

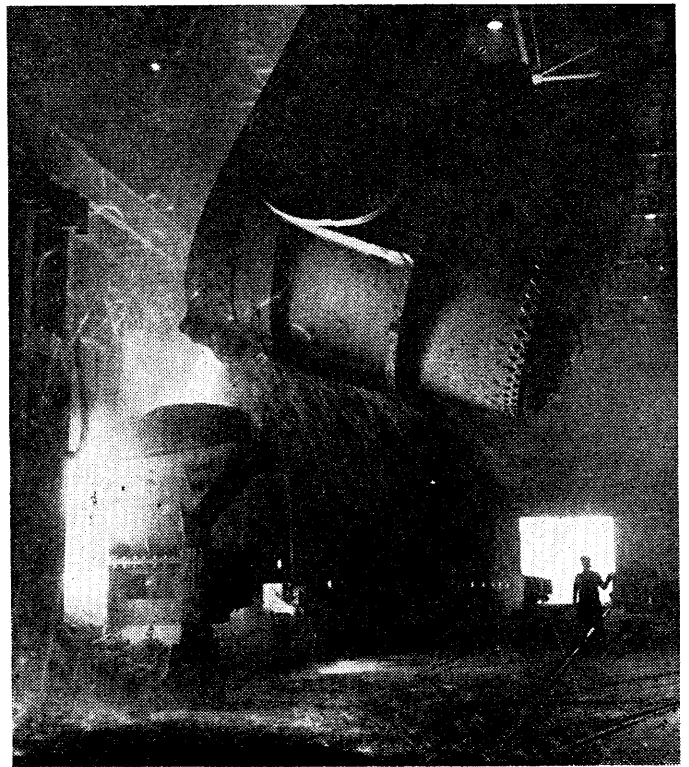
# *The American* **Socialist**

*MARCH 1959*

*35 CENTS*

**WHAT  
PRICE  
RECOVERY?**

## *Challenge of Russian Planning*



**A Startling Episode in History:**

## **The Progressives and the House of Morgan**

**Seen from the Inside:**

## **A Bureau in Hungary**

# LETTERS TO THE EDITOR

## Pick up the dead dogs?

Genuine congratulations on the January number, which I found exceptionally illuminating. Also on that letter from "S. D., Pennsylvania," which states the case for the dying orthodoxy so bluntly as to shock socialists living in the year 1959. Says "S. D." re the December article, "The Iron Horse Slows Down":

"Is it the fate of socialists to serve as the high constable, to pick up all the dead dogs, cats, and horses off the streets, in order to save capitalism?"

The answer, "S. D.," is YES, emphatically—though not "to save capitalism." Capitalism will not pick them up—if there is any profit in it, the rate is too low. But a socialist government come to power will have to do it or abdicate under pressure from the masses. Whether "S. D." likes it or not, the "cripples" (let's change the metaphor) will have to be kept functioning—some of them are in key positions and all of them still meet economic and social needs. They are essential.

How a socialist state takes these "cripples" over is another matter. But, granted capable and honest socialist leadership, it could be done without paying for too much "water" and the cost, under a revised income tax system, would be borne by the rich (today's "savers") and not by the workers (who are willy-nilly only "spenders").

At any rate, the idea that a socialist government in the transition stage would use only the most modern and most highly efficient forms of industrial mechanism and technique has been—it seems to me—exploded by oncoming China.

Reuben W. Borough *California*

## Customs Censorship

A communication from Janet Hase, business manager of the British quarterly *Universities and Left Review*, informs us that the bundles of that periodical, mailed to an American distributor for newsstand and bookshop placement in this country, have been held up at the port of entry. Mrs. Hase received a note from the Customs Department saying that it was refusing entrance to the journal because the "Law Division of the U. S. Customs have taken exception to some of the comments contained in this periodical."

If ULR is to be banned, a large part of the European liberal and independent radical press could also be "taken objection to" by the Customs Department. We urge that letters of protest be sent to President Eisenhower and members of Congress, demanding that all such censorship be ended.

C. S. of New York has criticized me in your February letters column for placing Fromm, Horney, and Sullivan together in a "Neo-Freudian" school, and is of the opinion that this designation is more closely applicable to Reik and his followers than Fromm, Sullivan, and Horney. I am aware, of course, there are many differences in theoretical framework between these various analysts but I still believe that the fundamental assumptions they make about the relation between society and the individual and the place of the individual in promoting social change are strikingly similar.

Reik, in direct opposition to Freud, rejects the hypothesis of the death instinct and neglects the historical dynamic of the sex instincts. Sexual liberation per se becomes for Reik a panacea for individual and social ills. Progress in Freedom appears as release of sexuality. Nevertheless in his early writings (see *Einbruch der Sexualmoral*, 1931) Reik oriented psychoanalysis on the relation between the social and instinctual structures. If Reik is the "left wing" among the revisionists and Jung the "right wing," the center is held by such writers as Fromm, Sullivan, and Horney. All these writers have discarded Freud's psychological tools and in many ways have become more conservative as a result.

The chief objections of the centerist revisionists to Freud include the following (here all agree): Freud failed to see how the individual and his neurosis are determined by conflicts in his social environment; Freud felt that the character of an individual was fixed by the fifth or sixth year. The revisionists shift the emphasis

from the past to the present, from the biological to the cultural level, from the constitution to the environment. Freud was hard, cold, and pessimistic. He did not see that sickness, treatment, and cure are a matter of "interpersonal relationships." The revisionists insist that society is a growing, changing, and developing network of interpersonal behavior rather than a static entity. In a word, the "central" revisionists think society is bad but not so bad that within any social system we cannot produce some healthy individuals.

In this way these revisionists have caught themselves in a dilemma. If capitalism is a bad system then the "interpersonal relations" within it are for the most part destructive to the individual and no amount of "dynamism" will promote a healthy individual. If it is a good system, then why are many of these writers so angry with the existing institutions as Fromm obviously is? By placing Fromm, Sullivan, and Horney in the "Dynamic-Cultural" school C. S. gives them a benefit of doubt which I am unwilling to do. In my mind they have given the individual no solution by which he can resolve the conflicts produced in our system, or, for that matter, in any industrial society as it appears today. To call them "dynamic" is to commit the same folly as one friend of mine who called Herbert Hoover a "radical."

Stanton Tefft *Minneapolis*

I am favorably impressed by your November issue, which we obtained from an acquaintance. You seem to have the independent, courageous, and objective attitude which is essential for useful interpretation of the news.

I enclose a money order, so that I may further sample your output.

E. T. *California*

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357

WHAT PRICE RECOVERY? .....	3
CHALLENGE OF RUSSIAN PLANNING by Bert Cochran .....	5
A BUREAU IN HUNGARY by Dora Scarlett .....	10
THE PROGRESSIVES AND THE HOUSE OF MORGAN by Harry Braverman .....	15
BOOK REVIEW .....	20
CURRENTS AND UNDERCURRENTS by Genora Dollinger .....	22

## What Price Recovery?

**T**HE recession of 1957-1958 showed a lot of things. It showed that, in spite of the military budget and other forms of government activity, the business cycle remains roughly comparable to what it has always been throughout our post-Civil War history. It showed also, on the other hand, that government props, both civilian and military, can prevent a recession from snowballing into an economic rout of the kind we experienced in the thirties. But the most revealing part of the recession has been the recovery from it.

If recovery is taken to mean getting back to the level of output that obtained before the drop, there is no question that the recession phase of the cycle is over. "Total production," reported the Commerce Department's *Survey of Current Business* for January, "is now back to the pre-recession high in real terms." Even industrial production, the laggard of the economic comeback, showed 143 on the Federal Reserve Board index for January, only 2 points below the mid-1957 level.

Yet this recovery has left behind a pool of unemployment almost as large as that which existed during the worst of the recession itself! The number of unemployed in January was counted as 4.7 million, the highest for any January in the past 18 years. The recession high, marked in June of last year, was a little over 5.4 million.

Of course, percentagewise, and taking seasonal factors into account, the figures change somewhat. Our labor force is growing, and it makes sense to look at unemployment as a percent of the total rather than as an absolute figure. And the various months of the year are not necessarily comparable to each other. January, for instance, sees the laying off of retail and post-office temporaries hired for the December

rush, as well as a slowdown of outdoor work. So that the seasonally adjusted percentage figure for unemployment this January was 6 percent of the labor force, as against 7½ percent last June.

Economists, editorialists, and other members of the reassurance and apologetics fraternity have already jumped forward to explain that this showing is not as bad as it seems: it is typical of recoveries that employment catches up more slowly; hours have been lengthened and will have to come down a bit, making room for more workers, and so on. There is no need, for purposes of long-range analysis, to quarrel with these points. It is true that there may be some more re-hiring as hours, which have jumped up a trifle above the pre-recession level, adjust themselves. But to focus on the real meaning of this stubborn reservoir of unemployment, it is important to get a basic perspective on the matter.

**D**URING the war, unemployment fell to a minimal level, that is, down between 1 and 2 percent of the labor force. When the war ended, it began to creep up slowly, reaching a high point in the recession of 1949. The recovery from that recession left the unemployment figure at a higher "normal," between 2 and 3 percent of the labor force. Next, the recovery from the recession of 1954 put a new floor under unemployment, between 3 and 4 percent. Now that we are recovering from the recession of 1958, it looks very much as though our prosperity unemployment will be in the 5-6 percent range. With this latest and biggest jump, we are getting to the point where our normal unemployment in times of boom is bigger than our recession unemployment used to be in the earlier postwar slumps.

The same trends have been projected into the future by Ewan Clague, Commissioner of Labor Statistics, in an article for the January *Monthly Labor Review* called "Current Labor Force Problems." He points out that there were 1¼ million "surplus unemployed" in November, that 2 million more can be expected in the coming year by virtue of rising productivity, and that three-quarters of a million more will enter the labor market in the same period. Thus to get back to a 4 percent level of unemployment a year from now, he estimates, some 4 million jobs have to be added, requiring, according to his calculations, about a ten percent growth in the economy during the coming year.

But Mr. Clague is particularly troubled by what he calls a "veritable flood of youth" which may be expected in the sixties. We have all read the bouncy sermons about how our prosperity is guaranteed for decades to come by the wartime and postwar "baby boom," in which the millions of babies and youngsters are depicted as insatiable devourers of mountains of goods. For the past decade, so long as the huge new population contingent could be viewed exclusively in the role of consumer, the argument had a lot of strength. But many of its advocates tended to forget that the time would inevitably come when the children became adults and took their places in the labor force. Instead of an economic growth sufficient to ensure some three-quarters of a million jobs a year, Mr. Clague points out that we will suddenly need in the sixties a rate of growth that can ensure jobs for an additional 1¼ million a year. Thus, he summarizes:

*The normal gains of productivity, say 3 percent per year, will require finding a total of about 7 to 8 million new jobs in a five-year period. That number plus the growth in the labor force of 6¼ million makes a total of about 14 million who will become available for employment in the five-year period 1960-65.*

Mr. Clague's picture may not be accurate in every detail. The unusual growth in the labor force may, by making "hands" plentiful and reducing the incentive for new machinery investment, slow down the rate of increase

in productivity. On the other hand, more recent figures make it clear that he underestimates the size of the unemployment total we will take with us into the sixties. But aside from details, there is no question that he has put his finger on the major problem facing the country in the coming decade.

The problem is, of course, that of economic growth. If the rate of growth is not enough to offset the combined effects of a swelling labor force and productivity increases, the millstone of unemployment will continue to grow heavier.

**O**N this front, our record has been anything but dazzling. According to the First National City Bank *Monthly Letter* for January, the annual rate of increase in the Gross National Product—measured in real terms and not including price inflation—was 2.9 percent, averaged over the long period from 1909 to 1957. As this included the decade of the thirties, which showed no growth at all, it is obvious that the rate of growth during the other decades must have been quite a bit higher. But the same source gives the rate of increase in the years 1945 to 1957 as slightly under 2 percent a year. Granted this is somewhat distorted by the fact that the base, 1945, was an abnormally high wartime production year, it is still not a good showing. The six years of the Eisenhower administration work out to a 1.9 percent average annual increase in the real Gross National Product.

If we take a more recent time span, the last three years, during two of which a recession has had us pretty much marking time, the indications are even worse. Here is the picture as given by the December 27, 1958, *Business Week*:

*In the three years since the economy reached \$400 billion, total output in constant prices has increased only 2½ percent—an average gain of only 0.8 percent a year. Since population grew at an annual rate of 1.8 percent, per capita output actually has shrunk in the past three years. This is in sharp contrast to the 1939-1955 records; then, total output in constant dollars grew at better than 4½ percent a year, and per capita output at 3 percent a year.*



No one can stop *Business Week*, *Fortune*, or the other celebrants of our best of all possible worlds, from interpreting this to mean that we are merely in "the in-between years," or "the pause that refreshes," but these signs seem to tell a different story. The slowing growth rate and the swelling ranks of the unemployed have both been sharply pointed up by the recent recession, but both maladies have been developing over the entire postwar period. The truth seems to be that as the permanent war sector of the economy, which got us out of the slough of the thirties, became a constant, its effect was discounted more and more each year, and the old sicknesses of capitalism are reasserting themselves.

The prospect that anything drastic will be done soon to boost the growth rate is dubious. We have already seen how difficult it is to get any energetic government action, in the form of spending or tax cuts, to avert or cut short a recession. How much more difficult will it be for the tiny liberal contingent in government to force some similar stimulation—not to stop a recession, but merely to increase the growth rate. Nelson Rockefeller and his associates, for example are more alive to this problem than the general run of capitalists and politicians, as witness the Rockefeller report recommendation that steps be taken to get our growth rate up to five percent a year. Yet, no sooner did Rockefeller become governor than he embarked on a vigorous effort to balance the New York state budget by increasing the tax load on those least able to afford it. If that's any sample, things will have to get far more serious before a wing of the ruling class takes up the cudgels for

the kind of structural changes in our economy that would be needed before an increased rate of growth could be dictated at will.

