

PSYCHOLOGY—SEE?

PUNDITS PONDER PROBLEM OF LOVE'S LABOR LOST

By PHILIP COBEN

We don't pretend that the stuff we're going to quote represents exactly the heaviest kind of thinking now going on in employer circles on labor-management relations. But what it lacks in quality, it makes up in quantity. There's lots of it being poured on.

IT'S PSYCHOLOGY—SEE?

In fact, there's virtually a campaign on to convince workers that they go on strike simply because they're bored. That's the contribution also of Vice-President Fred Smith of the William Valve Company of Cincinnati, giving the lowdown to the Louisville Area Association of Management.

LOVE THAT FOREMAN!

The U. S. Chamber of Commerce, on the other hand, has a less expensive scheme. It's all explained in a booklet available to members for only 25 cents (coin or stamps), entitled "How to Strengthen Employee Loyalty With Letters."

"TO THE PICKET LINE, JAMES!"

That's one trouble also with the savants of the Harvard Business Review who had the same idea: "If an employer wants to avoid labor trouble, he should invite the president of the local union to join his luncheon club. If he really hankers for industrial peace, he should get the union leader's daughter enrolled in a fashionable dancing school."

Too many labor leaders have long since risen out of their own class, with \$10,000 a year salaries, butlers, and other appurtenances and emoluments of the upper middle class, whether or not their daughters make that sorority or pal around with Miss Moneybags socially.

It's a sensible bit of advice for businessmen, that one about playing footsie with the labor leader instead of blackballing his daughters—quite sensible from capital's point of view, in many cases. The worker's point of view is going to be different, however, since Mr. Moneybags isn't going to invite the whole darned shop into his luncheon club.

League for Mutual Aid Announces Dinner, Musicals to Finance Work

NEW YORK—The League for Mutual Aid will celebrate 30 years of continuous service to those in the labor, liberal and progressive field facing economic emergencies at a dinner in the Hotel Brevoort, Fifth Avenue at Eighth Street, on Saturday, February 25, at 6:45 p.m.

How A & P Chain Cheats You: 'Losses' Made Up by Gouging

By GEORGE WHITNEY

Every housewife in the country must by now be aware that the A&P grocery chain is conducting a gigantic publicity campaign against the government's anti-trust suit.

The anti-trust complaint against A&P requests of the court that both the A&P food processing and manufacturing interests as well as A&P's produce-handling subsidiary, known as the Atlantic Commission Company, be separated from the chain of retail outlets and that the retail outlets themselves be divided up into seven separate chains of stores.

Records and testimony bear witness to the fact that the only places where A&P has sold foodstuffs at prices below the prevailing average in the industry has been where they were forced to do so by competition from independent stores or other chains.

And where A&P has found it necessary to sell foods cheaper than the regular rate in areas of competition they have made up for it by charging far above that rate in those areas where they have a virtual monopoly on the trade.

Another method of making up shortages, familiar to anyone who has ever worked in one of the chain stores, is to place a can of (say) beans on the counter and then add it in with the purchase made. If the customer notices this (which is rare) the clerk laughs and says he thought the beans belonged to the customer.

Instead of billing the manager of an A&P store according to the wholesale price of the foodstuffs consigned to him, he was billed for them at the retail prices. Any shortages, whether natural and unavoidable or not, then showed up readily when the cash returns were checked against inventories and in many cases the manager was required to make up shortages from his own pocket.

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It is thus able to charge competing outlets a brokerage fee of 5 percent and in some cases a double fee of 10 percent, thus making it possible for A&P to far undersell its competitor where necessary and realize a much greater profit where no price war exists.

Mrs. Perle Mesta, Washington society dame appointed by Truman as minister to the Duchy of Luxembourg, has impressed the Luxembourgers, according to an article in the This Week magazine section of the N. Y. Herald Tribune. It repudiates the rumor that this has been because of her skill in teaching canasta to the Grand Duchess. Instead:

This is explained by Judge Minton who spoke for a unanimous three-judge Court of Appeals in a case involving this process: "When ACCO purchased in the open market for A&P, even though it paid the market price, it always came out with an advantage, not only in the quality of merchandise but in price. Suppose an item was selling in the market at 100. ACCO could buy it for A&P and have its choice of the quality at 95. The balance of the trade could buy at 100 and pay ACCO a 5 percent brokerage. Thus the price to A&P was 95 and to A&P's competitors 105."

SWINDLING THE CUSTOMER In every grocery store there are always stock losses due to spoilage of perishable foods, losses in weight due to drying out, bones and scraps from the butcher's counter, pilfering, etc.

