Automation

Promise and Menace

Floods and Free Enterprise

Eisenhower's Dollar Crusaders
POWERFUL forces on the Right are at work trying to keep the witch-hunt going full force, and to hurl back all attempts at any abatement. Representative Walter and his House Un-American Activities Committee have rushed into the breach to reinforce the blacklist in the entertainment field and keep the American Federation of Television and Radio Artists Union in the grip of the witch-hunters. At the same time, the newspapers have been reporting a wholesale rash of guilt-by-kinship "security" firings in government employment, and undesirable discharges from the armed forces.

The Fund for the Republic has issued, through its president, Dr. Robert M. Hutchins, a scathing report on the alarming violation of civil liberties. The Fund further announced that it had projects under way to study blacklisting in the motion picture, radio and television industries, Post Office interference with the flow of information and opinion, and analysis of testimony of witnesses in proceedings relative to communism.

Its recently released study of fifty sample security case firings made under the direction of Adam Yarmolinsky has produced a powerful impression in the country. The studies revealed that one woman was fired because she had "continued a sympathetic association with [her] husband." Questions asked during the hearings ranged from "What do you think of female chastity?" to "Do you by nature get a sort of secret, personal satisfaction out of acting as an individualist?"

The Fund for the Republic, which is an independent incorporated organization authorized by the trustees of the Ford Foundation, has been under Congressional attack for quite a while, and has in the past weeks been on the receiving end of a violent denunciation from the head of the American Legion, who advised all members to have nothing to do with the Fund or any of its works.

The Emergency Civil Liberties Committee, which held a very successful rally protesting the Walter Committee's invasion of the New York entertainment field, was able to chalk up another victory in the civil liberties field when James M. Staebler was promised a discharge from the army under honorable conditions. Staebler, on alleged grounds of belonging to a subversive organization prior to his induction, was previously given an undesirable discharge on December 14, 1954. The ECLC in its press release declared that "this is a great victory for all Americans who have been drafted and then subjected to discrimination because of their political views. We hope that the change by the army in this case means an end to such practices generally, but if it does not, we will take other cases to the courts."

Brownell's Department of Justice, fearful that Judge Weinfeld's recent decision dismissing contempt charges against Corliss Lamont would knock the bottom out of its past and future contempt-of-Congress cases, appealed the decision in the United States Court of Appeals. The N. Y. Times explained: "It was admitted unofficially that the Government feared that Judge Weinfeld's far-reaching decision, if allowed to go unchallenged, would set a precedent that would vitiate all the contempt proceedings initiated by Senator McCarthy's subcommittee." [See in this connection the letter from Corliss Lamont on page 31.]

General Motors, Ford and steel settlements are establishing a basic pattern that is being won in many of the other major industries. The Chrysler contract was a bit superior on shop conditions to that of the Big Two: soft coal, aluminum, copper, and meat packing followed the steel pattern; while some of the other industries settled for a penalty to a few cents lower in wage increases. Tough strikes have been fought in some places, as in International Harvester, to get the pattern. The strike curve, according to the Bureau of Labor Statistics, continued to climb through July, with 900,000 workers involved in walkouts.

The brutal lynching of Emmett Louis Till, 14-year-old Negro boy, in Sumner, Mississippi, has aroused a furor of anger throughout the country. The trial of the two white men who are charged with the murder of the boy is scheduled for September 19. William Faulkner, American Nobel Prize winner for literature, and himself a native of Mississippi, stated: "Perhaps the purpose of this sorry and tragic error committed in my native Mississippi by two white adults on an afflicted Negro child is to prove to us whether or not we deserve to survive. Because if we in America have reached that point in our desperate culture when we must murder children, no matter for what reason or in what color, we don't deserve to survive, and probably won't." The growing violence against Negroes in Mississippi arises from the White Citizens Councils' campaign against the Supreme Court desegregation ruling.

The NAACP, the CIO Packinghouse Union and other organizations are demanding that there be no whitewash of the lynchers.

