadership fails to follow through and exploit the opportunities adequately. This was demonstrated in recent months when a local shortage of workers provided Negro leaders with an unexcelled opportunity to break discrimination against skilled Negro workers and Negro women. Under pressure, the GM corporation reluctantly lowered the barriers, but Negro skilled tradesmen are still to be counted on the fingers of one hand among several thousand GM skilled workers in Flint plants.

While Negro women have entered the factories in bigger proportions, the ratio is far behind hired white women. In each instance the corporation only hires after pressure is exerted. Such was the case in Chevrolet Assembly where plant pressure forced the corporation to employ two female Negro workers after they had hired a hundred female whites. These two employees enabled the corporation to claim "no discrimination" in hiring. Negroes in the plant failed to gain further hiring rights and the issue was permitted to die. In the same fashion, the corporation has successfully stifled the Negro movement for equal rights on the job. GM's piddling concessions reveal an underlying hostile Negro policy.

The employment situation is not much better in civil service or city commission appointee jobs. A score of Negroes are employed as city policemen, draftsmen, stenographers and other posts. No Negroes serve on the nine-man city commission which directs the affairs of the city.

Negroes live in two segregated areas of the city. These two districts were originally gerrymandered to prevent Negro representation. But with union support, a well-organized Negro vote could elect a commissioner. No Negro thus far has obtained the required support. Often a labor candidate runs in opposition to a Negro candidate, an intolerable situation which could only exist because of the lack of interest on the part of leading unionists in the area.



It is obvious that Negroes in this ward must acquire the political support of the huge Buick local union situated in the ward. Negro union militants have never attempted to organize a serious campaign to achieve this. They have failed to utilize their positions of influence in the local union, which could assure finances and material resources to conduct such a campaign. Negro unionists thus often display the same fault as do many white workers, who also periodically run for political posts without attempting to mobilize the union's political arm behind them.

If the failures of the Negro unionists can be attributed to any one specific factor, they must be written down to basic economic causes that have afflicted the labor movement as a whole. Like the white worker, the Negro has been apathetic. The prosperity of the past decade has lulled him into a sense of false security.

AT EACH JUNCTURE of the Negro struggle since the establishment of the CIO, Negroes have sought a solution to their problems through the unions. Negro militants can expect that each new issue will propel the Flint Negro community behind the unions. At election time, Negro unionists demonstrate their ability to unify the community behind the union political action slates. (One can always determine the Negro communities in a city by glancing at the preponderant votes cast behind the union lists.) A militant union program can achieve the same results in other fields. A key to obtaining this goal is the activization of the local FEP committees.

Negro leaders in the unions also have a responsibility to organize their work on a year-round basis. This is the only way to maintain the sustained interest of Negro workers. Every attempt must be made to ensure greater participation by Negroes in the life of the union. To this end, Negro militants should insist on greater representation on all union committees and, above all, more full-time officers who can devote their entire attention to the struggle against discrimination.

Four hundred thousand Wisconsin residents tried to call a point of order on McCarthy. They didn't quite make it this time, but hope to try again.

"Joe Must Go":

Trouble At Home Base

by Robert Henderson

MILWAUKEE

ON JUNE 7 the first McCarthy recall drive came to an end with a total of 335,000 valid signatures on the recall petitions, some 70,000 short of the goal. By ordinary standards the movement would be judged a failure, yet both friend and foe were impressed by the achievement.

The movement resulted from an editorial in a Sauk City weekly paper. LeRoy Gore, an Eisenhower Republican, who was outraged at McCarthy's treatment of General Zwicker, suggested that Wisconsin did not have to wait until 1958 to rid itself of McCarthy, but could do it at once through the recall provision in the Wisconsin constitution. This provision had never been invoked in the case of a state-wide office mainly because of the large number of signatures required to force a recall election. Gore's suggestion was instantly taken up and overnight he found himself the head of a mass movement rallied around the slogan "Joe Must Go."

The reaction to the proposed recall drive among experienced politicians was well nigh unanimously negative. The Republican machine pooh-poohed it as a crackpot stunt that would get nowhere, while most of the Democrats said that while its intentions were good, the "Joe Must Go" movement had tackled an impossible task. These critics pointed to the fact that because of the record vote cast in 1952 over 400,000 valid signatures would be required in a 60-day period. With a state-wide organization, with experienced leadership and ample funds, it just might be done, but the Joe Must Go movement had none of these.

Thousands of ordinary people throughout the state, workers, farmers, housewives, fortunately lacking the political experience that told of the impossibility of the task, jumped into the movement and went to work. From the beginning its spontaneous mass character astounded veteran political observers. As many as 200 people turned out at ward mobilizations for a house-to-house canvass.

The reaction of the labor movement was mixed. After some hesitation, partly caused by resentment at not having been consulted before the campaign began, the AFL gave the drive its support. The CIO never did endorse the movement despite the demands of the ranks. The position of the CIO leadership was that McCarthy was not their responsibility. They had opposed him at the election; the Republicans elected him—and the Republicans could recall him. Despite this attitude petitions were circulated in most of the CIO shops by workers with sounder political instincts than their leaders. Among the unions some Machinists lodges did the best job, not merely getting their members' signatures in the shops and at union meetings, but urging their members to take petitions home and sign up their families and neighbors.

AS THE DRIVE continued it became evident that it had struck a very strong chord of public sentiment. Even anti-McCarthyites were amazed at the extent of the opposition to the senator. As for the Republican machine, McCarthyite to the core, it soon stopped trying to conceal its worry. As the recall campaign moved on,

"Unpleasant Things Happen to People..."

(Reprinted from the Milwaukee Journal)

This is in answer to Ed. Batzner, who can't understand why people who are against Joe McCarthy are afraid to have their names printed. I'm against Joe McCarthy and I'm asking the *Journal* to withhold my name because of the unpleasant things that happen to people whose names are published as opponents of the senator. Here are a few of the things that occur:

1. The telephone rings at 3 o'clock every morning for two weeks. If one answers, one receives a torrent of obscene, profane abuse absolutely unprintable. If one doesn't answer, the phone just continues to ring—as long as half an hour. Other telephone calls come at every other hour with language that should make the wires burn.

2. Threatening mail comes by the sackful.

3. Automobile tires are slashed, paint scraped off, windows broken, gas tanks drained, door handles pried off.

4. One's employer gets anonymous mail and telephone calls accusing the McCarthy opponent of subversion, perversion and crime.

How do I know about these things? Because I worked long and hard on the recall campaign both as a canvasser and as an office worker. I kept my name out of the papers. But every person who was publicly identified with the recall suffered and continues to suffer in one or more of the above-mentioned ways.

We were about equally divided between the Republican and Democratic parties. I'm a member of the latter and a Daughter of the American Revolution, to boot. But we couldn't have taken more abuse from McCarthyites if we'd been Stalin's own godchildren.

Wake up, Mr. Batzner! You may be a fine, respectable man, but you are supporting a man who is in turn supported by a nasty crew of hooligans—active ones.

Joe Must Go Worker

Des Moines *Register*

"He was getting a big kick out of watching the McCarthy hearings on TV until he realized these are the men who are running the government. . . ."

an increasingly stronger counter-campaign of intimidation was encountered.