**I**N the meantime, the plight of many areas of the country which have been in almost continuous recession since late 1957 is becoming ever more painful. In Michigan, the rate of unemployment is double that throughout the nation as a whole. In the auto industry, as in a number of others, a considerable percentage of the available jobs has been permanently wiped out, as those industries can supply any foreseeable demand for their products with the reduced manpower now employed, due to the increased productivity of each man. Thus, according to estimates by the *U.S. News and World Report*, 180,000 jobs have been wiped out in the auto industry, 101,000 in the steel industry, 72,000 in oil refining, and so on.

Perhaps a third of the unemployed have been out of work longer than their unemployment insurance coverage provides for. The extended duration of the unemployment and the hopelessness of the prospect in such places as Detroit are starting to make some of the industrial regions look like depression areas. In an economy as sensitive to downdrafts as ours has proved to be, it is impractical, as well as inhumanly callous, to hope that prosperity will zoom right along in some parts of the country while important industrial centers lie under a blight.

The proposition for a march to Washington by thousands of unemployed which has originated in the Auto Union, strikes us as the least that can be done under the circumstances. But piecemeal or one-shot activities are bound to be unrewarding unless incorporated into an overall perspective. As we have pointed out many times, the logical next step for labor is a massive campaign for a substantial reduction in the work week without reduction in pay. This demand has been resisted by the labor officialdom as being too grim in its implications. But now perhaps the alternative to it, a corrosive stagnation which eats away at wages and working conditions in the very centers of union power, will start to look even grimmer by comparison.

While dictatorship remains in the saddle, an unprejudiced look at Russia shows that from the economic point of view amazing gains have been recorded. And there is no real reason to assume that the impressive growth rate will sink in the coming years.

# Challenge of Russian Planning

by Bert Cochran

IN the thirties, some of the best sections of the Western intelligentsia used to imbibe sheer joy in reading of the successes of the Russian five-year plans, so much so that they went sloppy in swallowing the Kremlin's misrepresentations and crimes along with the epic achievements. In the fifties, the pendulum has swung to the opposite extreme. The statistics are anxiously scanned to see whether totalitarianism or democracy is ahead in the race. But the cold war stereotype is no less false to life than was the Stalinist stereotype. The latter was shattered by massive events which only the fanatical and stupid could continue to deny or ignore. The former, as an ideology and perspective, is being similarly shattered by the economic and military rise of the Soviet states. The time is not far off when only a die-hard extremist fringe among Western intellectuals will continue to echo bellicosities which can no longer be sustained, and which offer no perspective to the Western world. The attitudes and assumptions of the Committee for Cultural Freedom have been found wanting no less than those of the State Department. That is why it is timely to take a fresh and a dispassionate look at the evolution and economic plans of Russia and China and what they portend, eschewing the sentimentalities of the fellow traveler and the prejudices of the cold war partisan.

The 21st Congress of the Russian Communist Party which met just three years after Khrushchev told all—or at least, enough—about the genial Stalin, dramatized the continuing contradiction of Soviet society: A nation which could launch the sputniks, which is spending more money for education and graduating more scientists and professionals than the United States, has still not over-

come its political dictatorship and is unable to tolerate an opposition within its sole party. The high hopes for political reform evoked by the 20th Congress have remained largely unfulfilled. After a spasmodic see-sawing process which saw the Malenkov thaw preceding, and the neo-Stalinist freeze following, the Hungarian uprising, Russia seems to have found a new equilibrium. The post-Hungarian reaction has not turned the country back to the Stalinist era. The legal reforms are still intact. The forced labor camps are largely eliminated. The secret police is cut down to size and under firm civilian control. The atmosphere is easier and freer and the criminal code somewhat milder. But the renewed break with Tito, the Pasternak affair, and the campaign against revisionism, are sufficient to show the boundary lines for the thaw. The Khrushchev dictatorship is more benevolent, more intelligent, more generous, more flexible, than was Stalin's. It is a dictatorship nevertheless, and as the congress went to pains to display, an increasingly autocratic one.

AS we correctly foretold after the victory over the Malenkov-Molotov-Bulganin combination (*American Socialist*, August 1957), Khrushchev has stepped into Stalin's shoes. He is the boss; and the torrent of sycophantic speeches at the Congress underlined that while other leaders may rate, he is at the top of the heap. We were never impressed with the theory worked up by Isaac Deutscher and others that with the downgrading of Stalin, the military was in line to take over. The analogy with the French Revolution seemed inapplicable as the military had never displayed any independent political initiative, and the Communist Party, at every stage of the game, had maintained the allegiance or obedience of the elites of Russian society, including the military.

The possibility for a military coup, as far as we could see, could only arise in the event of a full-blown crisis of the regime which rent the party from top to bottom. It did not happen during the ferocious Stalin-Trotsky battle in the twenties; it could be envisaged in the far more stable situation of today only in the midst of a popular explosion—of which there are no visible signs. At the time of Khrushchev's turning the tables on his so-called "anti-party" foes a year and a half ago, the Western correspondents speculated heavily that his victory was made possible by the support of General Zhukov and the military hierarchy. Indeed, General Zhukov may have taken some of these speculations seriously and exhibited independent pretensions. But the ease with which he was sacked should put to rest any notion that the military leaders constitute an independent bloc. It is possible of course that Zhukov may have been a victim simply of the West's publicity buildup and that the operation was a preventive one.

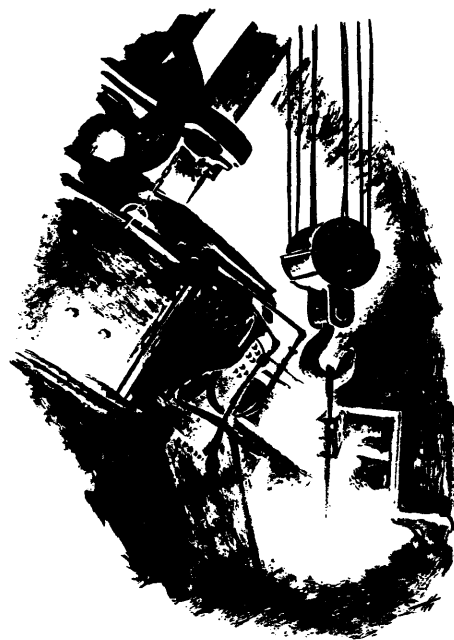
At any rate, five years after the start of a campaign against the "cult of the individual," the wheel has come a full turn around, and we are back with a regime where the first among equals is more equal than anybody else. Three years after the repudiation of Stalin's autocracy, the congress celebrated the formal installation of the Khrushchev autocracy with all the appropriate fireworks, pledges of undying fealty, and recantations of the back-

sliders. It is true that the proceedings were somewhat less grim than in the older days as the men guilty of having voted wrong are still alive and apparently slated to continue working at their lesser posts. But the tyrannous system is back in the saddle.

**I**T could not have been otherwise. So long as the people are deprived of a voice in the running of the country, politics must inevitably be carried on behind closed doors by a selected few. Political debate and decision-making inevitably get envenomed, giving rise to intrigue, unscrupulous in-fighting, character assassination, etc., when not subject to popular opinion and control. Sooner or later, the party hierarchy feels it wisest to rally behind one supreme arbiter as the only safe method of settling arguments and getting stability. As soon as it was clear that the post-Stalin reforms would not go far enough to give the people a voice in the affairs of government, and that no section of the people had enough political vitality to force through such reforms, it was fated that sooner or later the battles of cliques would be resolved with the re-emergence of a Bonapartist umpire. His name proved to be Khrushchev. It would have been no different, so far as the political system is concerned, had the die fallen differently and Malenkov come up with the winning number.

Is the Khrushchev regime well entrenched? In other words, will there be a new reign, if not of twenty-five years, of half that number? There was a similar backsliding from reform, let us recall, after the 1953 Berlin uprising, but it proved shortlived, and in the intra-mural struggles in the inner councils, each side began to play to the gallery. This time the machine appears to be stabilized and Khrushchev faces no rival in sight. But it is difficult to say. Stalin's tyranny brought "order" to an exhausted and deadlocked country—a country still epitomized by the illiterate muzhik and his wooden plow. Now there is more elbow room both inside and outside the Communist Party and the recreation of Stalin's witches' sabbath is beyond the capacities of anyone, even were someone so disposed.

While Russia is still the leader of the Soviet bloc, it must deal with China as an equal. Moreover, modern Russia does not lend itself to the emergence of another despotism of comparable capriciousness and irresponsibility to Stalin's after the Moscow trials. The ubiquitous, semi-Byzantine dictatorship is an anomaly in the world's second industrial power and rests as a canker on an urbanized and educated population. Progress in economic growth, material improvements in the people's lot, and the enormous opportunities opening up to the youth, feed the well-springs of patriotism; but concurrently grows the thirst for political rights. Will the "frontier," in a Russified version of the Turner theory, drain off the worst tensions of Russian society for another decade or score of years, and enable the Commissars to continue to arrogate to themselves the field of government? So far as the naked eye can observe, change will be forthcoming slowly as there do not exist any organized oppositions and the desire for political reform is diffused and unfocused. But reform will continue in response to the needs of a maturing society. To which must be added this proviso: When the iron lid of dictatorship



and censorship is pressed on a society, no one, not even the people sitting on top of the lid, knows for sure the exact moods of the people at large.

**B**UT, after all, once the fierce gusts of the revolution blew over, Russia has been no model to the world in the field of government, and it is not her achievements in this sphere that have propelled her to the center of the world stage. Stalin will be recorded in history as a relentless industrializer; and Khrushchev's main claim may also prove to be that of an economic builder. The new seven-year plan which he put into effect several months ago, and which was formally adopted at the Congress, when taken in conjunction with the targets of the other Communist countries, is supposed to give the Communist bloc more industrial production at the end of 1965 than the rest of the world put together. Within an additional five years, Khrushchev promises the Russian people that they will have a higher standard of living than that of the United States. We are familiar with the crude boasts about "catching up and surpassing," and the many garbled statistics which years later are admitted to have been unconscionably exaggerated. But we dare not ignore that these boasts contain a large kernel of truth, and that after every five-year plan, Russia has edged closer to her capitalist rivals. The reconstruction within a few years of the wasteland that Hitler's armies left in their wake was little short of miraculous. Russia has quadrupled her steel production since the end of the war, and today as she begins work on her seventh plan, she has topped the combined production of Britain, West Germany and France in coal, iron and steel, cement, electricity, cotton fabrics, and is second only to this country as an industrial behemoth.

It is not a simple matter to determine how much is fact and how much fantasy in the most recent boasts of "catching up and surpassing," as Soviet statistics are still a no-man's land. The 1956 Statistical Handbook (issued after a lapse of 17 years) contains probably a tenth of the information in the United States Statistical Abstract,



much of the data is in percentages without providing the figures to which the percentages refer, vital price indices and income and occupational figures are omitted, and outright fakery is not unknown. Gomulka, when he took over, declared that the Polish Communist government had "juggled with figures" and publicized "fictitious" accounts. Khrushchev at the Congress accused Malenkov of having cheated in his official reports on grain figures. Nevertheless, by doing a lot of detective work, one can come up with a fair general estimation of the true state of affairs.

**T**HE most reliable figures are those of gross industrial output, and here the story is one of magnificent and unprecedented progress. The following comparisons—which favor the United States, as we have picked the good year of 1957 rather than the depression year of 1958—tell an important story:

**INDUSTRIAL PRODUCTION**  
(in million metric tons)

	USSR 1958	USSR 1965 target	United States 1957
Coal	496*	596-609	465
Electricity billion kwh	233	500-520	716
Oil	113	230-240	354
Steel	55	86-91	102
Cement	34	75-81	53
Cotton fabrics million yards	6,280	8,340-8,667	10,317 (1956)
Shoes million prs	356	515	594-655**
Hosiery million prs	887	1,250	1,748 (1956)

\* Includes about one-third brown coal.

\*\* The latter figure includes rubber-canvas shoes which are probably included in the Russian figures.

**I**T should be added that the United States is still miles ahead in certain industries as automotive, chemical, and synthetics, and that on a per capita basis, Russia's disadvantage goes further as her estimated 1956 population was 200 million as against this country's 168 million. But taking it in the rough, Khrushchev's estimate that gross Soviet industrial production is half that of the United States is probably right. This country's economists often quote the figure of 40 percent, but to get this figure they include a lot of capitalist waste as advertising, sales, and legal costs which get added on to the value of the total output.

The traditional bias of fattening heavy industry and starving the consumer lines is continued in the new plan. According to Malenkov's figures in his 1953 report, Russia had invested 830 billion rubles (at then current prices) in heavy industry and transport and 72 billion rubles in light industry from 1929 to 1952; in the course of 28 years, the means of production had grown five times as rapidly as consumer goods. In the current plan, basic industries are to receive about 90 percent of all investments in new industry, producer goods are slated to go up over nine percent annually, while consumer goods are to rise over seven percent. In other words the unfavorable trend is accentuated. But Russia has reached a level of industrial achievement where even with the continuation of the lopsided and in many ways wasteful emphasis on heavy ind-

ustry (and the inevitable heavy costs of war production), the economy throws off considerable and growing varieties of consumer products so that living standards are slowly and perceptibly improving. Real personal income is supposed to rise five percent per capita annually, which is lower than the rate promised in the sixth plan or the average claimed for the previous five years. But the base figures are larger now, and if the regime comes through on its promises to build 15 million new housing flats, raises pensions, doubles the wages of the lowest-paid workers, lowers hours to 40 by 1962, and then begins the move for the 35-hour week, the Russian people will have made measurable progress in their still inadequate living conditions.

**W**ITHIN the past several years, Russia has finally begun to fill in some of the gaping holes left as a legacy of the decades of Stalinist-style planning. In the next seven years, Russian industry will right some of the imbalances, and if the projects are carried through, will become more "Americanized" in the sense of achieving a more efficient utilization of resources and a better meshing between the different parts: Oil and gas are to gain as fuel sources as against coal; synthetics and plastics are to be systematically built up; railroads are to convert to electric and diesel power; the chemical and fertilizer industries are to be vastly expanded; and automation is to play a big role in the attempt to raise labor productivity. The chemical industry, in particular, should be able within a few years to supply many raw materials for the manufacture of consumers products, and a larger fertilizer industry should provide the underpinning for a rise in agricultural output.