EAST Coast longshoremen organized in the International Longshoremen's Association engaged in another bitter strike this last month in an effort to break the shackles of the New York-New Jersey Waterfront Commission, which runs a company-minded hiring hall (the inside shape-up), and is continually harassing the longshoremen and the union. This government control over the union is the evil fruit of AFL cooperation with the past Dewey administration in an attempt to smash the longshore union in cooperation with labor's worst enemies. The Democratic governors of both New York and New Jersey are going along completely with the Dewey anti-union waterfront setup.

George Meany and the AFL hierarchy are out to break up every vestige of the former leadership of the Fur and Leather Workers Union, which recently entered the AFL Meatcutters. The New York fur union capitulated when confronted with an ultimatum from the Meatcutters international office to dump most of their former leaders; otherwise, they were told, their entry into the Meatcutters would not be approved by the AFL Executive Council.

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Floods and Free Enterprise

Floods are the most widespread and destructive of all natural disasters which strike in the United States, snuffing out many lives in the unguarded river basins and making a sodden wreckage of close to a half-billion dollars of property in the average year. On Friday, August 19, one of the worst such disasters struck in an eight-state New England and mid-Atlantic area. As millions watched helplessly, two hundred people, including many children, died in the torrents, and homes, personal possessions, cars, roads, factories, utilities and even entire towns were swept away or smashed to flinders in one horrifying day. Altogether, large-scale flood damage is estimated at close to 2 billion dollars, a figure which does not include family possessions wiped out in the cities and towns that dot the area.

This was a natural disaster, not a man-made one. Newspaper columnists wrote philosophically about “the whims of a cruel and heartless Nature.” But the rushing waters uncovered, for a momentary glimpse, the festering sores of dog-eat-dog morality upon which our society is based, and showed to helpless men, women and children how alone they can be in their insecurity, at a moment when every instinct of decent humanity cries out for cooperation and help.

While floods like that of last August, which originated in the piling of the rain from Hurricane Diane atop the rain from Hurricane Connie, are made by nature, human endeavor has long discovered the means of controlling them. The hydrological cycle of moisture between the sky and the earth can be guided into harmless and even beneficial channels, as was proven by the TVA where, in addition to other achievements, the investment of $154 million in flood control has eliminated an estimated $11 million a year in flood damage and saved many lives. And so, with every flood that takes place, people want to know: Why hasn’t something been done to safeguard against this?

In the early days of the New Deal, pressure for flood control was very great from all over the country. The then Secretary of the Interior Harold Ickes describes in his recently published diary some of the plans that were discussed: A committee was set up to survey the needs, and Roosevelt suggested that “a considerable sum of money, say $500,000 a year, should be expended for a term of perhaps twenty-five years in carrying out a broad national plan” of flood control. Such a broad program on an all-regional basis was never undertaken, like many of the other rosy projects planned in those years.

It was well known that the rivers of New England and the mid-Atlantic region could be just as destructive as the broader Mississippi and Missouri. Only a few years ago Walter Hard wrote in his book “The Connecticut”:

“Anyone living in the river valley can vouch for the fact that the Beautiful River, the “Smile of God,” that flows so peacefully in “elegant meanders,” can overnight become a raging, destructive torrent, a wild, elemental force, rushing like a mad creature upon every obstacle in its course, ready to devour and obliterate.

In this valley, where the damage this August was fearful to behold, floods have been common and terrible since the first one was recorded in 1635. A great flood in 1927 cost 21 lives, and then, after the floods of 1936 and 1938, the Army Engineers were called upon to draw up plans for a system of dams. These plans have been gathering dust for over a decade. As late as July of this year, the engineers were warning of sure and imminent floods, although none expected the cataclysm which did come.

Why wasn’t the New England watershed-control system built? The expenditure required for the 15 already approved dams is only $125 million—less than the cost of one modern aircraft carrier or battleship, of which many have been constructed. Well, first of all, many will be surprised to learn, inter-state rivalries played their part. It may no longer seem possible in this day and age when even national boundaries are outlawed and one-worlders see in a global state the only hope for mankind, but the petty bickerings across state boundaries still endanger our lives and safety.