From the outset, the McCarthyites had referred to the recall movement as communist-inspired. A woman from suburban Wauwatosa wrote the *Milwaukee Sentinel,* a Hearst sheet, that a neighbor had come to her with a recall petition and that now the letter writer and other neighbors would watch this subversive. The letter closed with an admonition to others to keep a close eye on neighbors circulating recall petitions.

The frequent McCarthyite statements that when the petitions were filed they would be checked for reds, coupled with the knowledge of the way witch-hunting committees had used radical election petitions as raw material in the past, resulted in widespread fear—refusal to sign because, "I don't want my name on record against McCarthy." Federal employes in the state were warned by supervisors not to sign petitions because it would be "a violation of the Hatch Act." (Attorneys were quick to point out that the Hatch Act specifically exempts petition-signing from the political activity it prohibits.)

As the campaign moved toward the deadline, the McCarthyite tactics of intimidation became even bolder. Persons collecting signatures on street corners were heckled, sometimes threatened, and on occasion roughed up. Petitions were defaced or torn up. Cars with "Joe Must Go" signs were vandalized. People publicly identified with the recall movement were subjected to a campaign of abuse. McCarthyites would call them up in the middle of the night to shower them with obscene vituperation. Employers were notified that recall workers were communists. In upstate towns some people lost their jobs in this manner.

It became evident at the close of the signature gathering that many circulators were holding petitions back, fearful of having their names on record. Gore made a public statement urging that all petitions be turned in and promised that he would not file the petitions if the number was short of the legal requirement. The result was a flood of petitions to the headquarters.

While the final count showed that the goal had not been met, it should be pointed out that some 80,000 signatures were invalidated because they had been obtained too early. The results are not regarded as a failure by anyone. Plans are being mapped for a new drive next spring. Gore points out the required number of signatures will probably be less and that an organization can be perfected by then.

The McCarthyites make no attempt to conceal their concern. Harlan Kelley, the McCarthyite district attorney of Sauk County, is continuing to harass the "Joe Must Go" club as he did during the campaign for signatures. He has subpoenaed the petitions, stating his intention to begin criminal actions against circulators. Gore has shipped the petitions out of the state, and has defied the subpoena, declaring that he will go to jail rather than surrender the petitions. Meanwhile Kelley has brought criminal charges against the "Joe Must Go" club and some financial supporters alleging technical violations of law. Kelley has indicated to reporters that his aim is to force the "Joe Must Go" club to dissolve.

WHETHER the projected second recall effort occurs or not, one thing is certain. The movement has altered the political relationships in the state. Thousands never before active have been drawn into the political arena. The McCarthyites have revealed their lawless character, their willingness to step beyond the line governing conventional political activity.

Perhaps the most important change is this, as put by one recall worker with a radical background, "You'd be surprised how much even a church-going Republican is changed after standing on a street corner collecting signatures and being called a communist SOB." These people understand McCarthyism better now, and their opposition to it has strengthened and become more fundamental.

Perhaps the best news of all is that the American people are overwhelmingly against intervention in Southeast Asia. For if neither the people of Asia nor this country want it, there could hardly be intervention.

Last but not least, our former allies refuse to go along. All in all, it seems now that it may be possible for a new world to be born. The travail may last for years and desperate fanatics may yet go ahead and stop the blessed event with H-Bombs. It is especially the responsibility of organized labor to do what it can to forestall such a holocaust. That we cannot rely on the Democratic Party for that is evident. How about a labor party? I think we can thank the British Labor Party for the halt in the fatal drift.

—Carl Johnson in the *Searchlight,* Chevrolet Local 659 paper in Flint, May 27, 1954.

OPINIONS

Does U.S. Labor Need A Socialist Outlook?

In our May issue, we published an analysis of the economics of John Maynard Keynes, the British economist ("Can They Really Cure Depression," by Harry Braverman). A comment on this article, which we print below, was contributed by Mr. George Holcomb, of Portland, Oregon. Mr. Holcomb writes "as one *member of organized labor." He is the editor of* International Woodworker, *official publication of the CIO International Woodworkers of America, belongs to the Portland Newspaper Guild Local 165, and represents the CIO on the Governor's Advisory Committee on Fair Employment Practices, serving as one of the two Democrats in the seven-member group.*

Following Mr. Holcomb's article, we print further comments by Harry Braverman. Readers are invited to add their thoughts to this discussion. Contributions should not exceed 1,000 words.

Typically American Quality

by George Holcomb

THE BEAUTY of the American labor movement has been its pragmatic as opposed to dogmatic qualities. Its best leaders have been like good quarterbacks—not obsessed with any particular type of play in the attempt to reach the goal line, which might be labeled "improved standards of liberty and living." This is a typically American quality, it seems to me, and a good one.

The American economic-political system is not a football game, however. It is more like that type of wrestling match where a half-dozen or more wrestlers get into the ring at once, and the referee—government—*takes sides* with first one and then another without a great deal of logical analysis as to why, or whether he *should* in the first place!

Dogmas don't thrive in such a situation. Hypotheses tend to get bowled over by circumstances as often as by diverse facts.

It appears to me that most leaders in labor believe that such a "balance of power" system has fewer dangers to labor and the people than would any type of economic (and political) totalitarianism, either communist or fascist. So do I. This does not intend to imply that the present balances are perfect, or even adequate. It does intend to imply that reforms should be experimentalist in character, and that reform measures should not be stereotyped by either proponents or opponents, but should be approached as scientifically as possible.

One such proposed reform of balance-of-power capitalism suggests that the booms-and-busts of the past have been the result of many economic, political, social and psychological factors. Various economists have taken one or the other and built up intricate systems of dogma about their pet theories.

PERHAPS a majority of economists in America today believe, however (so it appears to me), that booms-and-busts could be virtually eliminated by various methods of public spending during periods when "hoarding" prevails over spending, or *would* prevail unless public spending were done. The fact that such methods of public spending would create deficits in the federal budget during such periods does not greatly worry them, so long as the economy continues to expand in size. This expansion must be enough to offset the gradually growing interest payments on the federal "debt," so-called. When, *and if,* possible during times of prosperity, the government may regain some of the money spent to offset hoarding, by increasing taxes.

The fact that the country regained full employment in the Forties and in 1950, and maintained its living standards apparently as the result of rapid periods of deficit financing during times of military defense build-up, substantiates this theory.

The theory has never been tried sufficiently in peacetime to prove or disprove it, although the New Deal administration made a *small sample test* in the Thirties. The test indicated the sample wasn't enough. A *real* deficit might have done the trick of restoring prosperity before wartime deficits did it.

The same things which cause fluctuations in a capitalist economy are at work in a totalitarian economy of the fascist or communist type. The same methods of counteracting them would be workable in any system. Dr. Michael Polanyi of the University of Manchester (who calls himself a Keynesian) believes the Russians have made some, though inadequate, use of Keynesian techniques in their authoritarian system. The fluctuations may differ in type and scale, just as may counter-actions.