The manager introduced all kinds of systems for overcooking what is a natural and expected shrinkage in the grocery business. This was accomplished, as shown in the criminal case against A&P in the courts of the District of Columbia in 1935, by short-weighting customers. At that time the superintendent of weights and measures found that, out of 80 whole chickens bought, more than half were short-weight; and out of sixty dressed chickens purchased, fifty-five were short-weight.

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Under capitalist monopoly, the savings from large-scale and efficient production enrich the monopolist; the consumer can go hang. That's "free enterprise!"

The 'Free Press' Rolls Over

The "free press" in this country has rolled over like a good doggie with regard to the government anti-trust suit against the A&P. Newspaper publishers always heatedly deny that they jump when big advertisers crack the whip. If that is true, then the A&P case merely shows that they have jumped before any whip had to be cracked.

When the A&P began buying full-page ads in papers throughout the nation, newspaper coverage perked up—mirroring the chain's ads. LABOR ACTION has carried the story about the three Washington, D. C. newspapers which refused to accept paid ads by a small businessmen's organization attacking the A&P—and about the fourth paper which did take the ad because, one of its executives said, it didn't get any A&P advertising anyway!

No New York paper carried a declaration by the attorney general criticizing certain assertions in the A&P ads as false.

When rightist columnist David Lawrence turned one of his daily columns over to a government statement of the case against the trust, the New York Sun, which has printed Lawrence's stuff without interruption for 20 years, failed to run it.

In Russia the press is rigidly controlled by decree of the totalitarian state. In capitalist United States, the press is flexibly controlled by the dollar.

NOW! OUT! The NEW INTERNATIONAL Jan.-Feb. 1950 FOUR PORTRAITS OF STALINISM II—Bertram D. Wolfe's "Three Who Made a Revolution" by Max Shachtman What Europe Gave to the U. S. The ECA's Report The Relevance of Marxism Reply to Henry Judd by Albert Gates The Diaries of Victor Serge Second Instalment Book Reviews Editorials

Tapping the Wall St. Wire

Bankers vs. Insurance Moguls

Investment bankers cheered as he advocated increasing taxes. That sounds like the famous "Man bites dog," but it has an easy explanation. He was Congressman Lynch and he was advocating increasing taxes on insurance companies. And the reason the investment bankers liked it is because: the big life-insurance concerns, to a large and rapidly increasing extent, are buying up the best new bond issues at private sales. Thus they get the cream and leave the skim milk of the bond market to the investment bankers, who don't like getting the short end of the deal.

Lynch was referring to the fact that the insurance companies have been paying no taxes whatever on their multi-billion-dollar annual incomes. This is the result of a joker slipped into the tax law by the insurance lobby. That situation was slightly changed a few months ago, so they are now being asked to pay a comparatively small tax of about \$60 million on their total income in the past five years.

The Kind of "Statism" They Like

Daily newspapers recently missed three fine chances to protest against the expansion of the "welfare state." Nor was any objection raised from the direction of big business.

Pie in the Sky Remember the predictions, just after the war's end, that within a few years the sky would be dark with everyone riding in his personal light airplane, as a result of making the world safe for democracy?

The "record amount" of home building last year has not solved the housing problem: most of the houses built were beyond the reach of middle-income families. So testified Richard J. Gray, head of the AFL Building Trades Department, before a subcommittee of the Senate Banking Committee.

'LET 'EM DIE!'

MEDICO TRUST LIMITS NUMBER OF DOCTORS

The American Medical Association, reactionary "doctors' trust" which is currently mobilizing a well-heeled campaign against national health insurance, also stands pilloried before the people for opposing and blocking an even more elementary health need: the training of enough doctors to serve the population.

Statistics show that there are fewer doctors today per thousand people than there were forty years ago. This shortage of medical men is not a "natural" result of any process that has been taking place, but the result of an artificial and deliberate limitation on the education of medical students by the profession.

The AMA's anti-health crusade on the issue of health insurance has, it seems, run into difficulties. Although the association claims that it wants to bring the "truth" to the masses of people with its lushly financed campaign of propaganda, it has recently issued a dictum against member doctors appearing as speakers in forums on the question.

Thousands of qualified pre-medical students are being refused admission to the medical schools, even though the latter have the facilities to accommodate them and the additional doctors are needed.

Dean William S. Guthrie of Ohio State University said the survey showed that many of those rejected had "good academic records and possessed the readily acknowledged personal qualifications." This means, he added, that three-fourths of the applicants cannot get into the medical schools no matter how well qualified they may be.

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