But the final answer to the riddle of the blueprints that faded while people lost homes and lives is tucked away in a single passage of the 1954 Economic Report of the President,
which, amid page after page of grandiose schemes bearing on the enlargement of the military, says briefly:

For several years now, the Federal Government has held back certain construction projects authorized by the Congress for the Bureau of Reclamation, the Corps of Engineers, and the Public Building Service. Some programs of the Forest Service, National Park Service, Soil Conservation Service, and other agencies have likewise been properly held in abeyance, because of the prior claims of war and defense requirements on manpower, materials, and public funds.

There is a vast governmental indifference and antagonism to social projects which may answer a broad public need but don’t enter into the profit-and-loss calculations of the masters of the nation’s business. While this has been intensified in recent years under the Cadillac Cabinet, it has always existed as part of the business ethic which dominates our civilization. Believe it or not, people even brag about it, as witness the Department of Defense official who, after comparing the recent flood damage to that which could be done by an atom bomb, significantly added: “Maybe it’s a good thing in the long run for government that we have these things. It may seem terrible at the moment, but they’re going to test and try out people and they’re going to make them more ready for whatever may happen.” Flood-control expenditures, you see, don’t fit into the war program in more ways than one.

LEAVING aside recriminations over the past, the floods came, and with them came some of the most revealing weeks in our recent history. There was much bravery, self-help, cooperation and generous spirit shown, but along with these an amazing display of the inner spirit of capitalism. The pauperized and bereaved people of the region found themselves torn at from all sides by the wolves of greed and profiteering. While many shared their last pot of coffee with neighbors, the price of bread shot up to 50 cents and of milk to 45 cents. Employers, calling back some workers to dig out the silted plants, tried subtly to make inroads on working conditions, and to establish standards and precedents which would set the unions back a few years. Pennsylvania residents found that they would have to pay for state rehabilitation work through increased cigarette and gasoline taxes—the most inequitable of any form of taxation—for at least two years to come. The federal government, in the person of Eisenhower, advised the people to look to the Red Cross and small doles of Federal disaster relief for help, grudgingly offered the small man 3 percent loans, and then turned around and revealed generous tax write-offs in the offering for the fat cats who must replace and restore their plants.

Picking themselves up from the ruin and rubbish, the afflicted population hurriedly searched the fine-print clauses of their insurance policies—that great American institution that offers to every man, woman and child security without slavery—and got their next big surprise. Practically none of the flood damage to personal belongings or even to factories was covered, and behind this shocking fact lies a tale.

After the almost $1 billion damage in the Missouri River flood of 1951, President Truman mapped out a federal insurance corporation which would be able to write up to $1 ½ billion in policies. Despite the many provisions it contained safeguarding private insurance companies—a clause preventing anyone from getting a policy who could get it from a commercial firm and another re-insuring any private company which wanted to issue the policies—the bill was defeated. Congress chose to follow the advice of the private insurance lobby which protested strongly against the enactment of the bill. The magnates don’t want to handle flood business themselves, and they want to prevent the federal government from handling it lest people learn how social endeavor is superior to private endeavor.

At present, the insurance proposal has been revived, but even after August’s terrible lesson it is doubtful that it will be enacted, as the insurance lobby is more adamant—and more powerful—than before. What answer does this institution which “guarantees our security” have? “The Bible,” said one insurance executive smugly last month, “tells you to build your house on a rock. I guess you’d better be sure the rock is a high one.”

EVEN before the waters had subsided, a new hyena appeared on the scene: the out-of-state factory recruiting agent, singing his tempting song into the industrialists’ ears of no taxes, lower wages, no unions and “docile” labor. This was infamy triply compounded. In the first place, the very areas where the flood had struck have been classified as distressed regions, with a large and chronic unemployment, for a number of years now. Torrington, for example, and Scranton, have been notable centers of serious economic doldrums. New England, in terms of its share in U. S. factory employment, has been slipping since the early thirties. Connecticut, with the biggest industrial damage bill in the floods, has only recently lost the place it long held as one of the dozen states with the highest industrial activity in the U. S.