THERE ARE different methods of filling the gap of "investment" during periods of hoarding in the economy. There is public-works spending by the government, or tax reduction, or both. Then there are different methods of tax reduction: those which directly benefit consumers or those which directly benefit producers—or both types in combination, as the Eisenhower administration is doing now. The emphasis now is giving "relief" to the producers (so-called), that is, corporations and investors, and high-income groups. Of $7½ billion in relief this year, only about 15 percent—if that much—goes to families receiving less than $5,000 a year income.

Some labor leaders think the relief was timed too late, and so it may consequently also be too little to prevent more unemployment. Certainly it would be better to err on the side of too soon and too much, rather than to

allow the economy to get into a snowballing downhill skid.

And *justice* would prefer to see the relief go to those who *need* it most.

During the 1947 part of the Truman administration, we had full employment, expanding production, and a more-than-balanced budget. There is no evidence to lead one to believe the 1949 recession could not have been eased just as easily by a peacetime deficit as by the wartime deficit which occurred. If the present deficit being tacitly encouraged by the Eisenhower administration is too late and too little, it will not have *disproved* the theory that a better-timed deficit would maintain expanding production and 95 percent or so employment.

Neither will it have *proved* it either. We can theorize all we like, but the proof is in the eating of the pudding, and not in the recipes.

The American system is an experimentalist one. *That* I like.

Labor Must Have A Perspective

by Harry Braverman

THAT THE proof of any pudding is in the eating, no one will dispute, least of all a Marxist. But in order to prepare puddings, recipes are required, if the cook is not to try to repeat the entire experience of cookery history every time she enters the kitchen. From that point of view, the traditionally American mistrust of theories and theorizing as some kind of "fancy Dan" stuff has little to recommend it.

Mr. Holcomb speaks for "pragmatism" in our approach to economic and social problems, by which he means that we should not be bound by theories, but experiment with various methods and inch our way along according to the experience of practical results. But America is not a laboratory; it is a vast array of social structures and forces. Moreover, even in a laboratory, people carry on their experiments on the basis of theoretical analyses. How much more true is this in a whole nation, where the right to conduct your "experiment," the right to "bake your pudding" must be won through a great social and political struggle. How can the people be won for any ideas, how can they be inspired to fight for a better social course, without a perspective, a scientifically buttressed analysis and prognosis—in other words, without a theory?

In reality, pragmatism is not entirely so "pragmatic," so "purely practical" as it pretends. Everyone proceeds with some kind of theory, view and perspective, whether in small things or great. The United States, peculiarly favored by nature and circumstance, has been able to cultivate a disdain for theory. But it never really got along without it. Behind the experiments and inventions of an Edison lay the accumulated development of theoretical physics from Newton on. Supporting the frail craft of the bicycle-shop Wright brothers were decades of aerodynamic thought. Los Alamos and the Nevada desert really began with the importation of the highly speculative theorizing of Einstein, Niels Bohr, etc.

It is true, as Mr. Holcomb points out, that the emphasis on the pragmatic is a "typically American quality." A nation which has been so busy translating the accumulation of twenty centuries of European-Asian theory into dollars, and which became so wealthy that it could purchase the best brains and theories of the world, could well afford to cultivate a disdain for theory. In that sense, the philosophy of pragmatism set forth by William James (who used to speak of making every concept yield up its "cash-value") and Charles E. Pierce in the nineteenth century, and later developed by John Dewey and his followers, has been eminently suited to American soil, and has taken root not only among the Henry Fords, but in the labor movement as well, as Mr. Holcomb demonstrates.

YET NO ONE really gets along entirely without theory. The big theoretical question of the American labor movement can be stated very simply: What is the meaning of labor's struggle and how will it end? Every labor leader, no matter how pragmatic, is proceeding on the basis of some sort of answer to this question. The U.S. union officialdom operates on the basis of the following theoretical suppositions:

1. That the basic problems of capitalism can be solved within its framework, and that capitalism may be expected to continue forever, or at least indefinitely.

2. That the labor movement is therefore a fight without a visible conclusion, without an end goal; an endless wrangle with capital, which must remain in control of the economy, over terms of employment, social security, etc.

3. Following from this, that the labor movement has no need of an independent perspective, but must remain attached to capital in the political arena, and must fight the battles of U.S. capitalism abroad.

Stated or unstated, that is the theory of the present leaders of labor. Their disdain for theory does not prevent them from being dogmatic about this conception; they have been known to expel entire international unions for deviating from the dogma. But it does ensure that their perspective is incompletely thought through, unbuttressed by scientific consideration or careful argument. The pretense of "no theory" merely enables them to yield to social pressure and slide into a point-for-point acceptance of capitalist theory, without really comprehending what they are doing.

MR. HOLCOMB'S specific propositions are, in my opinion, not thought through, and in that sense reflect the inadequate consideration given to its course by the labor leadership. He proposes the indefinite continuation of deficit spending as a means for remedying the depression-tendency of capitalism. Now, the nation has passed through a certain experience on this question, an experience which has not yet been squarely faced by Keynesian economists.

The experience is this: In 1929, American capitalism dropped into a devastating crisis, and proved unable to extricate itself from that crisis. In order to do so, the federal government had to enter the picture with a gigantic war economy. When the war ended, after a brief interlude during which pent-up thirst for consumer goods and capital investment were slaked, it became necessary to embark anew on a war program. At the present time, that war program guarantees close to 20 percent of the

economy, while before 1929, the federal government took responsibility for only one or two percent of the economy. It has thus proved to be impossible to run capitalism in its present stage without a huge federal intervention. Moreover, the moment that war budget stopped growing, *even before it was slightly reduced,* the economy started to stagger.

If a downhill slide were to begin today, and a comparable increase in federal expenditure to that of 1940-45 were to be thrown into the breach, the federal government would soon be guaranteeing fully 50 percent of the total economy. When one speaks of deficit spending, that is the magnitude in question today. One or two billions won't turn the trick today, any more than they did during the New Deal.

But that is not the total of the experience of the past two decades. Further: Mr. Holcomb argues that government spending "could be" spending for peace just as well as spending for war. This is the biggest "could be" in modern history. It is eighteen years since Mr. Keynes wrote his "General Theory," but Keynesianism has never yet appeared before us out of uniform. Not on the scale required to make a dent in the economy. And the prospects for this under our present Republican and Democratic parties are so slight as to be practically nonexistent.

If Keynesianism is the theory by which the labor leadership wants to guide itself, why does not the union movement embark upon a campaign to turn the present $50 billion of government war spending to peaceful pursuits? We would be perfectly willing to judge the outcome "pragmatically."

There is every reason to believe that such a campaign would, in the long run, involve the labor movement in a struggle for socialized control over industry, since there would be no way short of that to achieve peacetime and peaceful government spending of 50, 75 and 100 billion dollars a year, and those are the kind of figures we must talk about to make a dent in the economy.

WHAT I HAVE argued here may be summed up as follows: Averting collapse without war means an ever-larger government sector of the economy, and the struggle to get this in the form of commodities for the people instead of guns and H-bombs is comparable to a struggle for socialism, and would in the end become a struggle for socialism.