Judging by past performance and the internal evidence of the control figures, the industrial part of the plan will be fulfilled within broad lines. Indeed, in many respects, it represents a more conservative effort than the target figures of the discarded sixth plan. Where the 1956-1960 plan projected a 10½ percent annual increase, the current one is based on an 8⅓ percent accrual rate. The volume of investment in buildings and equipment is reduced about 10 percent compared to the investment projected in the sixth plan if it had been carried through to 1965.

Western specialists have voiced skepticism that the Soviets will find sufficient capital to realize their investment objectives as it is, and hold that the sixth plan had to be scrapped for precisely that reason. This has the appearance of an oversimplified economists' approach. A far more complex series of events was responsible. First, in 1956, Hungary and Poland removed themselves for all practical purposes out of Soviet planning, and the Kremlin had to reconsider its total economic policy toward its satellite states. Where for the post-war decade, Russia was buying coal and many other items from Eastern Europe at below world market prices, it now had to practice a less exploitative policy. Second, Khrushchev, after a fierce struggle inside Communist councils, scrapped the top-heavy, over-centralized ministries' setup that had been running Soviet industry for almost thirty years, and reorganized on a regional basis. This shakeup introduced basic changes in planning and operation, and shifted much decision-making to the regional party officialdom.

**T**HE combined political, social, and economic difficulties made it necessary to shift the focus of the whole plan and made it inadvisable to continue with the old plan by simply modifying a number of specific objectives. That is why after the industrial decentralization, it was decided to put on ice a number of the projects requiring a huge outlay of capital resources, and to continue on a year-by-year basis until a new comprehensive and coordinated plan could be perfected. But in the light of the Soviet Union's past performances in the industrial sphere, and its performance from 1955 to 1958 as well, it is safe to assume that the industrial objectives will be realized.

To be sure, success does not mean that Russia will be abreast of the United States by 1965 in aggregate production, or will have realized the more fanciful proposition of beating its per capita production by 1970. The Soviet Union has still a couple of plans to go for that. But, as all conscientious observers recognize, it is moving up. The United States, since the end of the Korean war, has shown less than a 2 percent annual growth (and less than 1 percent on a per capita basis). If we generously assume a 2 to 3 percent growth of American gross national product in the next decade, Russia in 1965 will be producing industrially in the neighborhood of over two-thirds to three-quarters of the American output. That is a big figure, no matter how you look at it.

The trend is worrying the Western leaders plenty, but some of their experts find solace in the declining rate of Soviet growth. Where the 1950-1955 plan showed a 13+ percent annual growth, and the 1955-1960 plan a projected 10½ percent annual growth, the current plan is based on a less than 9 percent annual growth. This is still a very fast rate of growth, and given the enlarged base, will mean a vast expansion. But does it also mean that as the economic base becomes larger, the growth rate will in time sink to the American figure? Before pursuing this theme any further, let us take a brief look at the inferior part of the Russian economy, its agriculture.

**S**OVIET farming has been in a crisis ever since Stalin's forced collectivization thirty years ago. History has already put the X-sign over his policy of collectivization-via-civil-war with the farmers. The cost has been inordinately high. The hatreds and resentments built up in the villages brought the Soviet Union to the brink of disaster during the war when the Ukrainian peasantry first greeted the invading Germans as liberators, and the silent resistance of the peasantry has continued to be a millstone around the country's neck. At the December Plenum of the Central Committee, Khrushchev declared that the official figures on Soviet agriculture had been fabricated, and that despite mechanization and scientific development, production was no better at the end of 1953 than it had been in 1913. Now, the grain target for 1965 is set at 180 million tons, the same target that has been set, but not attained, in two previous plans, and the livestock figures for 1956 are not too much better than those that obtained in 1928, although the population is larger by 50 million. Russian farming has not begun to keep pace with industry.

The contrast with the United States is startling. In this country, a total farm population of 20 million comprising 12 percent of the national population harvested some 330 million acres in the past year and produced about a third more in total output than the Russians did with 88 million people comprising 44 percent of the population and tilling 482 million acres. American farming consumed about 20½ million tons of fertilizer in 1955; Russia produced under 10 million tons that year. American farms had over 4.3 million tractors, not to mention 7 million trucks and automobiles; Russian farms had 669,000 tractors in actual units, and 1,100,000 if figured according to 15 horsepower units.

It would be wrong to jump to the conclusion, as Western newspapermen do, that collectivization *per se* is a proven failure, and that Russia would have done better if it had permitted agriculture to run on free enterprise lines. The question is far more complex. The agricultural heritage taken over by the Communists was very primitive. Czarist Russia—very much an underdeveloped country—with ¼ of its population on the land, suffered from the traditional ailments of rural overpopulation and underemployment, primitive techniques and low productivity. After the revolution broke up the big estates and divided the land, the peasant's land hunger was satisfied, but an equally acute problem arose. Where in prewar Russia, the landowners had marketed one-half of their crop, and the rich peasants one-third of their crop, with over half of the total crop finding its way to the market, in the twenties, the poor and middle peasants produced 85 percent of the crop but marketed only 11 percent of it. Altogether, the cities were receiving less than half of a slightly smaller total crop than in Czarist days. The country was doomed to backwardness and industrialization was to remain a dream unless a way could be found out of the dilemma. As early as 1926, an attempt was made to restrict farm prices and collect heavy taxes. The peasants retaliated by reducing production, hoarding, and consumed what they could not hide or sell. As a consequence state grain collections dropped a third, with the crisis coming to a head in the "bloodless uprising" of 1928 when the peasants attempted to starve the regime into submission.

**S**TALIN'S resolution of the crisis by the mailed fist and the forcible hounding of the peasantry into hastily devised collectives failed as an instrument for raising farm production, but it succeeded in siphoning off the necessary surpluses of capital and manpower for industrialization. The total agricultural yield in 1936-1937 was almost the same as in 1927-1928, but the state collected 42 percent of it where it had collected only 19 percent during the NEP. At the same time, a minimum of 40 million people were drained from the countryside to man the rising industries and urban establishments.

The resistance of the countryside has cut down living standards and slowed the tempo throughout three decades of industrialization. But now Russia has reached an economic stage where the agricultural lag threatens the country's advance all along the line. Russia cannot hope to attain American productive standards until she is able to afford her people somewhat comparable living stan-

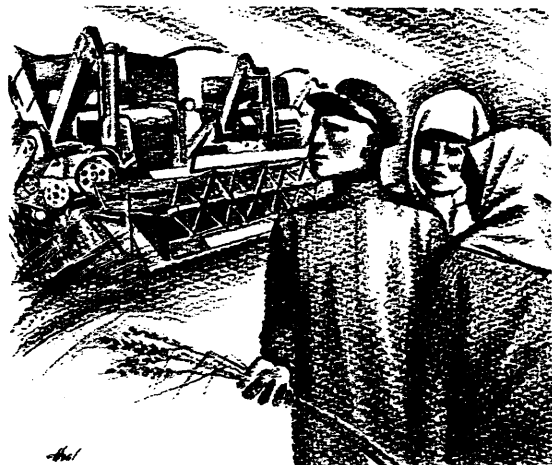


dards. A harmoniously functioning modern economy will need to at least halve the existing agricultural population, and provide the necessary housing, services and amenities to the burgeoning cities as well as the countryside. All this remains unthinkable until farm productivity is trebled and quadrupled and production is expanded by a half to two-thirds.

The new contingents that came to office after Stalin's death have been grappling with the farm crisis that he bequeathed to them. The first Malenkov-Khrushchev team tried to break out of the vicious circle by providing the collectives with better incentives in the way of price increases and lowered taxes, and promises of big deliveries of tractors, trucks, and fertilizer (promises which have not been entirely met). The results were disappointing. Then, Khrushchev decided that bolder measures were called for, and he embarked on his "virgin lands" campaign. Huge state farms were hastily set up in Kazakhstan and Western Siberia, a mass of agricultural machinery was shipped in, and an army of young people recruited in semi-military style. The magnitude of the effort can be gauged from the fact that 89 million acres of long-fallow lands were brought under cultivation. State farm land under crops is now over a quarter of the total agricultural area.

The forced march has produced some startling breakthroughs, and according to Khrushchev, man-hour productivity in the state farms has been twice as high as on the collectives. But whether the gamble will merely meet the critical needs on an emergency basis or pay off as a long-term proposition, remains to be seen. Khrushchev's opponents have maintained that the same expenditures of capital and effort in the older farmlands would have gotten better results. The future of the new state farms is cloudy because of the weather conditions in the region. In the Western provinces of Canada where conditions are similar, cultivation stops at 13 inches of annual precipitation. In Russia, a minimum of 12 inches was accepted. Most of the newly plowed land is located in a zone with only 10 to 12 inches of annual precipitation and where desert winds are strong. That is why the prospects are still uncertain.

**K**HRUSHCHEV is now embarked on a two-pronged attempt to break the crisis. He is going ahead with his virgin lands gamble. At the same time, a new reform



has been put through in the collectives. The Machine and Tractor Stations have been disbanded and their equipment sold on reasonable terms to the collectives. Thus the dual bureaucracy administering agriculture is now abolished and direction centered within one managerial unit. Purchasing arrangements are to be put on a more commercial basis. For the rest, the regime hopes to break the log-jam via the engineering road: electrification of all farms, the dispatch of a million tractors, production of 30 million tons of fertilizer—in the next seven years. With the additional technical apparatus, it is hoped that both the collectives' production and income will rise rapidly and that they will be able to invest heavily in new building, storage facilities, power stations, roads, and irrigation and drainage enterprises. The personal midget farm holdings of the collective farmers continue to take up a considerable amount of their time and labor and make up an important part of their earnings. Naturally, they interfere with and slow down collective production. The regime banks on the income of the collectives rising steeply so that the farmers will consent in time to the abandonment of their individual holdings since they will be in a position to earn more by concentrating on the work of the collectives.

The collective farmers' attitudes and work habits have become so hardened over the decades that probably no single measure or reform can now change the situation overnight. It is equally clear however that Russia is attaining the industrial prowess to feed the collectives what it has been unable to provide in the lean years. The increasing mechanization and scientific organization of farm production, and the accumulation of consumer products, is gradually transforming the collectives into modern enterprises, and as time goes on, state farms will probably contribute a growing proportion of agricultural produce. As a certain invisible point of accumulation is passed, the baleful legacy of the past will be overcome, and farm production will probably plunge forward (as it probably would have done a decade ago had collectivization been pursued less brutally).

Reverting now to the question whether Russia can maintain her high annual growth rates: For thirty years, Russia's big increases of national income were achieved while her agriculture was not keeping pace with her urban economy, and acting as a drag on the whole. There remains, in other words, a latent power thrust that can boost her economy to a new high growth rate once she has licked her farm problem. While her growth will eventually slow down in percentage terms, as the economic base gets larger, Russia has not reached that point as yet, and will not reach it for many years.

It should not be assumed that the race for production records is to go on forever. There is no virtue in a society continuing a breakneck rate of growth once it has an abundance of goods for all. In the Good Society, we may very well decide to use much of our energies for cultural pursuits. But we are still a long way from that—under Khrushchev Socialism or the American "Affluent Society."

*[Part 2 of this article, dealing with China, will be published in our next issue.]*

Seen from the inside, bureaucracy in the Soviet block is widespread, irrational, and very deeply rooted.

# A Bureau in Hungary

by Dora Scarlett

The author of this article worked for four years for the Foreign Language Department of Radio Budapest. She was assigned to this work by the British Communist Party, but instructed to preserve complete secrecy—among British and Hungarian non-Party acquaintances—as to the nature of her work. By taking examples from the daily life and routines of one of the great bureaus in the “New Democracies” she gives a “worm’s eye view” of life under the Rakosi regime—and draws some conclusions about the character of Communist bureaucracy. In the autumn of 1956 she associated herself with the Revolutionary Council which was formed on Budapest Radio, but (she writes) “I have been careful not to mention any other persons who were there under the same conditions as myself. They—and they include many different nationalities—have taken their own decisions.”

Miss Scarlett has just published a book on the Hungarian uprising of 1956. The present article was first published in the *New Reasoner*, British socialist quarterly.

**B**EFORE the war those two admirable Soviet satirists, Ilf and Petrov, wrote a book about the U.S.A., *Little Golden America*, and one about the Soviet Union, *Little Golden Calf*. When I mentioned Ilf and Petrov—and, of course, it was usually to Communists or Communist sympathizers—I found that many people associated their names with *Little Golden America*, and had read that book with delight, but when I spoke of *Little Golden Calf* they thought I was confusing the titles, and in fact showed that they had not heard of it.

*Little Golden Calf* is a very funny book, one of the last Soviet satires of the early period, the Zoshchenko period, before Stalin’s solemn and grandiose myth-making suppressed all fresh and individual voices. The book has a moral—two unprincipled rogues contrive to live and amass money in Soviet society, aided by the inefficiency and bureaucracy around them, but in the end they find there is no place for them in the new order, and retribution overtakes them while they are trying to leave the country.

When I read this book for the first time, in the thirties, I thought the authors had fantastically overdrawn a situation—which nevertheless must have a basis in fact—in order to indulge their sense of fun and point a moral. Then I came across it again, in 1955, in Hungary. Someone who

had a private collection of English books from earlier years had retained it. I was immediately struck by it in quite a different way. Tiny details, about shops, restaurants, public notices, to which I had paid little attention before, now seemed absolutely authentic, and therefore significant. The *tone* of life was the same in Hungary. There was the important man who was never in his office; in Ilf and Petrov’s description he was waylaid by all kinds of people before he could reach his desk; he held earnest conferences on corners of the staircase; he was called away to a meeting, and he could not attend one meeting because he was called away to another; you could pursue him from room to room, he had just been there, his breath was still on the telephone, but he was gone. And, I noticed, no message was ever left with a subordinate; no one but the great man could deal with the matter. How true! Did I not spend half my time hunting for the same man, or warding off collision with others who were on his trail?