Then, flood damage to industrial installations has been so severe that the already harassed and insecure workers of the region will now lose many weeks of work before operations can resume. Many smaller plants may never re-open. Some of the larger ones have begun to shift their operations to other regions where they have factories. An already bad situation has been thus worsened by the flood waters. This very region has, in the past few years, been the victim of an economic piracy luring plants away to the non-union regions of the South.

Thus, in addition to all their other worries, sorely beset officials of the stricken states have been forced to take time cut from disaster relief to fight off boarding parties that want to take advantage of a vessel adrift with a stove-in bottom. And, strangely enough, the pirates are not all from the South—which, in view of its nasty reputation in these matters has been hanging back for a few diplomatic weeks before mounting an assault in force. Corporations report that, a few days after the water-flood, a mail-flood of relocation offers came in from Pennsylvania, New York and Ohio. And close neighbors like Maine and Vermont were not above a sly kick in the ribs while their friend was down, with similar offers. One Massachusetts Commerce Department official, with a momentary insight into capitalism, observed ruefully: “Commercialism
The labor movement has a heavy obligation, which only decisive and militant steps can discharge.

Labor stepped into the flood picture with a CIO relief committee to which the CIO gave $100,000 and the UAW-CIO added $50,000. But, beyond this immediate help, the plight of the distressed areas which are going steadily downhill literally cries out for a broader program. The union movement in those areas needs a revival of self-confidence based on the all-national help and inspiration which the united labor movement can give it. The unionists in textile, brass, rubber and the other New England industries need backing for an insistent and forceful campaign to make the businessmen live up to their social obligations. In addition to a campaign to organize the South and other non-union areas, this means a fight for contractual provisions against runaways, substantial government help to depressed areas, lump-sum severance pay demands that would make a businessman think twice before moving to cheap-labor paradises, etc.

Furthermore, labor has been letting the two major parties get away with murder on public-works projects like dams and flood control which have been long approved but which never seem to get started. For many years, this was a Democratic responsibility, because they held the administration and also because they were presumably for such projects without reservations, unlike the Republicans. But the Democrats were able to stall and fumble without getting treated very harshly by their union allies.

After all, the value of a political ally is in what he will do for your benefit—in this case for the benefit of the overwhelming majority of the people—and not in how many fine words he will spout. Now is the time, while the memory of this national scandal is fresh, while the Democrats control both houses of Congress, while Eisenhower—a pre-election year—would never dare to use his veto against flood-control, to activate the plans of twenty years ago and make every river valley safe from such repeated disasters.

**Eisenhower's Dollar Crusaders**

During the summer months, a blemish appeared on the shining armor of righteousness of the Eisenhower administration, which, according to its relaxed and smiling chieftain, "will not tolerate any deviation from an uncompromising code of honesty and ethics in government service." In two well-publicized instances, it was revealed that high government officials used their positions to line their own pockets. Harold E. Talbott of World War I notoriety, and until recently Air Force Secretary, was aggressively hustling business for his own firm and sending out promotion mail on official Air Force stationery. Another good-government crusader, Adolph Wenzell, was drawing his $15 a day as consultant to the Budget Bureau—the regular fee of WOCs—while on the payroll of his bank, the First Boston Corporation, and wangling in his government capacity the Dixon-Yates deal on which his company was due to collect a $150,000 fee.

There are six federal conflict-of-interest laws on the books providing criminal penalties for precisely this kind of chicanery. But neither Talbott nor Wenzell has anything to worry about. They are in no danger. These laws have practically never been enforced, although the number of violations has been legion. As a matter of fact, they gave Talbott a medal for "exceptionally meritorious service," and Eisenhower sent him a warm letter of commendation—as he was judiciously eased out of the administration.

We will not wax indignant at this point about how little crooks are put behind bars while big crooks are given medals for "meritorious service"—although there is plenty of justification for that kind of sentiment—but wish to pursue our inquiry further. Is this simply an unusual case of two prominent businessmen who misused their high positions? Or were these two handled so gingerly precisely because they are not unique at all except that they happened to get caught in public?