Mr. Holcomb treats the rise in the national debt with rather too much equanimity. I do not know what dangers the rising national debt may hold for the financial structure. But, leaving that aside, the national debt is owed to someone: in the main to banks, insurance companies, and wealthy individuals. The federal and state governments must pay interest on this rising national debt. At the present time, that interest amounts to about $5 billion annually. That is a very considerable sum of money.

Thus the national debt becomes a gigantic lever for the transfer of wealth from the general coffers to the wealthy. Proceeding as it does at present at a rate of $5 billion a year, it actually nullifies in its economic effect the largest part of the welfare spending which twenty years of struggle have succeeded in squeezing out of the powers that be. A growing national debt will increase this effect.

When Mr. Holcomb speaks of "fluctuations" as being present in other types of economies, he makes a serious error. Russian economy has its troubles, but they are of an altogether different variety, caused by natural calamities, bureaucratic mismanagement, backwardness, etc. The fluctuations of capitalist economies are due to *specifically capitalist causes.* Without the basic mechanism of sale for profit, there is no cause whatever for a breakdown in the economy, since distribution of the products of the economy is not interrupted at any point by the impossibility of profitable sale.

Mr. Holcomb's error is only worsened by his identification of "fascism and communism." From the economic point of view, fascist economies remain basically capitalist, continuing the private ownership of the means of production, manufacture and sale for profit, etc. Fascism is an attempt to maintain the capitalist system by binding the shattered barrel with iron hoops. Whatever restrictions it may place upon individual capitalists, it does so to save the system as a whole. And, it is interesting to note, it is precisely under fascism that war spending to avert depression reaches its peak.

Mr. Holcomb's arguments against "dogma" remain deficient in that they are too abstract, and appear to be arguments against *any* attempt at scientific theory. The Marxist theory that capitalism is doomed, probably in this century, is far less of a dogma than all opposing theories in that it has far more solid evidence to recommend it. True, Marxism has been handled as a dogma by some, but this has at one time or another been the fate of every great scientific theory.

ONE CANNOT shrug off the accumulated evidence of a century. When Marx and Engels first advanced their theory, it consisted in the main of predictions of tendencies which they foresaw in the nature of capitalist economy and society. At present, capitalist politicians the world over are engaged in a mad scramble to find ways to counteract those very tendencies which Marx foresaw, and are finding only militaristic and dictatorial remedies.

When Mr. Holcomb points to the theoretical possibility of saving capitalism with reform measures, it is he, in my opinion, who falls into abstract and unsupported dogma. The basic trends of capitalism are an *economic* fact; the actions of governments and masses are *social and political* facts. But the economic dominates the social, and the very pressures which drive the capitalists to the wall *economically* drive them also to a violent social and political opposition to Mr. Holcomb's abstract remedies.

We are thus dealing with giant facts which demand a firm grasp of the real picture and a perspective to meet it. Unfortunately, our present labor leadership possesses neither of these. Its sole hope is to renew the era of reform by means of an alliance with the very Democrats who were the first to bring it to an end.

Mr. Holcomb's boast of a "pragmatic" labor movement appears to me to be the last thing one should boast of. It is nothing to be proud of that the highest point of theory yet reached by American labor has been attained in certain bargaining briefs, like the Nathan report. It is not enough to know where the profits are going; much more important is it to know where the society is going.

BOOK REVIEW

In the Woods With Ickes

The Secret Diary of Harold L. Ickes, Volume II, The Inside Struggle 1936-1939. *Simon and Schuster, New York,* 1954, $6.00.

THE ROOSEVELT era is by all odds the most absorbing, significant period in American history since the Civil War. The fact that it is widely designated a "revolution" indicates how deeply the social turbulence affected the lives of classes and individuals. In the sense that Big Business still held sway over the economic empire, nothing changed fundamentally. But from every other point of view—in the new consciousness of power which pervaded a resurgent labor movement, in the radicalism of the thinking of the intellectuals, in the dominance of liberals in the government—American society was profoundly uprooted. Were it not for World War II, the forces set into motion would have carried America far to the left. Nevertheless, the influence of that period on present thought is still considerable, and it will probably still be a factor when great social struggles begin again.

It is quite understandable, therefore, that the New Deal era has claimed so much attention from writers of all political persuasions, and particularly from most of the figures prominently associated with the Roosevelt administration. The latter type generally fall into two categories: those trying to justify their association with Roosevelt and those trying to apologize for it. Their books accordingly are sensational or dull but rarely genuinely analytical and have little value except as material for a political history still to be written.

This, in effect, is the reflection, not so much of the men—although their inadequacies as social thinkers are all too apparent—but of the peculiar course of political and social developments which began with the onset of the Second World War when the New Deal lost its momentum.

The struggle between the classes reached an equilibrium which neither side has been able to alter basically. There has been no surge of the union movement comparable to the rise of the CIO to stimulate the same kind of political advance as that experienced on the economic arena. Spurred by monopoly capital, reaction gained a victory over the philosophy and personalities of the reform era, but it did not succeed in undermining the reforms themselves.

In the stagnation of the social struggle, the intellectuals fell back. Far from sharpening the tools of critical thought, they threw them away entirely, some accommodating themselves to the advancing reaction, others seeking to escape its persecution. Thus a serious diagnosis of the Rooseveltian epoch awaits the coming of a new social climate when such an analysis will be a necessary guide for labor in its march forward.

IN OPENING the voluminous tome of the second book of Harold L. Ickes' private papers, we naturally did not expect to find such an analysis. The diary was written "on the spot." Ickes was too close to events, too embroiled in them, to see them in their full significance. The form of the memoirs is not that of random entries but rather that of the first draft of the political biography of a liberal politician and New Deal administrator. It can be assumed, however, since Ickes died before he could edit his diary for publication, that it contains more of his private political thought than he would otherwise have revealed. This is what gives it attraction.

Ickes was one of the pillars of the Roosevelt administration, serving in the cabinet during all four terms. He was "on the inside," perhaps less than Hopkins, but as much as anyone else; he was always within easy reach of Roosevelt. Ickes was one of the most consistent liberals in the President's immediate entourage, with a long political career as a progressive. He was furthermore a blunt, straight-spoken man, noted for his blistering comments and wont to blow off the handle. This may be a poor quality in a politician, but it has the virtue of giving others a better view of what happens behind the scenes.

For all of this, Ickes' diary is disappointing. It contains many interesting sidelights, some insight into the inner sanctum in Washington, revealing pen portraits of outstanding figures. Taken as a whole, however, one has the impression of reading footnotes which are hard to stay with when they run to 721 pages. Reading Ickes, it is often difficult to believe that this was Roosevelt's second term, a period punctuated with crises, the turning point for the New Deal. These dramatic events tend to get lost because Ickes, lacking the habit of generalization, too often fails to see the social forces behind the intrigues of the politicians. He is far too absorbed with his own political fortunes and ambitions.

In the midst of the rebounding economic depression (1937), the first counter-offensive of Big Business against the New Deal, the menacing rise of Hitlerism in Europe, Ickes is completely preoccupied with whether Roosevelt will favor Ickes or Wallace in the shifting of government departments. Will Forestry go to Interior or Agriculture? That question is first posed in 1936 when sit-down strikers were conquering the citadels of General Motors, and we're in the woods still with Ickes in 1939 when the Nazis began their invasion of Poland.