Fitzroy Maclean, in *Eastern Approaches*, describes how he took a fancy to cross the Caspian Sea to a small and quite unremarkable place. The organization which was supposed to look after the needs of foreign travelers put insuperable obstacles in his way; the boats were not sailing; they were always full; in any case, the place was not worth seeing. Finally, after days of this, Maclean found that all he had to do was to go up to a little window and pay a few roubles for a ticket.

**I**N Budapest I learned that bureaucracy may be quite unyielding to frontal attack, but there is usually a way round it—and a quite open and respectable way, not an illicit one. I struggled for weeks to obtain some statistical information from the relevant Ministries, making official requests from the Radio. I was fobbed off with excuses; the Minister was away, and his permission could therefore not be obtained; the person who took my original message a few weeks ago had left, and I must begin all over again; a mass of material was sent to me, which proved to be quite beside the point. Then I suddenly found that I could obtain a lot of useful information simply by buying the *Statistical Review* (in Hungarian) from a newsstand in the street.

Another example was that of pen-friends. The Radio received many requests for Hungarian correspondents; we were not allowed to put people in touch, although we could not tell listeners this, but had to put them off with some excuse. It was impossible to do this without telling lies, and I objected. In many bitter and protracted arguments I was made to feel that I was deficient in political understanding; I was irresponsible, lacking in vigilance; once we had put people in touch we could not supervise them and who could know what they would write, and how many politically immature Hungarians would be led astray by specious arguments from the West? My political group leader told me roundly that *she* would tell a lie without hesitation at any time if it was for the good of the Party, and it was because I had too many bourgeois ideas that I would not do the same.

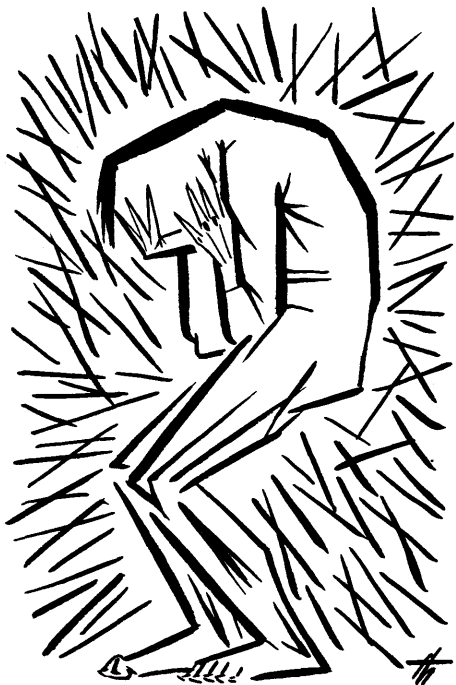
Then I discovered that the Hungarian Stamp Collectors’ Association had been putting correspondents in touch quite openly for years, and printing names and addresses

in their journal. All I had to do was to tell enquirers to write to the Association.

I could go on for many pages describing ways in which the Party-governed bureaucracy of Budapest is similar to that of East Berlin, Prague, or Warsaw. I have compared notes with people who have lived and worked in other capitals of Eastern Europe, and found the same habits of thought, modes of expression, and ways of dealing with situations. This applies to countries with very different histories, national traditions, and levels of industrialization; the same kind of miasma spreads over them all.

**W**HEN I first went to Hungary and came up against the agonizing frustrations which seemed inseparable from daily life and work, I was told by a number of people in positions of political responsibility, and especially by the deputy leader of our Department (an old Communist, but a woman who had kept a very human and sympathetic heart), that one must have great patience. These people, she said, have had twenty-five years of fascism; Hungary was a backward country, and not used to western business methods; many people in important jobs are drawn from the working class and have not had a very high education. Give us time, and we shall learn.

I accepted this explanation at first, but I soon found that there was something wrong with it. It is not difficult, in Hungary, to find remnants of the old regime; chauvinism, bombast, or, on a more practical plane, the time-honored custom of using the concierges of blocks of flats as spies on the inhabitants. But in every difficulty which obstructed democracy, flexibility in working, and the delegation of responsibility, in the Party unit, the trade union, and the Radio administration, it was in fact the tried and tested Party members, the fighters against fascism—many of whom had not been in Hungary but in the Soviet Union before 1945—who constituted the rock upon which one's best efforts foundered.



This was the case with meetings. The important personage described by Ilf and Petrov was closeted in meetings almost continually. With us, smaller fry, it was less continuous, but sufficient to hinder normal working and to make everyone tired, careless, and dispirited. Meetings within the Radio were called by the Party, the trade union or the department (in our case the foreign language section). They would start at eight A.M. and go on till twelve-thirty or one. Generally, they seemed to have no special character, but to be all alike. Either there was no agenda or we received it at the last moment; minutes were taken, but only for the information of the Party center and the top leadership of the Radio; they were never read or discussed at subsequent meetings, and decisions taken were never checked, and seldom carried out.

**I** PUT forward the suggestion—in the proper quarter, our Party group—that it would be better if time was limited and the carrying out of decisions verified. To do the latter it would be necessary to read and pass minutes. I was told that “we don’t want to copy bourgeois methods.” I replied that it was a method which the British trade unions, and all working-class organizations found essential to proper functioning. After many attempts I got a promise that my suggestion would be put to the Party, but I heard no more about it. At length I resigned myself to the fact that “the purpose of holding a meeting is to hold a meeting”—it need not achieve anything, in fact, it had better not achieve much, but the exhausted participants, when they rush off to have some coffee, or take up their neglected work, can feel they have fulfilled their duty, and banish the matter from their minds. All decisions which really mattered came from the Party center, or from private meetings of the Radio leadership, and no time was wasted in discussing them.

But on October 30, 1956, a Revolutionary Council was formed in the Radio. It did not discuss “how to improve our work in the light of the new directives of the Party,” but the gravest issues involving in some cases personal risk and heavy responsibility. It was a battle-ground, because feeling ran very high about the past conduct of some members of the staff who had been active, not nominal, Communists, and the Council had to decide both its general principles and its attitude to individuals. But from its very inception the Revolutionary Council kept minutes and read them meticulously; it kept to its agenda, took its decisions democratically, and got through more business in one hour than our previous long-drawn meetings had done in a year.

In a country where many people still fetch their water from wells, and the Post Office vans are drawn by horses, one does not expect streamlined office furniture, the most efficient filing systems, or up-to-the-minute business methods. But one soon finds out that the real obstacles to doing good work are not the result of any shortcomings in these respects, but arise from a personal attitude which runs through the whole of society. That attitude is fear.

**T**HE Hungarian Party is afraid of the masses, because it came to power without the support of the majority, and it has not been able to win them since, but has lost

the support it had. This is linked with the frantic fear of the cold war and outside interference. The other aspect of fear is the individual's fear of censure, of losing a job and with it the possibility of getting any other worth-while job, not to mention further consequences. This fear is all-pervading because it is quite impossible to say what the future line will be; what conduct which is permissible now will become impermissible later; what persons now in favor will be discarded. So the only safe course is to *do* as little as possible; not to give information rather than to give it, not to meddle in other people's jobs, and not to grant requests except on direct orders from the highest quarters. When the woman in the Ministry of Transport goes on holiday without arranging that your request for information about traffic problems in Budapest shall be dealt with in her absence; or when she cannot find the Minister to get his approval of the information, it is not because she is inefficient, but because she knows that she must not give you what you ask for. She cannot say so, because there is a pretence that the Radio may give information freely in response to listener's questions, and that the Ministries are willing to help. She just hopes you will get tired. And she does not care in the least if you find the information somewhere else, as long as she has not the responsibility of having given it to you. The people who oppose your attempts to give listeners pen-friends do not care if the Stamp Collectors' Association is putting correspondents in touch all the time; their concern is that *they* shall not be the ones who have taken a step which might lead to trouble. This explains the curious fact that there is generally a way to get round this kind of bureaucracy; no one has a thought to spare for the overall working of the system, but each puts on blinkers, and looks only at the ground in front of him. And that is why the constant pep-talks, meetings of Party "activists," and lectures on initiative and improvement of work have such negligible effect.

**T**HE question which raised some of the sharpest dilemmas was that of Yugoslavia. There was in our Radio programs a feature of long standing entitled "Where the People Are in Power," and dealing in turn with aspects of life in the Soviet Union, the "People's Democracies" of Eastern Europe, and China. In May 1955, Bulganin and Khrushchev paid their visit to Belgrade, and assured "Comrade Tito" that the charges against him made in 1948 had been found to be based on a forgery. Unfortunately, they omitted to say whether Yugoslavia could now be regarded as a country building socialism.

Immediately, the stream of anti-Yugoslav spite and vilification, which the Hungarian press had been pouring out since 1948, stopped, as at the turning off of a tap. But the great question remained; if Yugoslavia was not a lackey of imperialism, a springboard for war against the Soviet Union, what kind of a country was it; was it returning to capitalism or progressing to socialism? No one, not even the lecturer sent specially to us from Party headquarters, could answer that one.

Our Party group leader suggested that we should change the title of "Where the People Are in Power" to something like "Round the World," and broaden the scope of the feature. The American section, which was more amen-

able to suggestion than we were, did this, and began to include talks on such countries as India and Indonesia. The feature—never a satisfactory one—now seemed to be going to take on the appearance of the innocuous and naive "Travel Notes" which had begun to appear in the Soviet *New Times*. (This was the period of "peaceful co-existence.") Our group leader—herself a great careerist—finally explained to me what was at the back of all the pother, and in so doing threw much light on her own mind. We could not yet dare to speak about Yugoslavia in a feature entitled "Where the People Are in Power," but if we kept the title and did *not* include Yugoslavia we might find, at some future date, that we *ought* to have done so.



We would have made a political mistake. But if we changed to a politically noncommittal title we could then make use of some of the articles appearing in the Party daily, *Szabed Nép*, under such titles as "A Hungarian Journalist's Impressions of Yugoslavia," or we could omit all mention of Yugoslavia, without in either case putting ourselves politically in the wrong.

**A**LWAYS to guard against all possible errors and omissions is a considerable strain. Among the articles which made the *Literary Gazette* famous during 1956 is one which was very popular; it was entitled "At the Same Time," and satirized that Party control of journalism which condemned any attempt to deal with one aspect or detail of a subject without presenting a picture of the whole, for fear of being considered politically unbalanced or "under-developed." Above all, one must bring out the *positive* aspects. So, says the author of "At the Same Time," "there is a lack of reference to the bright side in Balzac's *Père Goriot*, though it must be obvious that all the daughters of France of his age did not sponge on their fathers with wanton selfishness. Equally condemnable is Shakespeare's omission, in *Hamlet*, to spotlight the favorable aspects of life and conditions in Denmark. . . . How blatantly one-sided and objectionable a piece of writing is Zola's leader on the Dreyfus affair, which is unaccountably considered of lasting merit! . . . All he wanted was to fight for one solitary cause, and though ultimate victory was partly due to his writings, the articles at issue are none the less to be deprecated as they are full of negative evidence."

One result of the "at the same time" attitude is to prevent any really vigorous, concentrated and dramatically

pointed writing. When so many matters have to be taken into consideration, one's concluding sentences seem to straggle like a river through a sandy delta. Another result is the evolution of the safe formula for a speech, which is used so often that all speeches seem alike. First, the positive assessment: "During the last ten years we have achieved . . . this and that." Then the big "but" (this came into use most fully when, after the death of Stalin, the Party began to admit more and more "shortcomings"). "We have still not done . . . this or that." You cannot indulge in criticism without praise of the Party, or else your speech is "negative." You cannot indulge in criticism without self-criticism, even if you have to rake up a self-criticism which is quite foreign to the points you want to make. Then you must show the way forward, and express confidence that the Party will overcome all its mistakes—otherwise, again, you are "negative." Even the condemnation of Imre Nagy in 1955 followed this pattern.

Fear brings about endless secrecy and mystification by the Party, until it seems that every cupboard has a skeleton in it. I will give one example out of the dozens of things or people that must not be mentioned. At the Party Congress of 1951, among those elected to the Central Committee were János Kádár and Sándor Zöld. These two were arrested soon after, and disappeared from view till 1956. The copy I have of the Report of that Congress includes these two names in the new Central Committee, but they have been blotted out with green ink. This was done to all copies before distribution. The names can still, however, be read on a close scrutiny. This reminds me of the procedure described in George Orwell's *1984*, in which a past speech which was found inconvenient would be blotted out of existence by recalling all copies of the papers in which it was printed and reprinting them with a different speech. Hungary had not the technical means to do this, but everyone knew that they must pretend that Kádár and Zöld had never been elected, and indeed must not refer to them.

**P**EOPLE have to come to terms with the system if they are to live at all. When discussing with people over here just what value to attach to personal statements or official declarations coming from Eastern Europe I find a difficulty in explaining whether people are "sincere" or "insincere." In some contexts the words are meaningless; it is like asking whether a fish is "sincere" in taking in and out through its gills the particular water in the aquarium; there is no other water to be had.

To begin with, everyone knows what expressions may be used in polite society. It is difficult to say how the knowledge is acquired, but it is exact. Foreign delegates are sometimes impressed by hearing hard-hitting criticism made perhaps, by trade unions—criticism of inefficient management, bad workmanship, and non-fulfilment of the Plan. Of course! The trade unions are government agencies for increasing production. But it was a very brave venture, even well into 1956, when the tide of revolt was rising fast, to speak about the privileged shops for high Party officials, or the Party cars with drawn curtains.

Often, people are doing their best in very limiting conditions. For example, there is a partial "thaw," like

that of 1953, and the Party allows more criticism. Then the time comes when the Party wants to halt or reverse the process. Some Party spokesman will write an article in the press—Josef Darvas wrote one like this, calling the tendency he criticized "over-bidding." Then people will be told that this is an interesting article; they should read it and say what they think of it at the next meeting, which will be called for the express purpose of this discussion.