The system of Big Businessmen taking over procurement and monetary divisions of the government became the rule of the day in the first World War under Wilson, was repeated on an even more grandiose scale in the second World War under Roosevelt, was repeated all over again with all the trimmings with the Korean war under Truman, and has now become the settled mode of operation, under the Eisenhower administration of Rotarian geniality and good-natured giveaways. The whole training, philosophy, outlook and what-have-you of the businessman is to grab whenever, wherever, whatever he can; and it would be a miracle more breath-taking and improbable than any recorded in the Scriptures were men so trained and oriented suddenly to transform themselves into disinterested public servants. Such a miracle, it need hardly be added, has thus far not occurred. From 1916 on, the dollar-a-year man...
have been notorious in the not-too-austere atmosphere of Washington.

Theoretically, these business experts are called into the government because there are no competent servants to fill the posts. Actually, this is the least of the matter. The business end of the government is turned over to these men in wartime for the simple reason that these high-minded patriots of Big Business will not play ball on any other terms. And since the economic power of the nation is in the grip of a coterie of multi-millionaires, the government cannot conduct a war except by handing over these sections of the government to the bankers and industrialists. The Eisenhower administration has introduced nothing new. It has simply carried over a war-time pattern into peacetime, made it the normal way of running the government, and is shoveling out the nation's resources and wealth to the vested interests on an unprecedentedly generous scale.

UNDER Eisenhower, the revelation has been unabashedly heralded that the best way to keep track of a band of pirates is to let the pirates pick their own representative, send him to Washington as an administrator or a WOC (a business consultant serving without compensation) and let him oversee the affairs of the industry from which he comes. Thus, a telephone lawyer was made chairman of the Federal Communications Commission; a utilities lawyer became chairman of the Federal Power Commission; corporation lawyers took over as members of the National Labor Relations Board and the Federal Trade Commission; a lawyer for a brokerage house was named chairman of the Securities and Exchange Commission. Fifteen industry divisions set up to supervise defense production are headed by men on loan from the industries concerned, who remain on the payroll of those industries.

Recent investigation has disclosed that it is nothing unusual for these WOCs to interfere with anti-trust suits aimed against their companies, or to clear government decisions with their private employers. Some of the government administrators were found to regularly collect from their companies the difference between their government pay and their previous private salaries. One specially juicy item concerned the late W. L. Rowland, who at the time of his death was the Commerce Department's deputy director for defense matters concerning the container industry, and was also at the same time representing Continental Can as Washington representative. Last spring, on Continental stationery, W. L. Rowland wrote a letter to W. L. Rowland at the Commerce Department asking for tax amortization for Continental Can. W. L. Rowland of Commerce approved W. L. Rowland of Continental's request. (Higher authorities finally cancelled this cozy arrangement.)

This systematic barefaced robbery has been a little too thick for some of the liberal legislators. For several weeks, Representative Cellar of New York, heading a House Judiciary Subcommittee, has been looking into the activities of the WOCs; Morse has thundered in the Senate; and Commerce Secretary Weeks decided he had better sprinkle some holy water on the stinking mess by issuing a new code for the WOCs which says they have now got to be pure.

The pious pretensions of the Congressional critics didn't sit well with Clarence B. Randall, chairman of Inland Steel, who thought it smacked of hypocrisy. Not being a candidate for public office, he spoke his piece straight:

If Congress is going to require a man who at great sacrifice sets out to serve his country to eliminate all possible conflict of interest, then Congress should apply the same principle to its own members; and I don't see why they haven't. One Congressman who made a fortune in oil led the move to exclude import of Venezuelan oil into the United States. Another, who is a principal supplier of materials to the army, votes on issues that affect his own pocketbook.