SOON AFTER Roosevelt was inaugurated for his second term, the revival, induced by pump-priming in the first administration, began to fritter away. The stock market, Ickes says, began to fall out of bed every morning. Industrial activity slackened, swelling the millioned ranks of the unemployed. Roosevelt, Ickes relates, was "plainly worried" and didn't "know which way to turn." In the discussions in the cabinet, Roosevelt charged that the economic tailspin was part of a "conscious conspiracy" of the big money interests against his administration. Although there was some truth to the explanation, it hardly skimmed the surface. This was the most serious problem facing the New Deal, yet Ickes himself never feels obliged to go more deeply into it, even for his own satisfaction. At one point he writes that while "I don't know anything about economics, I have always had a very high opinion of Keynes." He is disappointed that Roosevelt didn't hire the British economist as adviser. Beyond that, he has nothing to say.

Roosevelt toyed with one economic remedy after another, with large-scale public housing, with government ownership of the utilities. Each time Ickes is fired with new enthusiasm, but nothing more serious seems to come of these projects in a big way except a new inter-departmental wrangle. In the meanwhile, Big Business, its newspapers and its radio, opened fire with its heaviest artillery, exploiting as a pretext Roosevelt's attempt to reorganize the Supreme Court. The Democratic Party seemed to founder under the barrage with Democrats from the North as well as the South breaking ranks. The reason for the division, which was maturing for some time, went deeper. As a liberal party, with one foot in the camp of capital and the other partly in the camp of labor, a crisis within the Democratic Party was inevitable.

Ickes, who took the fight in his stride, comments that Roosevelt was like a beaten man after the defeat of the Supreme Court bill. Garner, who had helped pull the rug out from under Roosevelt, taunted the President with being "scared" to fight any more. What bewilders Ickes is the fact that the real outcome of the struggle should have had this effect on Roosevelt. In actuality, after the defeat of the bill Roosevelt succeeded in placing all his appointees on the bench, and not a single piece of New Deal legislation was henceforth declared unconstitutional.

YET FOR Roosevelt, the archrepresentative of ambivalent liberalism, the struggle over the Supreme Court climaxed an internal conflict produced in him by the failure of his plans for a genuine economic upturn. He had made up his mind to get out of the reform business before a split in the Democratic Party carried him too far into the camp of labor. In February 1938, the miracle-man Keynes dispatched a letter to FDR urging him to get back to pump-priming. But Roosevelt, who "doesn't seem to know just what he can or should do," wasn't interested. One month later, Ickes accuses Roosevelt of "pulling petals off the daisy with representatives of Big Business" while "the liberals are becoming rapidly more and more dispirited."

The idea that labor might have been a counterforce to this drift to the right does not seem to have occurred to Ickes. In fact, like a typical liberal, he resents John L. Lewis' display of independence. Although his sympathy is on the side of the unions, he cannot see anything wrong in Roosevelt declaring to Garner that he would have used the troops against the sit-down strikes had it been necessary.

Within his official family, Roosevelt carefully balanced conservatives against liberals. The liberals complained about being fed on empty promises while the conservatives acted like a trojan horse within the administration. Roosevelt placated and conciliated opponents of his regime like Garner and Farley, although he knew they were deliberately intriguing against him. But his attitude to the liberals left them with bitter complaints.

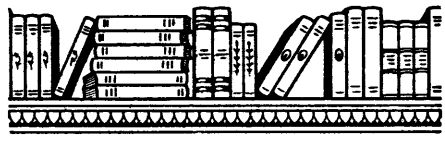
Ickes says he no longer gives leadership —"the courage has oozed out of the President." He lets "Jackson and me stick our necks out with our anti-monopoly speeches" (this was Ickes' blast against the 60 Families). And some days later the President informs Ickes that he is now getting along famously with the economic royalists, among them the anti-labor steel baron, Ernest T. Weir. His appointments become increasingly distasteful to the liberals. One of them is Paul V. McNutt who earned the name "Hoosier Hitler" as governor of Indiana by calling out troops against strikers. Ickes relates that Roosevelt tried to justify this action to him.

An extremely revealing chapter in Rooseveltian history is that of the "neutrality" policy in the Spanish civil war. Throughout the diary, Ickes is troubled by this "shameful" policy, "a black page," which denied arms to the Spanish Loyalists while Hitler and Mussolini were openly participating in the war on the side of Franco. (Yet it is revealing too about Ickes himself that the idea of resigning in protest against "lining up with Franco" [his own words] never occurred to him, although he was many times on the point of quitting the cabinet because Roosevelt broke his promises about Forestry.)

FINALLY, at the beginning of 1939, after Munich, and when Roosevelt was worried that Hitler might turn west instead of east, Roosevelt admitted in the cabinet that the embargo had been a "grave mistake." He went even further to say that the "embargo controverted old American principles and established international law." Never again, he promised, would we do such a thing. Yet shortly thereafter it continued to be impossible to get any kind of export license for Spain, even for an armored Cadillac for Loyalist President Negrin.

As the war situation develops in Europe, the spotlight is turned increasingly away from domestic affairs. The cabinet discussions as reported by Ickes are virtually devoid of New Deal proposals. Congress cuts down on WPA appropriations, but while Roosevelt is concerned, it is apparent he is already looking to the war as a stimulus to the economy. Ickes on his side is alarmed to see Big Business, which had hitherto boycotted the administration, begin to move into key government bureaus in order to scuttle liberalism from within as they had done to the Wilson regime in World War I.

The war also settled another problem for the liberals and for the Democratic Party. When Roosevelt turned to the right, the liberals became desperate over the 1940 election. They didn't see how the Democratic Party could win with a conservative candidate. Yet they could not agree on Roosevelt's successor, and he seemed to be intriguing against the most promising candi-



dates, all the while reiterating he would rather support a third party ticket than a conservative Democrat. This may have been maneuvering to clear the field for himself. But if Ickes is right about Roosevelt's loss of heart in the fight for the New Deal, it is clear that the war solved this problem for him. He could be conservative and president at the same time without any of the liberals charging him with betraying principles.

It is interesting to note from the diary that the idea of a third party was not nearly so frightening to Ickes—and even to Roosevelt—as it was to the labor leaders. Time and again the idea comes up in their discussions about the 1940 elections. It is usually considered a threat to prevent the Democratic Party from nominating a conservative. Nothing came of these projects, as the war and Roosevelt's renomination made them unnecessary. But they reveal how much better even these liberals understood the role of independence as a force in politics than did the labor leaders who kept crawling to Roosevelt even when he was "pulling petals off the daisy with representatives of Big Business."

G. C.

That Old-Time Religion

Capitalism and the Historians, edited and with an introduction by F. A. Hayek. University of Chicago Press, Chicago, 1954, $3.00.

THE reactionary currents of the past decade have penetrated every niche; no corner of learning is so secluded as to be exempt. Thus the seeker of edification in the green pastures of learning may now discover that the Civil War was a mistake, that there has never been any such animal as American imperialism (even in Panama and Nicaragua), that the founders of the great American fortunes were clean-living, decorous and tender-hearted paragons, and, with this little book, that the rise of modern industrial capitalism was a great boon to the workers of that time.