It is not only dangerous, but quite useless to oppose the article. The whole thing reflects a decision which has been taken from above. But by making a formal speech admitting that the article is justified, it is possible to say "but, all the same. . . ." and defend one tiny inch of ground for the old tendency. This finely adjusted mechanism broke down in the summer of 1956 because the mass movement reached such proportions that the Party was on the defensive, and therefore people knew that there could be some result from frank speech and thorough-going opposition. It was then that people stood up and said Rákosi was a murderer; but they had known it for a long time.

**I**T must always be remembered that it is impossible to resign from the Party (that would stamp one at once as an enemy) or even to refuse or to give up any Party assignment. It is not impossible, but it is very difficult, to remain aside from public demonstrations and work competitions. "Socialist" competitions in industry have led to an enormous amount of bad work; in the Radio they always seemed to me meaningless, because there was no standard of judgment applicable to programs in different languages, directed to different countries. But it was heresy to say so; there must be "friendly competition" in socialism, and my lack of enthusiasm branded me as "bourgeois" without doing anyone any good. In the same spirit people allow themselves to be elected to a Parliament which they know does not govern, and trade unions which are responsible to the Party and not to the workers.

Of course, the real business of governing the country, and the inner government of the Party, has nothing to do with all this. It is done, quite simply, by decree, and in all important, and many unimportant, matters, by decree from Moscow. (The decision that radio programs should not mark Stalin's birthday in 1955 came from Moscow; they knew he was going to be denounced, and we did not.) But there is a kind of false web which spreads over the whole of daily life and is inescapable. It is more than bureaucracy but its roots are the same as those of bureaucracy. A few days after Kádár came to power, carried by Russian tanks, he issued a proclamation which was pasted up all over Budapest. It had sixteen or so points—I forget the exact number—one of which was a promise to "abolish bureaucracy." An article by the East German economist, Kuczynski, has a passage in which bureaucracy in a socialist society is described as an "afterbirth" which will quickly disappear. Both statements are ridiculous. What I have called "bureaucracy," in its widest sense, is in the very marrow of the bones of these societies, and I have never seen a successful attempt to deal with it except the revolutionary actions of 1956.

I contend that the source of the distortions we have

witnessed is not the difficulties which had to be met, in themselves, but in the way they were met—by the one, infallible Party which identifies its continuation in power with the hope of mankind, and so can never resign, be electorally defeated, or learn from any other party without betraying its principles. All of the excuses for purges, trials, and executions, and for the Soviet intervention in Hungary, on the grounds of defending “the dictatorship of the proletariat” are valueless, because when you have done these things you no longer have the kind of society you thought you were defending (if you ever had it). You may have more heavy industry, but you do not have a socialist society.

**A**NOTHER aspect of the “one, infallible Party” is this: I think any socialist would agree, in principle, that in building the new society those people should be promoted to responsible positions who are politically reliable, that is, who have the success of the new society at heart. This evokes a vision of honest workers taking over the leadership of factories, Ministries and public services, and promoting subordinates solely according to reliability and good work. But the actual result has been a monstrous fabric of syring by fellow-workers into people’s private lives and behavior, and the subjection of technically competent workers and good craftsmen to control by ignoramuses, who happened to have the talent for distinguishing themselves at Party education classes, because they could remember texts. The economy is linked to ideology and not to efficient working; Party secretaries have more power over the lives of workers than the old-time capitalist had over his factory hands. A very big premium is put on hypocrisy at all levels of the organization.

Although this system inevitably becomes the vehicle for favoritism, personal vendettas, and the denunciation of inconvenient rivals, even its “legitimate” working, without any abuse, is sufficient to have a disastrous effect on the working of the economy, and the condition of the human individual. Really high technical achievements (like the launching of sputniks) may seem to contradict this. But I am sure that the personnel and material means for such

**I** CONSTRUCTED four miniature houses of worship—a Mohammedan mosque, a Hindu temple, a Jewish synagogue, a Christian cathedral—and placed them in a row. I then marked fifteen ants with red paint and turned them loose. They made several trips to and fro, glancing in at the places of worship, but not entering. I then turned loose fifteen more painted blue; they acted just as the red ones had done. I now gilded fifteen and turned them loose. No change in result; the 45 traveled back and forth in a hurry, persistently and continuously visiting each fane, but never entering. This satisfied me that these ants were without religious prejudices—just what I wished; for under no other conditions would my next and greater experiment be valuable.

I now placed a small square of white paper within the door of each fane; and upon the mosque paper I put a pinch of putty, upon the temple paper a dab of tar, upon the synagogue paper a trifle of turpentine, and upon the cathedral paper a small cube of sugar. First I liberated the red ants. They examined and rejected the putty, the tar and the turpentine, and then took to the sugar with zeal and apparent sincere conviction. I next liberated the blue ants, and they did exactly as the red ones had

undertakings must be lifted right out of the morass of “socialist emulation,” work pledges, ideological directives and interference by “activists.” It is in the general mass of industry that the sorry tale of unfulfilled plans, unsalable goods, and wasted effort goes on.

The Party’s irresponsible power is backed up by its ownership of all the means of production and all the channels of publicity. It is not enough to say that workers’ rights must be guaranteed by the constitution; the Hungarian constitution contains all that one could wish for. But any working-class organization, any parliamentary assembly, can be easily and thoroughly emptied of all content by a Party in sole and uncontested power.

Yet, can any party not willing to assume sole power be strong enough not only to carry through a revolution, but to survive the strains that would follow it? These are the things socialists ought to be thinking about. Until we wrestle with these problems we are talking in the air.

## G. D. H. COLE

**T**HE socialist movement has sustained a deep loss with the death of G.D.H. Cole. For forty years, a steady stream of books and articles that enriched the thought of the Left poured from his pen. In the recent decade, he stood out as one of the diminishing stalwart band who refused to bend the knee to either Stalin or the Western nationalistic brands of socialism.

Cole was the main founder of what is known as Guild Socialism. Originating as a revolt against the State Socialism of the Webbs and their fellow Fabians, it stressed “workers’ control,” decentralization of decision-making, and the organization of people in accordance with their work-function in society. In the early twenties, Cole’s ideas were taken up strongly by the left wingers in the British unions and the Labor Party, but after the smashup of the General Strike of 1926—which he considered betrayed by the labor leaders—the program of workers’ control lost immediate political appeal.

Cole was associated with the *New Statesman* in England since its foundation. He contributed several articles to the *American Socialist*.

done. The gilded ants followed. The preceding results were precisely repeated. This seemed to prove that ants destitute of religious prejudice will always prefer Christianity to any other creed.

However, to make sure, I removed the ants and put putty in the cathedral and sugar in the mosque. I now liberated the ants in a body, and they rushed tumultuously to the cathedral. I was very much touched and gratified, and went back in the room to write down the event; but when I came back the ants had all apostatized and had gone over to the Mohammedan communion.

I saw that I had been too hasty in my conclusions, and naturally felt rebuked and humbled. With diminished confidence I went on with the test to the finish. I placed the sugar first in one house of worship, then in another, till I had tried them all. With this result: whatever Church I put the sugar in, that was the one the ants straightway joined. This was true beyond a shadow of doubt, that in religious matters the ant is the opposite of man, for man cares for but one thing; to find the only true Church; whereas the ant hunts for the one with the sugar in it.

—Mark Twain  
On the True Church



# The Progressives and the House of Morgan

by Harry Braverman

*HISTORY OF THE PROGRESSIVE PARTY 1912-1916* by Amos R. E. Pinchot. Edited with a biographical introduction by Helene Maxwell Hooker, New York University Press, New York, 1953, \$7.50.

WE take it as an article of faith that American politics is a serious business, involving great matters of economic welfare or brigandry, war and peace, the climate of life for millions. But that faith often gets sorely tired. Bizarre episodes keep cropping up that fit in better with the faith of a Barnum or Mencken.

The astounding inside story of Theodore Roosevelt's Bull Moose party is no secret. It wasn't even a secret at the time. Roosevelt's opponents in the campaign of 1912 charged that he was in cahoots with, if not under the thumb of, the Steel Trust and the House of Morgan. All of his lieutenants and prominent backers, including the most radical, knew the factual truths behind this charge. The short and unhappy life of the Progressive Party was publicly blighted by this shame when Amos Pinchot brought the issue out into the open in 1914 and made newspaper headlines from coast to coast for a couple of weeks.

Today, much of it is in the records, well documented. Claude Bowers told about it briefly in his biography of Senator Beveridge. You can read former Bull Mooser Harold L. Ickes' account, called "Who Killed the Progressive Party?," in the *American Historical Review* of 1941. A few years before that, Ferdinand Lundberg gave some of the jucier financial details in *America's Sixty Families*. The more re-

cent scholarship of our ablest historian of the progressive era, George Mowry (*Theodore Roosevelt and the Progressive Movement*, 1946) has made available more of the picture. Richard Hofstadter tells the story in *The American Political Tradition*, and it has even found its way into a number of standard texts, although Charles A. Beard and other progressive-influenced historians were strangely negligent about reporting the episode.

Yet, with all this documentation, the cold facts are hard to digest. Is it possible that the Progressive Party, a crusade against the "malefactors of great wealth," whose platform incorporated almost every reform plank of the radical middle class and denounced the old parties as "tools of corrupt interests"—is it possible that this party was backed, financed, and largely controlled by men from the biggest trusts in the country? The idea is so intriguing and sensational that no brief account, such as is found in the above sources, can do it justice. Somebody, preferably with a comic talent, ought to do a full job on it, for with all its bizarre aspects, this episode tells more about American politics as she is played than a thousand learned monographs written on purely formal lines. Amos Pinchot's bitter little book goes a long way to filling the bill. It lacks the ingredient of humorous detachment, but it does have the intensity that comes from living for twenty years with the knowledge that the major effort of one's lifetime was little better than a farce and a confidence game.

Amos Pinchot was a type of middle class reformer quite common in the progressive era. Well fixed from birth,

he had not only time but a considerable fortune to devote to liberal politics, labor uplift, occasional dabblings in radicalism. Together with his more famous brother Gifford, he was one of the founders and public luminaries of the Progressive Party. Theodore Roosevelt was later to call him a prime example of the "lunatic fringe," but by position, family, education, and wealth, he rubbed or touched elbows with most of the rich and powerful of his day, and was never far from the center of any enterprise he chose to take up. Unlike his brother, he broke publicly with Roosevelt on the trust issue, and devoted many of the remaining years of his life to a book, which was never completed, called *Big Business in America*. The Library of Congress contains 23 binders of his materials on the interrelations of concentrated wealth and American politics from 1896 to 1932. How good a book it would have been is problematical, as it drew chiefly on secondary sources, and according to the editor of this published volume, stimulates one's interest only occasionally, when details are drawn from personal experience. The *History of the Progressive Party* grew out of this endeavor, and depends upon it for its major thesis. This latter book, Pinchot was certainly in a position to write, both from recollection and from the eight boxes of correspondence which he had in his files and the diaries and records he had kept during the events. While the book was not completed, Miss Hooker has done a splendid editorial job that makes almost everything quite clear, and has supplied as well a lengthy biographical introduction about Pinchot.

POWERFUL social currents led to the formation of the short-lived Progressive Party. Populism and the Bryan campaign at the end of the last century showed how stirred up the people were over the growth of the trusts, the enrichment of Wall Street bankers at popular expense, the railroad octopus, miserable labor conditions in the factories and mortgage-market-transport conditions on the farms. Despite the failure of Populism and the fading promise of Bryan, many people were ready to give it another try. The amazing growth of the Socialist vote, which doubled in 1912 and,

at almost 900,000, gave Debs a startling six percent of the ballots, was, as many historians have pointed out, perhaps the most significant symptom of all.

Even in the upper middle class and among the genteel aristocracy of wealth and position, resentment against the trusts had become widespread and bitter. It wasn't only that the new industrial and financial monopolies looked as though they weren't going to leave anything for anyone else; it was also the turn that America was taking in an oligopolistic direction which stirred up many respected citizens of wealth and position—idealistic, and resentful of the crudities and limitless appetites of the new tycoons.

Occupying the White House from 1908 to 1912 was William Howard Taft, an amiable conservative from the Midwestern oligarchy of wealth. Roosevelt had chosen him as his successor with the grandiloquent promise that he would continue the policies of the Roosevelt administration and broke with him later, charging he had failed to do so. But Taft was notably more aggressive than Roosevelt in the anti-trust field. Under the mounting popular pressure he brought many more suits, and even indicted the U. S. Steel Corporation, an action which, as we shall see, was large with political consequences. But despite these few sensational gestures, it was impossible for any conservative Republican administration to satisfy the growing clamor. Indeed, as Senator La Follette was to remark, Taft's conservative directness in contrast with Roosevelt's "devious" course, inspired a far more rapid swelling of progressivism during the former's administration.

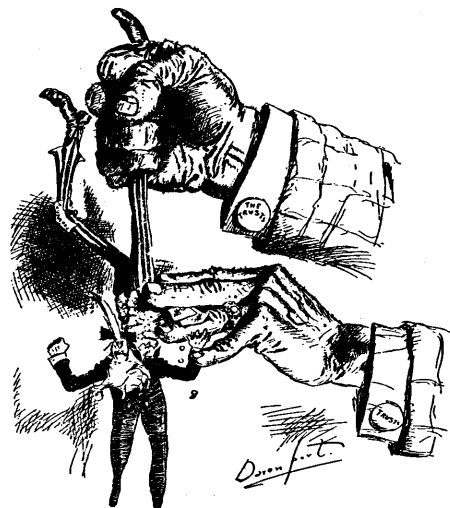
In Congress, La Follette put together a strong bloc of Republican insurgents from the farming Midwest and West, including George W. Norris of Nebraska, William E. Borah of Idaho, Albert B. Cummins of Iowa, and Albert J. Beveridge of Indiana. A series of battles on the tariff, conservation (in the course of which Taft fired Gifford Pinchot from his place as Chief of the Forestry Bureau), and income tax culminated in a successful attack by a progressive Republican-Democratic coalition in the House on the powers of Republican Speaker Joseph Cannon. The elections of 1910

revealed a powerful progressive trend in many states, with victories both by Democrats and insurgent Republicans over the old reactionary and corporate-dominated machines. Early in January 1911, the National Republican Progressive League was formed by the insurgent Republicans in Congress and a group of western governors, initiated organized opposition to Taft's renomination, and launched the campaign for La Follette. The Progressive Party was well on the way to being born.