It cannot be denied that Mr. Randall's point is very well taken. How can one dispute that the legislative branch no less than the executive is honeycombed with agents or members of the plutocracy, beholden to it, often part and parcel of it, and who conduct themselves on important matters as watchdogs of its special interests? Which leads to the question: Why is it more moral or ethical to accept jobs with Continental Can or Remington Rand, at salaries running to five and six figures, after one retires from government service, than accepting salary payments from private corporations while one is working as a WOC for the government? Is it suggested that the corporation point of view is less firmly fixed in the one case than in the other? All experience testifies to the contrary. All experience testifies that these men are part of an integrated monied aristocracy, live according to its mores, accept its tenets and judgments, rub shoulders in its social circles, enjoy its benefactions, and, at all times, jealously guard its privileges.

IN a word, the idea that the government is impartial and rules with an equal hand on behalf of all the classes is a delusion and a snare. We are operating under class government on behalf of the capitalist rich no less than the class governments in Europe 300 years ago that favored the nobility. Tightening up the conflict-of-interest laws will no more solve the problem than a half-century of tightening the anti-trust laws stopped the growth of monopoly.

The London Economist, like some of the American liberal journals, tries to discover the solution in the realm of individual morality. Its conclusion: “In the final analysis the only reliable safeguard whether businessmen serve with or without compensation, is that men shall be chosen who are so upright that they can always be trusted to put the country's interest before their own whenever there is any possibility of conflict.” This piece of sanctimonious cant is really meant to suggest that man is inherently evil and that there isn't too much that can be done about it. But the problem under discussion involves not individual morality but social organization.

When labor with its allies organizes itself on the political front and begins to break the capitalist monopoly of politics, the “trickle down” theory of government will be under active challenge. Man will not become regenerated overnight, nor will we see the immediate disappearance of greed, cupidity and selfishness. But with the emergence of a new class power in politics, the capitalists will no longer be able to run government as their own private preserve. Only then will we see a new morality forged, and a new class force solidified to back that new morality.
Automation: Promise and Menace

by Harry Braverman

We are on the threshold here in America of a remarkable leap in the productive process. Automation, the name given to a generalized theory and practice of semi-automatic production, planning and control, is a genuine innovation, not merely "a little more of the same." It is already on its way and will be broadened in scope at a rapid pace. It will have smashing consequences upon our economy.

Like all technical innovations worthy of the name, automation is a way of producing more, better, with less labor-time. That can spell trouble for our economic system. For capitalism tends to reverse the normal ways of thinking about economic problems. What comes to everybody's mind when he hears that we are piling up large inventories of goods, if not "trouble ahead"? And if we are very low on goods, that is taken to mean that we are in good shape. Because it is an economy of production for profit rather than for use, it thrives on scarcity, and collapses as a result of the very situation that men should be happiest about: what is called a "glut" of the things we consume.

Some have obtusely refused to see anything new in automation. At a recent discussion sponsored by the League for Industrial Democracy, Sol Barkin, research director for the CIO Textile Workers Union, scoffed at the whole thing, and put the finger on "rising productivity" as the real menace; but automation is another means for raising productivity, unmatched in human history. Others have tried to play down automation as something that is not new, the principles of which have been known for hundreds of years. This line is the one most often taken by industry spokesmen trying to allay fears.

It is true that the basic principle of automation has been in regular use in industry at least since James Watt invented the flyball governor in 1788. Your home thermostat, the regulating apparatus of a refrigerator, or the steering mechanism which ships have used for years are other long-standing examples. But—and this is the important point—while we may have constructed a number of self-regulating devices in the past centuries, it is a far cry from that to devising an analytic theory which synthesizes the known facts and guides the construction of new devices. And it is a still further leap to combine this idea with electronic machines which can digest, store and act upon information with lightning speed, and then to harness mechanical muscles to these electronic brains—as one journalist has put it.