Mr. Hayek, together with Ludwig von Mises and others of like thought, represents the hard-shelled persuasion of capitalist economics which settles for nothing less than that old-time religion. This book is one of his revivals; among the sinners who have been saved (fifteen years ago) and contributes his essay is the former Marxist Louis M. Hacker, who worries over "The Anti-Capitalist Bias of American Historians."

The thesis of this book is best set forth in Hayek's words: "There is . . . one supreme myth which more than any other has served to discredit the economic system to which we owe our present-day civilization and to the examination of which the present volume is devoted. It is the legend of the deterioration of the position of the working classes in consequence of the rise of 'capitalism'. . . . Who has not heard of the 'horrors of early capitalism' and gained the impression that the advent of this system brought untold new suffering to large classes who before were tolerably content and comfortable?

"That this was the case was at one time indeed widely taught by economic historians. A more careful examination of the facts has, however, led to a thorough refutation of this belief."

TO UNDERSTAND the development of early capitalism, it must be kept in mind that an extended period of time, in some cases centuries, separated the breakup of the manorial estates, worked with serfs on a feudal basis, and the development of factories on a sufficient scale to shift the bulk of the laboring population into manufacturing. In the interim period, a considerable class of independent farmers (the British yeomanry, the European peasantry, the American farmers) and of self-employed artisans developed after the breakup of the old estates. In the United States, feudalism attained only a limited grip, and the class of independent farmers was large from the beginning.

With the rise of industrial capitalism, the capitalist class faced the problem of recruiting a laboring population which did not possess the means for its own support either in the form of land or an artisan shop, but which would be compelled to work in the factory. The working class is not a product of nature, except in the sense that men who are able to work are products of nature, but had to be formed as a *social* product to make possible the accumulation of capital through factory exploitation.

One of the chief methods used in the formation of the British working class was the enclosure movement, whereby a large portion of the British yeomanry was forcibly separated from its farms, which were then enclosed into large sheep runs. This served the double purpose of providing wool for the textile factories, and labor to work that wool into cloth.

In America, the working class was also drawn in large part from this same reservoir, with these differences: in this country the reservoir was continually replen-

ished by the re-formation of a farming class on the broad frontier lands as the nation moved west; and the expropriation of the farm population was a far more subtle process, proceeding by combined pressures of farm depressions, mortgage foreclosure, railroad rate squeezes, the mechanization of farming, etc. But that this process did go on is amply demonstrated by the fact that whereas, 200 years ago, probably 90 percent of the population was agrarian and independent (in the sense of being self-employed), today only 20 percent of the population fall into the latter category, all the rest being compelled to hire out for pay and owning no portion of the means of production other than their power to work.

IN THE early years of this transformation, during the Industrial Revolution, the upheaval caused by this process was enormous. It was not only a transformation in economic status for the mass, but an upheaval in every sense: the rural population was urbanized, the farmer became a loom-hand, the child became a laborer.

Vast populations began to be pulled together into cities, without adequate housing, without sanitation, without medical care, without rule or regulation, before the worker had unions to defend himself, before the social conscience had been able to assert itself. The cities became sinks of misery, the factories were savage dens of unrestrained exploitation, the children became virtual slaves to endless toil.

In the later development of capitalism, when the mass-produced commodities began to scatter, to some degree, among the population, when the union movement was able to exert some counterforce, when the advanced capitalist countries started to draw great benefit from their exploitation of much of the rest of the world and were thus able to shift some of the worst aspects of misery into the colonies, when medical control and sanitation were introduced by the capitalist class practically in self-defense against epidemics, much of this picture altered.

THE professors represented in this book do not succeed in the slightest in destroying the truthful picture of capitalism's early days, although their failure is not for want of trying. Among them, the most candid is T. S. Ashton of the University of London. He cites the tale of an American scholar who once produced a book called "An Impartial History of the Civil War: From the Southern Point of View," and promises to "emulate his impartiality." He keeps his promise.

Mr. Ashton, for example, addresses himself to the problem of the jerry-built housing in which the workers lived under the most appalling conditions. He skips lightly over the fact at issue, which is whether the workers lived in such conditions or not, and involves himself in a long and deliberate argument as to whose fault it was! Mr. Ashton is solely concerned with absolving the capitalists of the responsibility for having built the houses: "the jerry-builders were not, in the usual sense of the word, capitalists, but workingmen." But even the jerry-builder was not to blame: "The fundamental problem was the shortage of houses."

This master-stroke does not exhaust Mr. Ashton. He is still able to proceed to an involved "proof," which he never quite succeeds in completing, that wages were a little higher in 1850 than in 1799. Precisely how this affects the essential question, that is, what was the total effect of the Industrial Revolution upon the mass of farmers who were dragooned, with their women and children, into the factories, Mr. Ashton does not report. But since he promised us no impartiality, we have no kick coming.

W. H. Hutt of the University of Capetown is a more ingenious craftsman. He proceeds by innuendo, cavil and lawyerlike evidence-weighing. Medical men offered evidence as to the emaciated condition of the factory children? Well, "the state of mind of many of those who set out to observe the state of health of a particular group of people suggests *le malade imaginaire,*" by which the good professor means to say that the doctors only thought they found sickly children. Besides, the doctors weren't much good in those days, as they were still bleeding their patients.

Mr. Hutt is at war with "exaggerations." Children, it had been charged, had to walk twenty miles a day in the course of their work in a mill. Mr. Hutt demurs: "The average distance a piecer could cover in a day [was] not more than eight miles." Mr. Hutt has decided that the "legal restrictions on child labor" like the law limiting their working day to ten hours, "could only have added misery." A child needs at least eight miles a day walking beside a machine. Mr. Hutt, in a truly fabulous concluding section, actually undertakes to renew the battle of 100 years ago against factory legislation of any sort!

LOUIS HACKER contributes a confused discussion of Charles A. Beard, Marxism, Jeffersonianism and the "anti-capitalist bias" of American historians. It is true that there has been a certain underlying antagonism to Big Capital in much of the writing of American history, but Hacker, for all of his writing on the American past, does not succeed in tracing it back to its true source: the populism and progressivism of large sections of the middle class and farming population, expressing their resentment at the process of expropriation which has dominated 200 years of United States history. In the Thirties, this was augmented by the militant anti-capitalist fervor of the rising labor movement.

As the issues of populism and progressivism have faded into the background, and the lines have been more sharply drawn between capitalism and anti-capitalism of the socialist, working-class variety, the bulk of midde-class historians have thrown in their lot with the capitalist system. Those who resist are blackjacked and purged by the present witch-hunt. The next wave of anti-capitalism will thus have to create its own intellectuals and historians, which we can expect to be primarily of the Marxist type. But they will owe much to the Beards, Parringtons and Josephsons, whose pioneering work has helped to break a path for the understanding of America's past.

H. B.

Monuments to a Mystique

Art under a Dictatorship, by Hellmut Lehmann-Haupt. Oxford University Press, 1954, $5.50.