**O**F La Follette's great talents, devotion to principles, and accomplishments it is unnecessary to speak here. He was also a man of considerable political acumen and strong will, who realized that he might be used as a stalking horse for another candidate. Theodore Roosevelt had just returned to this country from an African safari, broken with Taft, made a series of thumping radical orations, and was giving all the signs of a man with renewed Presidential ambitions. La Follette held back from entering the race for the Republican nomination until he had received ironclad personal guarantees from a number of backers that he would not be used to build up anti-Taft strength and then dumped for Roosevelt. He made it perfectly and repeatedly clear that he would stay in the race to the finish if he accepted the invitation to run. He did everything he possibly could to settle the Progressive fortunes definitively on his own shoulders, but he could not guard against that malignant get-rich-quick canker in the middle class reform political character which holds, against all reason and experience, that it is better to have a candidate and orientation that you don't want, providing he gives you the illusion that you can win, than to have one that you do want if he can't bring you the millenium within the next six months.

Some of Roosevelt's speeches, when he first came back to the United States and started playing for the nomination, were indeed remarkable for their radicalism, particularly the one at Ossawatimie, where he launched barbs against unearned income, threatened graduated inheritance taxes on big incomes, and endorsed Lincoln's aphorism to the effect that labor is superior to capital and deserves the higher con-

sideration. But the speeches should have impressed the progressives far less than they did, particularly Gifford Pinchot and his brother, as they knew that Gifford himself had re-written them from innocuous and platitudinous addresses and pressed them on an unwilling Colonel; and all the more so as they could note that whenever Roosevelt got out of their immediate grip and sounded off on his own, he fell back into staunch conservatism, endorsing the Payne-Aldrich tariff bill at Saratoga, backing Warren G. Harding for the Senate in Ohio, and showing his antagonism to the Sherman anti-trust law.



"A National Holdup," a cartoon drawn by Homer C. Davenport around the turn of the century showing the trusts emptying a helpless Uncle Sam's pockets, illustrates the prevalent view of the giant combinations.

La Follette and others, meanwhile, were warning that if Roosevelt were to be the candidate, the progressive movement would come to nothing. But neither warnings nor safeguards were any use; increasingly, the anti-Taft insurgents deserted La Follette to Roosevelt as the Rough Rider made his candidacy ever clearer. The final break came when La Follette faltered physically, making a mess of a speech in Philadelphia. Aides who were already three-quarters committed to Roosevelt at once issued statements withdrawing from the race for La Follette, which he later repudiated, conferences were held about the possibility of sending La Follette for a journey "up the Nile" to put him on his feet again, and it

was not long before the real founder of the progressive movement was out of the way of the Roosevelt bandwagon. Of course, there were some casualties, as Louis Brandeis, George Record (both of whom were to play a big role in Woodrow Wilson's entourage), La Follette himself, and numerous others refused to accept the substitution and went over to the Democrats' New Freedom or sat out the campaign.

NO sooner had the Pinchots and the other leading progressives jumped into Colonel Roosevelt's bed than they found there some of the strangest fellows. Roosevelt's long-time conservative associations were well known, and it had been easy to overlook the steady stream of old-line Republican and financial-aristocracy visitors to Oyster Bay throughout the entire period. It had been easy too, in the euphoria of the moment, to wave away La Follette's desperate last-minute plea to Amos Pinchot: "He said that he considered Roosevelt a more or less unconscious instrument of Morgan and the Steel Trust, and that he believed Gifford and I would someday discover he had for years been tied hand and foot by Gary, Perkins, and the other Steel Trust people." But it was quite another thing to find accredited representatives of the Steel and Harvester trusts and the House of Morgan as co-leaders of the progressive crusade, and indeed as controllers of all its practical affairs.

The two men most prominently involved were, in Amos Pinchot's words, "with the exception of Morgan the elder, John D. Rockefeller, Sr., and Judge Gary, the most conspicuous figures of America's moneyed oligarchy." George W. Perkins, one of them, was a partner of J. P. Morgan, vice president of the New York Life Insurance Co., organizer of the giant Harvester Trust, chairman of the finance committee of U. S. Steel and the alter ego of Judge Gary, head of that corporation. Altogether, his references for the job of heading an anti-trust and anti-oligarchy party are too numerous to mention here. The other, Frank Munsey, was George Perkins' close friend and personal aide in the newspaper and magazine field. Often referred to as the Steel Trust's unofficial ambassador, he was not so unofficial, being the largest shareholder in U. S. Steel, with

shares valued between \$30 and \$50 million. Together with Perkins, Munsey administered the so-called "Yellow Dog" fund maintained in common by a group of insurance companies for the purpose of subverting legislatures and buying favorable legislation. *Munsey's Magazine*, with a large national circulation, made a special point of publishing idolatrous articles about the Steel and Harvester trusts and other Morgan enterprises, articles which Munsey often wrote himself with false figures supplied by the corporations. What these two men, inseparable in the Roosevelt candidacy, had to do with the whole affair is summarized in a couple of sentences quoted by Lundberg in *America's Sixty Families*:

*George Perkins and Frank Munsey influenced the politics of this country in 1912 more than any other men with whose activities at the time I am familiar," says Henry L. Stoddard, former publisher of the New York Evening Mail (secretly financed by Perkins). "There certainly would have been no national Progressive Party but for those two men; there probably would not have been a Roosevelt candidacy for nomination in the convention against Taft but for them.*

The Pinchots and their associates may perhaps be forgiven for failing to realize that it was not their impassioned urgings, but the far more persuasive efforts of Munsey, Perkins, and perhaps even Judge Gary himself that brought Roosevelt around to the idea of elbowing La Follette out of the way and contesting the Republican nomination with Taft. But they were soon to see with their own eyes. The funds were supplied by Munsey and Perkins. Perkins himself set up the anti-Taft headquarters and took control of all its workings and organizational decisions. In the Colonel's suite at the Congress Hotel (which he shared with Perkins), Pinchot saw how Perkins and Munsey conferred in whispers after the nomination was stolen for Taft by a good deal of delegate rigging, while the rest of the room looked on, and then, coming to a decision, went up to Roosevelt, each placing a hand on one of his shoulders, one of them saying: "Colonel, we will see you through." "At that

precise moment," Pinchot remarks, "the Progressive Party came into being. . . ." Still, Pinchot and the others refused to draw any of the indicated conclusions. He explains the reasoning:

*Looking back, it seems impossible that we should not have foreseen the futility of trying to found a popular party with money given by men of the point of view and associations of Perkins and Munsey. But it must be remembered that at the time we knew nothing of Gary's nearness to Roosevelt or of the steps taken by the Morgan group to safeguard the differential of the Steel Corporation. The Tarbell biography [of Judge Gary] had not been written; the disclosures of the Stanley Committee were as yet undigested. We were riding on a wave of partisan enthusiasm. In the eyes of the more radical members of the progressive group, Roosevelt had so thoroughly burned his bridges by his Ossawatimie and Columbus speeches that it seemed unlikely that anything could dislodge the new party from a radical position, a belief that was reinforced by the fact that the necessity of framing a clear issue with Taft would keep forcing Roosevelt to the left. Some of us, of course, foresaw that the fact that the new party was to be financed by Munsey and Perkins would open it to a charge of feeding on tainted money. This especially worried Beveridge of Indiana who, though a friend of Perkins', said to me at this time, "Perkins, Munsey, and Littauer are too much in evidence. If we are not careful we'll be labeled as a Wall Street promotion." But for the most part, the progressive leaders believed that Roosevelt would either bend the angels of the party to its liberal purposes or, failing that, at length separate them from the organization.*

As things turned out, it was not Perkins, but Pinchot who was "separated from the organization." Perkins took complete and open control from the beginning, as chairman of the Executive Committee authorized all expenditures, chose and routed speakers, ignored the National Committee, and, with Munsey, controlled the principal

Party organs of publicity. The brazen ideological use he made of this control, we will soon describe. Before going any further, however, it is important to try to figure out what motivated Perkins and Munsey in this bewildering display of political virtuosity.

**H**ERE we enter a realm which, by its very nature, is shrouded in mystery. It is too much to expect that any of the major figures in this twisted oligarchic intrigue would have left behind an unambiguous statement of motives. Back in 1933, when Pinchot completed his work on this book, he tried to reconstruct the intentions of the Morgan coterie by inference from a number of known clues. His thesis seems to me to be eminently justified, although it may be filled out with a number of additional facts from other sources.

During his tenure as President, Theodore Roosevelt had been sold on an attitude towards the trusts which originated with J. P. Morgan, Judge Gary, and George W. Perkins. He repeated innumerable times in speeches, messages to Congress, and private correspondence, in words that are little more than a paraphrase of Perkins' literary efforts on the subject, that the trusts are here to stay, that they do a lot of good, that it is useless to try to outlaw them, but rather they ought to be "regulated," and that many of the new combinations were "good trusts" which ought to be treated differently from the ones that misbehave. In a country which at that time was almost unanimous in feeling that the only good trust was a dead one, Roosevelt naturally had to tack and veer a good deal. But there is no question, both from his words and deeds, that he sincerely believed in this approach, which the House of Morgan had put forward merely as a verbal device, a flexible shield against attacks and effective controls.

Beyond question also is the major influence which the Morgan interest exercised in the Roosevelt administrations. Through three members of Roosevelt's cabinet, it had entrenched itself strongly on the inside, and a number of remarkable favors showed that the influence was not purely ideological. By 1905, for example, public furor against the trusts had reached so high a pitch that it was deemed necessary

to set up an investigation. Judge Gary, informed by Roosevelt's entourage, called on the President and arranged that no matters deemed confidential by Mr. Gary should be published, at least without the President's intervention. Thus placed under the Steel Trust's effective control, the investigation was never heard of again until three years after Roosevelt left office,



A contemporary cartoon shows Theodore Roosevelt making off with the Progressive Party. The new party was the offspring of Midwestern radical insurgency, but became more or less the personal property of Roosevelt and Morgan men Perkins and Munsey after the Rough Rider captured La Follette's principal supporters.

when it was disclosed in a new investigation that Gary had prevented the publication of any of the committee's findings. In 1907, after George Perkins visited Roosevelt and protested, plans for an anti-trust prosecution against International Harvester were dropped. In a fabulous episode, Roosevelt made possible the completion of the Morgan monopoly by approving the acquisition of Tennessee Coal and Iron by the U. S. Steel Corporation. Roosevelt publicly defended the huge salaries paid to officers of the trusts, included sections in his messages to Congress of little less than pro-trust character, and in general gave Morgan little to complain of. (The entire story is far too lengthy to tell here, but a full account can be found in Ferdinand Lundberg, *America's Sixty Families*.)

**T**HE Taft administration, from the Morgan point of view, was decidedly a disappointment. Not only were 90 anti-trust proceedings set in motion in Taft's four years as against 44 in

Roosevelt's seven and one half years, but the indictments struck at many of the powerful combinations that Roosevelt had somehow overlooked, including United States Steel and International Harvester. Why Taft, a wealthy and easy-going conservative Republican, made a so much better showing than Roosevelt is beside the point for present purposes. Conjecture attributes the fact to two Congressional investigations and insistent popular clamor. But the fact is that the Taft administration, as Pinchot puts it, "had, from the point of view of the Morgans, gone decidedly bad." Morgan and Gary decided to throw their weight against Taft and prevent his re-election. At least that is the trail left by their actions, and the inference is strengthened by such things as a conversation Gary is reported to have had with Mr. Leo Everett, a New York lawyer, with whom he talked politics on the deck of an Atlantic liner in the summer of 1911. As reported by Pinchot, Gary "thought a new party probable in 1912, since, in his opinion, the time was ripe for a party with a liberal and intelligent attitude toward industrial combination. He expressed indignation at the course of the Republican Party and cynicism as to the economic trend of the Democrats."

In order to get the full flavor of this stew of intrigue, it is necessary to keep in mind that the House of Morgan was conducting a parallel operation on the other side of the fence, among the Democrats. Concerned about stopping the Bryan-Populistic forces in 1912, the conservative Gold Democrats were looking around for a banner bearer. Woodrow Wilson, then head of Princeton University, had already succeeded in working out his personal rationalization and word-bulwark on the trust issue, and looked like a safe bet. As Richard Hofstadter compresses the story in his *The American Political Tradition and the Men who Made It*: "It was then, the Eastern capitalistic wing of the Democratic Party . . . within whose orbit the Wilsonian comet was first seen. Wilson was originally taken up by Colonel George B. M. Harvey, editor of *Harper's Weekly*, president of the publishing house of Harper & Brothers, and minor associate of J. P. Morgan." A startling detail of this imbroglio, reported by Lundberg, is that Perkins himself, while busy with Roose-

vult, put "a good deal of cash behind the Wilson campaign through Cleveland H. Dodge. Dodge and Perkins financed to the extent of \$35,500 the Trenton *True American*, a newspaper that circulated nationally with Wilson propaganda." Wilson soon learned to be more circumspect in his dealings with the House of Morgan than Roosevelt ever was, but later on, during the first World War, the ties reasserted themselves with deadly effect, chiefly, as is well known to history, through Wilson's trusted adviser Colonel E. M. House.

**W**E are thus in a position to at least guess, from all this, that the Morgan efforts in the campaign of 1912 were directed chiefly to wrecking the chances for re-election of William Howard Taft, and that the almost certain victory of Wilson was not considered unpalatable. If all of this seems to clash with the political philosophies involved, with Taft as the most conservative and old-guard of the candidates, it seems reasonable to suppose that Morgan, Gary, and Perkins were less concerned with general ideologies at the moment than with immunity from costly anti-trust harassment.