In the earliest steam engines, James Watt incorporated the following device: The shaft of the engine was made to turn the shaft of a governor, which consisted of two heavy steel balls mounted at the ends of whirling arms, which were in turn connected back to the throttle valve regulating the admission of steam into the engine. As the speed of the engine mounted, the whirling arms flew outward further and further by centrifugal force. But as they flew outward, the lever to which they were connected

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closed the throttle valve and slowed the machine down; then, as it slowed down, the arms by falling inwards opened the throttle valve again and increased the speed of the engine. By varying the length of the arms, the weight of the flyballs, and the stops which prevented the mechanism from going too far in either direction, the limits of speed could be set.

Now, that is a true example of automation, in spite of the fact that it is simple, because it controls and regulates itself automatically within a closed system; a portion of the energy which it produces is fed back into the system to guide its operation. That is why the term feedback has come to represent a crucial concept in automation.

The modern automation systems are no longer so simple as the flyball governor or the thermostat. They depend upon several mechanisms which were developed during the war: the computers or data-processing-and-storing machines, and the servo-mechanism, or devices which transmit signals and amplify them into power to operate the motors and connecting rods which work the machine itself.

WITHOUT going into extended technical detail about these new machines, this much should be made clear: The key fact which gives these control mechanisms their usefulness and superiority is the speed of electrical impulses and the tremendous number of them which can be harnessed in a single instrument by modern electronic science. The governor, by mechanical pushing and pulling of a lever, can transmit a single signal to the engine, and that very slowly. But electronics can send millions of controllable impulses darting with almost the speed of light, thus making possible self-regulating systems of the greatest complexity and rapidity, approximating the very simple operations of the human brain.

What can these machines do? Well, let’s look at what they are doing. In the clerical field, the machine is being put into use at a rapid rate, because once the electronic computer is built, very little need be done to adapt it to office work. An IBM calculator can do over 32,000 multiplication problems of two figures with 13 digits each in one second. In a recent test, a clerical worker needed 540 seconds to do only one such problem, and got the wrong answer! Commonwealth Edison of Chicago will get an IBM of the “700 series” soon which will calculate and print the bills for 1,800,000 customers, use 273 clerks where 470 are now employed, and take only half the time. It will store a “memory” of the past record of every customer, and if the current bill seems too low or too high, it will ask for a new meter reading.

INSURANCE companies, utilities and companies with large payrolls find these machines extremely useful; all large concerns find them an unimaginable labor-saver in planning operations, keeping track of inventories, etc. Department stores will use them to assemble information from cash registers all over the store, or a system of stores if so desired, every day at the close of business, and deliver, with lightning rapidity, a summary of sales in every item handled by the store, and also check these sales against inventories, print and deliver purchase orders and replenish depleted stock where needed, and do everything but roll the shutters down and sweep the floor. The giant data processors are in use in some dozens of the largest corporations already, such as U.S. Steel, General Motors, Metropolitan Life, General Electric, and the manufacturers of the computers, IBM, Remington Rand and others, are preparing and putting on the market smaller machines which will be suitable for all but the smallest firms.

Continuous-flow production processes, especially where liquids or granular solids are involved, are easily regulated by the flow meters and feedback mechanisms of a simple sort which these processes require. That goes for oil, chemicals, flour milling, and so on. An average oil refinery which would employ 800 people would need only 12 people, if instrumentation were used to the fullest. Many refineries are already operating on nearly that basis, and it is doubtful that new refineries will be built otherwise than with complete automation. A Bedford, Ohio, chemicals plant which produces a monthly quota of 650,000 pounds of jellied gasoline, better known as naipalm, requires only four men and a supervisor for maintenance on its 10,000 square feet of plant area, and production costs are less than half of the conventional method. The production of electric power by automated atomic-power reactors is in the works: An example is the plant being built in Pittsburgh which will require only six men to furnish electricity for the entire city.

IN THE field of mass production of standardized units, automation is being rapidly introduced into the radio, television, electronics, and other industries. They now have what they call the “printed circuit,” which obviates the need for much hand wiring and soldering. The wiring is etched right on the chassis mount. Admiral Television installed one of the first of the robot production lines; now they are becoming quite common. Philco Radio has a semi-automatic setup that eliminates 37 out of every 40 solderers. A radio assembly line is geared to produce 1,000 radios a day with only two workers; a standard
hand-assembly line needs 200 workers for the same output, and, by all accounts, the products are more uniform, the connections are trouble-free, the mechanisms resist extremes of temperatures and humidity, they can be engineered with greater freedom than a hand-assembled job, and, of course, the costs are lower, although the price isn’t necessarily.