THE MODERN totalitarian state emerges from a disintegrating social fabric and widespread disaffection from traditional institutions and values. A vacuum is thus created which the new state must fill, both socially and ideologically.

Mr. Hellmut Lehmann-Haupt, formerly Civil Art Administration Officer for the American Military Government in Berlin and now a lecturer at the New School for Social Research in New York City, presents an exhaustively documented account of how this process was accomplished in Nazi Germany. The study is restricted to the fine arts; architecture, painting, sculpture, arts and crafts, and art education are examined in great detail.

The Hitler regime was by no means entirely a bull in a china shop. It proceeded shrewdly, carrying out its aims in calculated stages, during which concepts were codified, the machinery for total control set up, and execution of the plans initiated.

Architecture was of particular importance in the Nazi state. Hitler, himself a frustrated artist, supervised a good deal of the planning. The aim was no less than a total reconstruction of Germany. Every building was to be a symbol and a testimonial to the new Reich. The over-all network was to be centered around community buildings dominating the city and expressing the "unified community," which would encompass strategically located centers of indoctrination, and youth hostels, to be situated at distances of one day's hiking. A new use was to be made of space, not rationally in keeping with the people's needs, but as a monument to the mystique of Reich, Volk and Fuehrer.

Military needs, of course, often provided the motivation for construction. The network of highways—the Autobahn—is an example of a splendid artistic achievement that had a very practical use, as the Russians found when they approached Berlin.

In spite of demagogic promises, little public housing was completed. Most of the projects proved shoddy and artistically uninteresting.

IT WAS characteristic of the fascist regime, although based on a superior technology, that it propagated retrogressive concepts.

The promising public housing projects of the Weimar Republic were denounced as "dwelling machines," and concentrations of little gabled houses—typical of medieval town planning—substituted. Every aspect of peasant folklore was glorified.

But it is highly interesting that big business escaped the leveling. The corporations constituted the backbone of the economy

and enjoyed a relatively wide range of immunity and freedom of action. Industrial architecture, and to a lesser degree the air force, achieved artistically impressive works.

Arts and crafts were actively promoted. It was decided that they must be preserved "against the onslaught of industrialization." Like other applied arts, it produced some beautiful work, especially in the fields of glass and ceramics.

Painting sought to promote a naturalistic and static expression of life: landscapes, peasants, cattle, historic scenes, and huge numbers of nudes with frequent vulgar overtones.

We find the deliberate attempt to halt artistic progress and to disrupt creative continuity. The Nazis understood that modern progressive art is an attempt to grasp a world in flux, to seize a dynamically conceived reality that can no longer be contained within traditional modes and can therefore not find expression in static forms. It is no accident that many modern artists have radical political inclinations.

The regime sought to force creative expression back to styles corresponding to an earlier age. Psychological depth was taboo. Great emphasis was placed upon realistic portrayal and minute detail. The entire field was marked by a "pitiful mediocrity . . . . [The Nazis] set out to conquer the future. What they harvested were the dregs of yesterday."

Sculpture, as represented by the works of Arno Breker and Josef Thorak, was thoroughly corrupt in its attempts to serve reactionary and racist concepts. It is permeated with grotesque naturalism, brutality and vulgarity. It is indicative of one of the manners in which this corruption was furthered that Breker earned more in the single year of 1938 than Goebbels' combined official salary for the years 1935, 1936 and 1937.

ONE OF the most interesting chapters of the book deals with the "Ahnenerbe" or Heritage of the Ancestors. The story is told here for the first time.

The Ahnenerbe was a kind of foundation, covertly run by Himmler's SS, which published books dealing with art criticism and archaeology. It sought to create a synthetic religion based on old Germanic cults, stress the survival of the cult in the face of Christian corrupting influences, and to emphasize its revival and culmination in the Nazi state.

Grotesque projects of a pseudo-scientific character were initiated and published. The volumes were usually issued by houses with standing, and the primary role of the SS carefully screened. Enormous catalogues of woodcarvings, emblems and frescoes, supposedly tracing the survival of the old Germanic religion, were put together. It is not generally known that the SS numbered many art historians and archaeologists in its ranks. Research centers were organized to explore the "Northern Indo-Germanic race and its achievements." The Ahnenerbe was responsible for the looting of occupied libraries and museums, and one of its chief functions was the historical justification of Nazi conquests.

Organized with great thoroughness and drawing upon the perverted skills and knowledge of hosts of scholars, it was highly influential in propagating Nazi ideology. It provides an illuminating insight into the depth of the social crisis that spawns fascism. Blind to the manipulations of shrewd men with definite material interests, armies of intellectuals who had run into blind alleys under the old regime were stirred into renewed activity in the service of an "idea."

Art education was an instrument for the redirection of personality. Children were encouraged to avoid personal expression and to concentrate on "community" subjects: flag ceremonies, maps, posters for campaigns, illustrations of nature.

This field was supervised by Robert Boettcher. He stated some Nazi concepts on art and its aims in the following terms. Art is a cementing force of society and the artist, therefore, is an instrument of the state. It is a means of allaying social conflict. "Aesthetic feeling and enjoyment are especially important elements in quieting down and pacifying the nation." One of his cherished ideas was the organization of guided tours through museums for the unemployed.

DURING the period following the war the American Military Government had only the vaguest orientation toward cultural affairs: "Its Monuments, Fine Arts, and Archives section was strictly limited to makers of property, to the restitution of the Nazi cultural loot, and to the protection of monuments. It was warned off the cultural relations field in no uncertain terms."

The postwar years have witnessed growing attacks upon liberal art practices. The author emphatically denies that this campaign resulted merely from "philistine attitudes." He says: "I find it impossible to believe that such attitudes have survived independently from association with the Nazi ideology. Today they are perhaps still a rear guard. In connection with the steady rise of neo-fascist political organizations in Western Germany, however, they could very quickly assume a different meaning and importance. . . . The thing that lends greater significance to these various symptoms of intolerant aggression is the return to favor of Nazi painters and sculptors. The very same men who only a few years ago were the violent protagonists of Hitler's racial, social and political doctrines are now de-Nazified and happily installed in prosperous pursuit of their professions." As one artist put it: "We in Germany are gazing as though hypnotized at the bear, while the hyena at our backs creeps up unnoticed."

Two chapters—a total of 35 pages—are devoted to a survey of art in the Soviet zone of Germany and the Soviet Union.

The author's aim is to "demonstrate the fundamental identity of the Nazi art program with that of Soviet Russia." It is his contention that the procedure studied in the Nazi state is characteristic of all totalitarian states.

In view of this assertion, the survey of Soviet art—embracing a period of about 35 years—is far too sketchy. It is regrettable that the author treated it as an appendix; it is properly the subject for a separate volume.

There can be little doubt, however, that the author is right in one of his contentions: "There is great similarity in the kind of art officially fostered by the Nazi, the art of Soviet Russia, and the painting officially promoted in the Soviet-dominated German Democratic Republic. In each case, the insistence is on realism, on immediate, general comprehensibility of the artist's statement, and on an optimistic, cheerful outlook and the reflection of a happy social order without problems." This is certainly true of the period in the Soviet Union reaching its culmination in the edicts and authoritarian concepts of Zhdanov.