Munsey and Perkins put a lot of cash into the Progressive Party in 1912, as much as a half-million dollars, not to mention a million dollars that Munsey spent to buy the New York *Press* so that Roosevelt would have a New York City morning newspaper. Not all the money was their own, it was later revealed, as they received funds in secret from James Stillman, Elbert H. Gary, Daniel G. Reid, founder of the American Can Company and a director in many Morgan railroads and banks, and other Morgan associates. For their money, they got effective control of most of the operations of the party, and thereby hangs an even more startling tale than all that had gone before.

Not many people would have thought of making the Progressive Party, the most radical major party in both platform and composition that has yet existed in America, the headquarters for a stream of pro-monopoly propaganda. But George W. Perkins was a more than ordinarily brazen operator. A lot of his manipulations seem to have been conducted in an adventurous gambling spirit typified by his at-

tempt to subvert liberal insurgent Senator Albert J. Beveridge, sending him in 1904 the sum of \$30,000. When Beveridge returned the money at once, he received the following wire from Perkins: **LETTER AND TELEGRAM RECEIVED. AN HONEST MAN IS THE NOBLEST WORK OF GOD. GEORGE.**

Perkins measured his man shrewdly: He understood, as later proved to be the fact, that Roosevelt would not break with him no matter how outrageous his conduct, and he acted ac-



While William Jennings Bryan looks on, Roosevelt runs off with Eugene Debs' clothes in this campaign picturization of T. R. as a "socialist." Other attacks by opponents with more basis in fact depicted Roosevelt as a willing instrument of the Morgan interests and the Steel and Harvester trusts.

cordingly. First, there was the scandal of the missing plank in the Progressive platform. At the August 1912 Progressive convention which launched the party, Munsey, Perkins, and several other trusted advisers sat with Roosevelt in his rooms checking the work of the Resolutions Committee as it came up from that body. When a clause endorsing the Sherman anti-trust law and proposing that it be strengthened in a number of ways came from the Resolutions body, the Colonel and his advisers cut it out. Downstairs once again the Resolutions Committee, finding it hard to believe that Roosevelt would, in his new radical guise, oppose such a platform plank, re-inserted it, whereupon it was read to the convention the next day by Dean Lewis, chairman of the Committee. Before he had finished reading the paragraph, Perkins turned to Amos Pinchot and whispered excitedly: "Lewis has made a mistake. That doesn't belong in the platform.

We cut it out last night." While the plank was being passed unanimously by the convention, Perkins arranged for messages to be sent to the press associations and newspaper offices that the offensive plank not be printed, and thereafter saw to it that it was omitted from all the election literature of the Progressive Party!

**F**OR Perkins' activities in the campaign as chairman of the Executive Committee and responsible director of all major activities, let us turn to Pinchot's own words: "National headquarters was soon transformed into a propaganda bureau; the platform was distributed in immense quantities with the Sherman law clause omitted. Rafts of pamphlets were sent out containing reprints of the editorials Perkins was writing for the party *Bulletin*, denouncing the Sherman law, praising Morgan, Harriman, and Perkins, and stating that what politics needed was the guidance of great industrialists and railroad builders. Edward P. Costigan, Progressive leader of Colorado, now United States Senator [1931-1937], complained to me that upon writing to headquarters for campaign literature he received large crates of pamphlets which set forth the Perkins view of monopoly, defended the Steel and Harvester trusts, and explained a contribution of \$48,500 which Perkins had made to the Republican Party in 1904 out of the funds of the New York Life Insurance Company." In a 1914 letter to the members of the Progressive National Committee, Pinchot wrote: "Through the Progressive Party's official bulletin, through public speeches and interviews, and in pamphlets, printed as Progressive Party literature and distributed from the party's headquarters in New York and Washington, Mr. Perkins has conducted an extensive pro-trust propaganda calculated to convince the party and the public that the trusts are useful and sacred institutions; that those who attack them are bent upon the destruction of all healthy industry on a large scale, and finally, that the Progressive Party fully agrees with him in these views."

The many examples that Pinchot gave in this message to the National Committee show how Perkins went beyond all limits of audacity in his activities. Lavish praise was heaped upon

International Harvester, Standard Oil was painted as a blessing to the people, Perkins himself came in for a lion's share of the idolatry, and the open shop policy of U.S. Steel as well as the Yellow Dog fund of the insurance companies were alike defended. Even Perkins' clash with one of the original progressives, Senator Borah, in which Perkins insisted that the farmers all loved the Harvester Trust, found its way into the Progressive literature.

**I**N view of all this, it is certainly surprising that there was not more protest against Perkins' energetic efforts than actually occurred. The fact that many of the abler Progressives had refused to go along with the dumping of La Follette and were out of the party goes part way to explain the dereliction. More than likely, Roosevelt's powerful hold on his following, and the determination of the practicing politicians in the new party to keep their bargain with the devil, are the rest of the explanation. The party workers were, by and large, inexperienced middle class amateurs. At any rate, when Amos Pinchot and one or two others began a campaign, even before the election, to cut down Perkins' role, they met with little success. Roosevelt defended his mentor in an exchange of lengthy letters with Pinchot, letters that completely explode the various efforts like that of Harold Ickes to exonerate the Colonel. Pinchot did succeed in getting the missing anti-trust plank restored to the platform a couple of months after the election, by threatening to make the scandal public. Two years later, he did explode the whole story in the papers, with the result only that he found himself outside the party.

The miserable windup of the Progressive Party is well known. Although Roosevelt out-balloted Taft handily, throwing the election, of course, to Wilson, the Morgan interests prepared to dump the party before the next election. When the Progressives gathered in 1916 simultaneously with the Republicans, Roosevelt hoped to get the Republican nomination. When that effort failed, Roosevelt sent the Progressive convention, which had meanwhile nominated him, an insulting message refusing the honor and suggesting they nominate Henry Cabot Lodge, one of

the outstanding reactionaries of the time.

We can record the ending in Pinchot's bitter words: "The convention broke up in a sullen mood; a crowd without a leader, it filed slowly out of the Auditorium. . . . From now on politics might grow better or worse; political parties might rot in materialism, or soar from earth singing hymns

at heaven's gate. It was immaterial to them. They did not know what would happen, nor did they care to speculate for the moment. One thing, however, they were sure of. It would be many a long day before they would serve in the rank and file of another Progressive movement only to be disbanded in a *cul-de-sac* while the old parties marched triumphantly on their way."



### *Two Speak for Peace*

*NO MORE WAR!* by Linus Pauling. Dodd Mead and Company, New York, 1958, \$3.50.

*WE WHO WOULD NOT KILL* by Jim Peck. Lyle Stuart, New York, 1958, \$3.

**L**INUS Pauling's book is a contribution to the crusade for the peaceful uses of atomic energy. He is convinced that men of science must be humanitarian in their aims. He emphasizes what should be clear even to the most obtuse, that nuclear war means the end of civilization on earth. Pauling cannot believe that mankind will permit a great nuclear war to take place. He begins his book by a declaration of faith:

*I believe that there will never again be a great world war, if only the people of the United States and of the rest of the world can be informed in time about the present world situation. I believe that there will never be a war in which the terrible nuclear weapons—atom bombs, hydrogen bombs, super-bombs—are used. I believe that the development of these terrible weapons forces us to move into a new period in the history of the world, a period of peace and reason, when world problems are not solved by war or by force, but are solved by the application of man's power of reason, in a way that does justice to all nations and that benefits all people.*

*I believe that this is what the future holds for the world, but I am sure that it is not going to be easy for the world to achieve this future. We have to work to prevent the catastrophe of a cataclysmic nuclear war, and to find the ways in which world problems can be solved by peaceful and rational methods.*

Pauling's book provides the necessary factual information so that any literate person can judge the effects on mankind of the

use and testing of nuclear weapons. He speaks with authority as a noted chemist doing work in biology, and as a Nobel Prize winner in the field. Of special interest is the discussion on radiation and heredity. Radiation causes mutations in genes, the hereditary units of living beings. Mutations generally are deleterious rather than beneficial. Geneticists believe that the number of mutations in human beings is proportional to the amount of radiation reaching the gonads, or sex glands. And the effect is cumulative. The U.S. National Research Council stated in a report that any radiation is genetically undesirable. The geneticists who drew up this report advised that the exposure to all radiation be kept as low as possible. As against this advice, the existing effects of radiation from bomb testing are not expected to die out for 40 to 50 generations.

**W**HILE some publicity has been given to various chemical products of bomb testing which have deleterious effects, especially cesium 137 and strontium 90, Pauling has been the first to draw attention to the menace of carbon 14. This radioactive substance has a life of over 8000 years. It is produced in large amounts by both "clean" and dirty bombs. In a recent article in *Science* he estimates that, at the present rate of testing, a single year's output of C-14 will produce 55,000 seriously defective children, 170,000 stillbirths, and 425,000 deaths of embryos and newborn babies. In addition he reckons that C-14 will cause as much leukemia and bone cancer as fission products, including strontium 90.

Radiation affects not only the gonads but body cells as well. Pauling believes, along with many other scientists, that the effects of radiation in causing cancer are closely proportional to the amount of radiation, even for small amounts. Studies have shown that "the induction of leukemia by a series of small doses among American radiologists is roughly quantitatively the same as the induction of leukemia by a single large dose in the Hiroshima-Nagasaki survivors." Further: "At the present time there is nobody in the world who can deny that there exists a real possibility that the lives of 100,000 people now living are sacrificed by each bomb test or series of bomb tests in which the fission products of 10 megatons equivalent of fission are released into the atmosphere."

Most of the actual data on radiation



and fallout have come from reports of the AEC. Everyone is in agreement on the basic facts. It is the interpretation of these facts that is the source of the differences. The AEC spokesmen proceed from the viewpoint that as a percent of world population the effects of fallout are negligible. But if we translate, as Pauling does, these percentages into the number of human beings involved, then we are talking in numbers which read like total casualty lists in the two world wars. The attitude and activities of the AEC are determined not only by its custody of technical developments but also its political function in the cold war.

Bearing this in mind we can see why the AEC has been completely silent on the dangers of carbon 14. Dr. Willard F. Libby has claimed that there is no provable case of injury from bomb tests: of course you can't tell whether a specific case of leukemia comes from fallout or from natural radiation. Dr. Teller has maintained that radiation can be helpful, in spite of no evidence to substantiate the claim so far as humans are concerned. After a failure in the attempt to convince the world on the negligibility of fallout, we had the campaign for the "clean" bomb—a propaganda hoax. We had also the attempt of the AEC to deny that underground nuclear tests could be detected—later reversed when American scientists agreed with Soviet scientists over a procedure for such detection, although an attempt is now being made to back down from this. The latest gimmick at this writing is "Operation Plowshare." Dr. Edward U. Condon had a better name for it in a *Nation* article, entitled "The Bombs for Peace Hypocrisy." Condon admonishes that if there is a sincere desire to further the as yet undemonstrated "peaceful" usefulness of hydrogen explosions, then all such "peaceful" uses should be proposed as a cooperative endeavor under UN management. If it is not proposed in this way, then it is a means to wreck the current Geneva conference on test bans.

**A** PROPAGANDA effort is now under way to convince the American public of "Operation Plowshare." Even the December 1958 *Scientific American* carries a lead article on nebulous and highly problematical plans for nuclear explosions for purposes of power recovery. The authors admit that a considerable safety problem is presented. They conclude that the radioactive "effects can be restricted to acceptable magnitudes."

Pauling traces the history of this concept of "acceptable" magnitudes of radiation, fallout, exposure. Involved is the whole question of a threshold: a level of radiation below which there is no danger but above which there is. Pauling's conclusions, based on considerable evidence, is that any radiation is genetically undesirable; genetic harm is proportional to the total exposure whether in a number of small doses or one large one. The level for permissible exposure to radiation set

by the National Committee on Radiological Protection is now one-fourteenth of the original figure set in 1934. Even this figure is not claimed as safe. Pauling contends, in accordance with the evidence and the opinion of many experts, that there is no threshold.

As for actual nuclear war, the figures for probable casualties are of such magnitude as to benumb the mind. It is estimated that between 500 million and 750 million might be dead within 60 days of a heavy nuclear attack throughout Europe, North America, and adjacent regions. This says nothing about subsequent victims of fallout. There is the further real possibility that the nature of the pool of human germ plasm would be changed so that the human species would not survive. Nor would "clean" bombs be used. As Pauling remarks: "A military leader who is given a choice between the principles of humanity and an effective defense of his nation always abandons the principles of humanity." "If our nuclear future includes nuclear war, the world is lost." Contrast this with the opinion of Dr. Teller and Dr. Latter: "It is conceivable that radiological warfare could be used in a humane manner."

**T**HESSE grim developments have shaken many scientists out of their hitherto apolitical attitudes. Those characteristics of scientific method such as objectivity, aloofness and suspension of final judgment are recognized increasingly by scientists like Pauling as not prohibiting a stand on the uses to which the results of science are put. The conviction is growing among many scientists that they are citizens of a community and have responsibilities as such.

Pauling gives an account of appeals by American and world scientists for international control of nuclear weapons, from the Franck Report of 1945 advising against the use of the atomic bomb against Japan, to the latest 1958 petition to the United Nations of 11,021 world scientists from 49 countries. Included in the account are the texts of Albert Einstein's and Dr. Albert Schweitzer's appeals given in an appendix. The petition to the UN—which includes the leading scientists of the world—calls for an international agreement to stop testing now, cites the damage from each test, and calls for an international agreement as a first step toward general disarmament and the abolition of nuclear weapons. It ends with a declaration of concern for the welfare of all human beings.

The origin of this petition is revealing. As a result of a press interview announcing a petition from American scientists, Pauling received a voluntary response from scientists in some other countries. Encouraged by this he wrote some 500 letters to scientists in other countries and received an overwhelming response. The petition of American scientists, which led to the appeal to the UN, was presented to a Congressional subcommittee. President Eisenhower made a characteristic remark: "I

said that there does seem to be some organization behind it. I didn't say a wicked organization." Pauling goes to some lengths to explain that no organization was involved. Such is the legacy of McCarthyism in this country that an appeal in the name of humanity needs an apology.