THE AUTHOR'S sweeping equation of Soviet and Nazi art, however, is unsatisfactory. Very important differences in ideology, subject matter, style, and relation to social context are left unprobed.

Furthermore, certain recent developments requiring serious study are too glibly dismissed. The author takes note of "recent examples of apparent relaxation of cultural control" in the Soviet Union, but discards them as "merely temporary maneuvers."

One would like to ask the author: How does he account for the strong protests against authoritarian art practices in the Soviet Union by Khachaturian, a musician, and Nicolas Virta, a playwright? Even if one admits that these protests were officially inspired, were there any comparable instances in Nazi Germany?

The heart of the matter involves the social character of the regime and the fact —with which the author agrees—that "art and society are related and dependent upon each other." The author equates the Nazi and Soviet regimes as totalitarian, and leaves it at that. The ensuing confusion and failure to weigh new developments, in our opinion, result from the refusal to differentiate socially between them. Nazi Germany and Soviet Russia exhibit strong political similarities, but their social systems represent polar opposites.

The author ends his book with a brief survey of the situation in the United States. He is plainly worried by the symptoms of totalitarian attitudes that are currently emerging. He documents this trend by citing the attacks on modern art by Rep. Dondero of Michigan and by academic and conservative artistic organizations, and various vigilante groups. He points out that "there is some justification for the fear that the preponderantly conservative attitude of the United States government in art could be utilized to advantage by the reactionary and quasi-totalitarian forces that have made themselves so clearly felt in the post-war scene."

In spite of some debatable conclusions, this is a liberal and perceptive book, and a valuable contribution to the study of a field that has been much neglected.

F. G.

LETTERS TO THE EDITOR

Firm and Forthright

I have just finished reading your issue, and making a study of the background of the developments to a very limited extent.

It seems to me that your publication appears to be the best thing that has appeared yet to favor a more liberal, progressive, and socialist point of view. It also seems to me that the ability to be broad and adaptable is dialectically combined with the ability to be firm and forthright, which is a rarity.

Are you planning to remain theoretical, or do you plan to act in an organized manner?

If so, I suggest you do not form another "party," but form a "movement," and operate within the other existing groups to build a Labor Party, without losing your own identity.

You cannot work for a Labor Party if you are a "party" yourself. People will resent the open hypocrisy. But as a movement for a Labor Party, you can do wonderful things. (This statement applies only to the *present* period, of course.)

Please advise me if there is any group one may join or work with in Boston if, on further insight, it may seem a good idea.

H. W. *Boston*

Hit the Jackpot

If it's new contacts in the growing left wing you are looking for, you've hit the jackpot. I have a list of several hundred names in the maritime centers. I am enclosing some of these for you to send sample copies.

By the way, the magazine is well done. Don't get partisan and I think you've got something. We'd all like a regular sheet that could give conflicting views, without devoting all its time to condemning and tearing apart. Just plain straightforward reporting, plus editorializing on the editorial page.

R. D. *Seattle*

In your own words I think *The American Socialist* is "stimulating, informative, and lively." Also it "has come to fill a need" in my life. Please continue the good work.

Carry on with your fine political analyses. In the months ahead give your readers political guidance and direction. Analyze the political candidates and their viewpoints throughout the 48 states, if possible.

It also would be worthwhile to make a comparative study of the social implications and resultants of American technology under the capitalist and socialist systems—with special emphasis upon the fulfillment of human needs. Thank you and best wishes.

C. J. W. *Niles, Mich.*

In response to your letter acknowledging receipt of subscription and suggesting that you would like the names of some friends to whom sample copies might be sent, I append at the bottom of this letter some addresses.

Wishing you much success in your good work for progress, I am,

E. P. T. *San Clemente, Calif.*

A Sordid Thing To Watch

There has just ended here one of the most despicable displays of demagoguery that I have ever witnessed. My reference is, of course, to the House Un-American Activities Committee. The hearings lasted from Monday through Saturday with some forty-six witnesses interrogated. Of these, only seven capitulated to the class enemy. Velde got a couple of real prizes when Barbara Hartle and Eugene V. (*sic*) Dennett hit the sawdust trail to confess their all.

The former spent some twenty years in the Communist Party, was a high functionary, etc. She fingered 300 CPers in the Northwest—a sordid thing to watch. Dennett, the second plum in the witches' pudding, was active in the CP for many years, and held many responsible positions in the trade union movement. He was noted for his grasp of Marxian theory and had marked ability to express same. He's singing a different song now.

The damage caused by these stoolpigeons is without measure. Many have already felt the touch of victimization. As one witness remarked, "This committee has stirred the deepest bigotry in our community." Another witness who broke under pressure was on the stand for over two hours and suffered the tortures of hell every minute. He was a sad sight to see, complete loss of human dignity and self-respect. It certainly appears that the days of the Inquisition are with us once more!

Probably the factor that impressed one the most was the fine manner in which the majority of witnesses conducted themselves. It was evident that their morale was high and they showed complete solidarity throughout the hearings. The committee tried to intimidate, badger and threaten, veiling their threats in sanctimonious verbiage, but without success. The victims of this inquisition took advantage of every opening to show up the watchdog committee for what it really is, i.e., a symbol that we are fast losing our democratic heritage.

C. S. *Seattle, Wash.*

Suggests Some Topics

Am in favor of your book review section. Also would like more articles on USSR and domestic economy.

P. K. *Cleveland*

Why is supposed progressive labor held or tied down to Marxian atheism? Why do for the robbers the great favor of playing atheist? Why let the usurers play Christian?

The young rich ruler who had great possessions and refused to give them up, as told in the Bible, or abdicate it for the common good—he represents mainly Western Capitalism, only nominally Christian. The Good Master wouldn't allow him, with that great loot, to go through the narrow gate called the "eye of a needle" into heaven.

Now, none of those with the load of loot would unload his great possessions for the common good, so the Red atheistic Kremlin got him and many others behind the Iron and Bamboo Curtain, and unloaded them of their loot for the common good, the hard Soviet way. Thus the Kremlin acts as a club in God's hands.

B. A. *Spokane*

Likes Book Reviews

I recently heard about your publication from a friend. Please let me know the purpose of the magazine, and anything else which I should know about it before subscribing.

Have you any special student rates as the *New Republic* has? If so, please let me know. Thank you for your consideration.

J. W. *Philadelphia*

Your book reviews are one of your best features. I hope all of your readers follow it as carefully as I do. I often find some of the very best and most interesting material in that section. Especially appreciate the policy you have of building your reviews around full factual summaries of the book, instead of keeping me in the dark about what's in the book. Keep up the good work.

R. W. *New York*

You Can Make A Friendly Gesture

WE'RE NOT the only ones who think the AMERICAN SOCIALIST is something to boost. Ever since we told our readers that we would like to have them send us names of their friends who might be interested in our publication, we have had a heartening response. It's been such a successful project, that we're expanding our promotional efforts along these lines, and invite all our readers who would like their friends to get acquainted with our magazine to send us a list of their names and addresses, and we'll send them **free** sample copies.

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