Pauling argues at length on the need for international agreement. While it is difficult to produce atomic bombs, it would be relatively easy for small nations to convert atomic bombs supplied to them into superbombs. This increases the chances of atomic blackmail and accidents. He does not see the differences between the United States and the U.S.S.R. on international control as insuperable. He blames Mr. Dulles for the breakdown in negotiations. He brands as unrealistic the conception that either the United States or the U.S.S.R. can overthrow each other by pressure tactics. The question of trusting the Russians is shown to be beside the point. A scientific method for detecting explosions exists.

**W**AR attains complete development before peace in the modern world. This has been accelerated in recent decades with the enlisting of scientists and scholars. Pauling wants to reverse this trend. He proposes to set up a World Peace Research Organization under the UN which would attempt to carry out research on how to solve great world problems which in the past have led to war. This organization would not be policy-making but concerned solely with research. He cited the examples of the many fundamental scientific discoveries which, though seemingly impractical, later found peaceful and progressive applications.

Pauling's book should be widely distributed. It does the job of making known the facts. As such knowledge gets around, it will aid in building up public opinion to preserve peace. His own moving appeal best characterizes this remarkable man:

*Sometimes I think that I am dreaming; I can hardly believe that the world is as it is. The world is beautiful, wonderful—scientists every year uncover, discover, more and more wonders of organic and inorganic nature. Man is a wonderful organism—the human body, with its millions of millions of cells, molecules of many different kinds entering into chemical reactions with one another; the human mind, capable of feats of complex calculation, of abstract reasoning infinitely beyond those of even the greatest electronic calculator.*

*Man has developed admirable principles of morality, which in large part govern the actions of individual human beings. And yet, we are murderers, mass murderers. Almost all of us, even many of our religious leaders, accept with equanimity a world policy of devoting a large part of our world income, our world resources—one hundred billion dollars a year—to the cold-blooded readying of nuclear weapons to kill hundreds of millions of people, to damage the pool of*

## Currents and Undercurrents . . . by Genora Dollinger

*Genora Dollinger, an active unionist in Flint, Michigan, was the leader of the women's brigade in the famed General Motors strike of 1937. Searchlight, publication of Flint Chevrolet Local 659, carries an article by Mrs. Dollinger on the front page of its February 11 issue, devoted to commemorating the anniversary of the famous sit-down strike which laid the basis for the present million-member Auto Union and of many other CIO unions.*

\* \* \*

It has been many years since I have had the opportunity to renew old acquaintances at a union gathering. The Legislative Conference of the Michigan AFL-CIO gave me this opportunity on the weekend of February 6-7. Like most labor conferences these days, it was organized primarily to provide a forum for officially selected speakers. At panel discussions the members can participate to their hearts' desire, but their influence on the policies determined prior to the conference can hardly be felt. Nevertheless, an astute leadership can gauge the degree to which the members are in support of official policies.

This conference met in Lansing, Michigan, in the midst of a legislative debate over taxes. For the first time the Governor, with the support of the union leadership, has proposed a state income tax. This has met with a sufficient amount of criticism in the ranks for the leadership to feel it necessary to defend its position.

In addition to Governor G. Mennen Williams and Senator Philip Hart, scores of state legislators, judges, city councilmen, and other politicians participated actively in the sessions—quite an impressive array of political talent and eloquent testimony to the unions' hard work in the political arena. It might seem that these successes would prove reassuring to Michigan's labor officialdom. However, I found the contrary to be the case with some of the officials. Privately, they expressed their doubts and fears over the Governor's proposal. Nor were they satisfied with the many millionaire appointments to state jobs or the way labor is ignored by elected politicians shortly after they assume their offices in city, state, and national posts. Frankly, I was surprised to find them tak-

ing an acknowledged socialist into their confidence.

A number of the lower echelon officials whom I have known for many years tried to convince me of their continued belief in socialism—and that the best way for accomplishing this end is in and through the Democratic Party. Their definition of socialism might not jibe exactly with that of the *American Socialist*. While they never spelled it out in detail, I think they identify the gradual improvement of social security, unemployment insurance, workmen's compensation, and so on, as the realization of a socialist society.

Lest any erroneous conclusions be drawn, I must point out that these private discussions were incidental to the main body of work undertaken by the conference. The tax problem was the leading issue; closely following was unemployment. The keynote speech by Walter Reuther, Auto Union president, created a stir when he proposed that labor organize a march on Washington to acquaint Congress with the problems of the five million unemployed. Incidentally, the problem of unemployment perturbed many of the Auto Union International Representatives, who learned that 70 of their number were going to be cut off the staff because of the loss of dues-paying members. As far as concrete proposals to solve unemployment, no proposition was voiced that departed from the cold war philosophy of keeping up with Russia in ICBM's, military defense, and competitive education. One prominent Detroit official confided to me privately that it was apparent that some other solution had to be found beyond a continued rise in war expenditures. But the atmosphere of the conference was not conducive to an open expression of such views.

Other than the criticism raised on the tax issue, this conference, unlike conferences of bygone years, did not produce any opposition. It was too well organized and controlled for that. But it must also be recognized that the dissident delegates were not prepared to take the floor. They are still in the process of thinking their way to new positions. They feel that the vast majority of members is still far behind, but believe that under the pressure of unemployment and other crucial problems, the conditions will be created for the application of new ideas.

*human germ plasm in such a way that after a great nuclear war our descendants might be hardly recognizable as human beings.*

*Does the Commandment "Thou Shalt Not Kill" mean nothing to us? Are we to interpret it as meaning "Thou shalt not kill except on the grand scale," or "Thou shalt not kill except when the national leaders say to do so"?*

*I am an American, deeply interested in the welfare of my fellow Americans, of our great Nation. But I am first of all a human being. I believe in morality. Even if it were possible (which it is not) to purchase security for the United States of America by killing all of the hundreds of millions of people behind the Iron Curtain without doing any harm to anyone else, I would not be willing that it be done.*

*I believe that there is a greater power in the world than the evil power of military force, of nuclear bombs—there is the power of good, of morality, of humanitarianism.*

**JIM** Peck, in a running narrative, lays out his experiences as a conscientious

objector (CO) sent to prison during World War II. Dedicated to the cause of non-violent, Gandhian opposition to war, he tells the story of a group of CO's with zest and entertaining detail. As a journalist, he makes his story move rapidly in newsy fashion. As a trade unionist, he has good insight into the forces at work in prison life.

He was in the Federal prison at Danbury from late 1942 to the spring of 1945 where he helped carry on a series of prison struggles for better conditions. These ranged through demands for better food, refusal to work on anything connected with the military, the abolition of Jim Crow seating in the mess hall, and liberalized parole terms for CO's.

Peck is aware that the varied social character of CO's made it difficult to get any collective participation in the inner-prison struggles. He broadly classifies them as humanitarian, political, and religious. They included atheists, trade unionists, anarchists, socialists, Jehovah's Witnesses, Protestants, Catholics, Jews, and so on. The trade unionists and some of the socialists took the lead in the different struggles. Peck complains that only after considerable haggling

could they get a quarter of the CO's at Danbury actively engaged.

Some concessions were obtained by the protests. Most space is given to winning the abolition of Jim Crow seating in the mess hall and the right to refuse to work on military material.

Peck continued his anti-war activities after his release from prison. He writes of his participation in the protest in 1957 against the continuation of nuclear tests at the A-bomb testing installation in Nevada. Since the writing of his book he has been a member of the crew of the Golden Rule and was imprisoned in Honolulu for attempting to sail into the Pacific bomb test area to dramatize a protest against nuclear tests.

Considerable admiration is in order for the courage and determination of those like Peck who carry into action their opposition to war. They want, as Peck states his purpose, to publicize and dramatize the necessity for peace. It is possible to quarrel with actions which turn out to be largely individual or isolated. What should be recognized, however, is that the protests of Peck and those like him coincide with what has become a necessity for humanity

—there must never be another war. In the great struggle to achieve this imperative end we shall see many forms of activity. Peck's book is a highly readable account of one of these variants.

PHILIP SAMEN

## *Ins and Outs*

**THIRD PARTIES IN AMERICAN POLITICS** by Howard P. Nash, Jr. *Public Affairs Press, Washington, D.C., 1959, \$6.*

**T**HE two-party structure of American politics has long had its celebrants and even worshippers. Just what makes this a "natural" form for our political jousting has never been made entirely clear by even its most fervent admirers. The claim that every argument has only two sides to it is neither entirely true nor entirely convincing in this case, especially when one considers how many times both parties have been on the same side, more or less, of the argument. Even the claim that this is the "sensible" way to conduct affairs has little strength, since granting it to be true doesn't remove the difficulty that men, including Americans, don't always act "sensibly" as though according to some rational balance, particularly in politics.

Part of the mystery is explained when one grasps that much of the two-party structure is a formal affair, and that it covers a multitude of sectional, class interest, patronage, and ideological factions, or "parties," which come together loosely into two national caucuses. We need only look at the disparate cliques and groupings within our two major parties today, and at the shifting alignments that cut across party

lines more often than not, to see the fallacy of the boast that American politics has been firmly contained in a two-party mold. It is not only true today; it has been characteristic throughout our history that the major party lines hold chiefly in two areas: patronage and Presidential elections—and not always then.

When you consider also the imposing part played by graft and patronage in the building of our party structure almost from the beginning, it becomes clear that for these purposes there are really only two natural parties: the "ins" and the "outs." There is no doubt that this aspect of the game had a lot to do with pulling the many conflicting interests into two camps. Traditions of this kind eventually were frozen into laws that make it harder for additional groups to compete. The electoral laws of many states give majority and minority control of the electoral machinery to the two parties which polled the highest and next-highest number of votes in the previous election—a provision which sets up the paid or partly paid nuclei for two, and no more than two, political machines.

**N**EVERTHELESS, American politics has been surprisingly rambunctious in a third-party way, as a book of this kind makes clear. Mr. Nash's survey is not very deep or thoughtful, and suffers also from a basic lack of sympathy with almost all dissident and insurgent movements in our history, but it does bring together in a running account the most important attempts to set up in competition to Macy's and Gimbel's on election day. There were more of them than you might think. Most are grouped in two major eras of American history—the pre-Civil War period, when

the new issues arising out of industrialization and the clash of slave and wage economies were proving too knotty to settle within the old political framework, and the three or four decades straddling the turn of the century, when the concentration and trustification of the economy was changing the character of the country. In the first of these eras, a third party, the Republican, did break through and settled the basic issues according to its lights. In the second period, the forces of insurgency proved too little developed, and had too feeble a solution to the issues, to break through, and many of the controversies that arose in that day haunt us still.

I don't believe that the latter sections of this book will prove too valuable, as they deal with developments, such as Populism, Bryanism, Progressivism, and Wilsonian "New Democracy" that have received the full professional treatment at the hands of our historians' guild, as well as in the memoirs, biographies, and other assorted products of a corps of talented amateurs and participants. The earlier part of the book, which describes the Anti-Masonic and Know-Nothing parties, Liberty, Free Soil, and the early Republican ventures, is more useful as it deals with materials neither so well known nor so well covered in handy form. And especially good are the many illustrations, cartoons, and drawings from periodicals of the times, spread profusely through the book's pages.

Mr. Nash gives the parties of the Left short shrift, jamming them all, from the earlier Workingmen's parties through La Follette's 1924 Progressives and Wallace's in 1948, into one concluding chapter, which is more than half illustrations. But, in view of his prejudices, perhaps it's just as well.

H. B.

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# AMERICAN LABOR IN MIDPASSAGE

**BERT COCHRAN, Editor**

**T**HIS symposium on the status and prospects of the American labor movement, to be published on March 25 by Monthly Review Press, grew out of last summer's special issue of Monthly Review and the American Socialist. More than half of the volume, however, is new material never published before.

In particular, Bert Cochran has added a long essay which breaks new ground and for the first time assembles the elements of a genuinely satisfactory theory of the American labor movement.

The book is an important contribution toward

a program of orientation for the labor-liberal public. It will be of the greatest value both to people in the trade unions and to teachers and students of economics and American history.

The price upon publication will be \$3.50. For the limited prepublication period, the book is being offered for \$2. You save \$1.50 by ordering at once. At this substantial saving you will want to send the book to a number of your friends.

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# Urgent Appeal

**O**UR annual financial appeal comes at a time when the American Socialist is under great financial stress.

The past year has been a trying one for everyone on the Left, and our publication could not escape the debilitating effects. By some near-miracle, we have kept our circulation intact. The final records may even show a few percent increase. But our finances have suffered nevertheless. A number of our stalwart supporters have cut down their contributions, in a few cases rather drastically.

We have been in existence for five years, and some of our supporters have started assuming that we are an indestructible institution here to stay (like death and taxes), and will continue by momentum or inertia no matter how little is done to back us. We must respectfully advise that such is not the case. We need several thousand dollars to guarantee our continuation for the next year. If we don't get it, we are in trouble. It's as simple as that.

Many have gotten convinced by now, through unhappy experiences, that the present decimated Left does not have sufficient following to initiate

mass activities; and that the new generation cannot be won to the cause by enunciating tired slogans that have lost meaning and are incapable of eliciting response. Young people will embrace radicalism again when it has become a significant intellectual current, and it will become that only through thoughtful propagandistic efforts.

**I**F you believe that the American Socialist is needed for this job—as we do—then you have the responsibility of showing it in a very concrete way. We need your financial assistance now.

For every contribution of \$10 or more we will send you a free one-year subscription or extend your subscription for one year upon its expiration. For every contribution of \$75 or more, you will receive a permanent subscription, a bound volume of the magazine, and a copy of the forthcoming book, "American Labor in Midpassage."

We also urge as many of you as can to join our club of American Socialist boosters by undertaking a monthly pledge.

Let us hear from you. We are counting on your help. **THE EDITORS**

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