In auto, the labor savings are prodigious. Ford’s automatic engine plant at Cleveland turns out twice as many engines as an old-style plant with one-tenth the manpower, and the blocks go through in 15 minutes instead of the nine-hour old process. They have a machine in one passenger-car plant, which formerly employed 36 men to feed fenders into a conveyor for spray painting, which automatically feeds six sets of fenders to a fast-moving merry-go-round where different colors of paint are applied at the same time. One worker runs the whole show. Nash machines cylinder heads by a method which reduces man-hours to only 20 percent of the old method, and Pontiac boasts that its 1955 engines are being produced by a plant which “surpasses any other plant in the world” for automatic equipment. All in all, it is estimated that a fully automated automobile industry will require only 200,000 workers to produce the present output of a million auto workers.

Now all of these instances refer to pretty much repetitious types of work, but the automatic machinery of today is going to begin to replace the skilled craftsman, with long years of apprenticeship behind him, too. The Massachusetts Institute of Technology has adapted three servomechanisms and a computing system under feedback control to run the three basic motions of a universal milling machine, and that machine can turn out work that it generally takes a skilled machinist to do, simply by reading a punched tape which is fed into a tape reader. The control equipment can run one machine or a battery of machines, and they don’t have to be there in the room either; they can be in another plant, or in another city, for that matter.

Among the first to feel the impact of the automation revolution will be the grouping in the economy to which the Marx-refuters have pointed with such a glow of pride: the so-called new middle class. The clerical workers are not really a middle class in the economic sense of the term. They constitute, by virtue of their status as employees—and lower-paid employees at that—a portion of the working class doing a different kind of a job from the overalled worker. In recent years, this grouping has, due to changes in the technical process and to a greater amount of office routine, grown tremendously—from 5 million in 1940 to over 8 million in 1954, or from 11 per 100 industrial workers to 16 per 100. Now that trend will be sharply reversed.

Also to be hard hit is the giant layer of semi-skilled workers—the biggest portion of the country’s working

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Before Automation Came Rationalization

RATIONALIZATION, like automation, is a word meaning a change of method in manufacturing. It is a gradual and continuing change such as takes place with automation. While automation has brought a revolutionary change in the machining of engine parts for the car, it has thus far had almost no effect on the fabrication of the parts for, or the building of, the auto body.

The introduction of the conveyor system by the Ford Motor Company more than forty years ago was the first big step in this system now known as rationalization. It may be described as a system of manufacturing and assembling, in this case of auto parts, in logical sequence on conveyors. It also means a continuing restudy of the various operations and the breaking up of major tasks, and even entire semi-skilled trades, into minute operations. This process has progressed to the point where the average worker does not spend more than 90 seconds in doing an operation on a 1955 automobile.

When the conveyor system was first introduced, it was only used to carry the chassis or frame down a line to which the engine, wheels, body, and other parts were brought and assembled. In this period, no sub-assembles or manufacturing was done on conveyors. Instead, the worker stood at a bench or buck to do his work. Continuing over the last forty years, bit by bit, almost all fabrication as well as assembling has been put on conveyors. Today the metal finisher, welder, torch solderer, cushion builder, the sub-assembler, and the final assembly worker all perform their operations on a conveyor.

Twenty years ago at least half of the work was done in a stationary position. Today probably 98 percent of the work of fabrication and assembly is done on conveyors. About two percent, mostly repair work, is done in a stationary position.

How have these sweeping changes affected the auto worker? When the work was done on a stationary bench or buck the worker spent anywhere from ten minutes to two hours in doing an operation. It required months to learn to do some of the simple operations in the semi-skilled trades of metal-finishing, torch-soldering, or trimming. It took years to become a first-class mechanic in these trades.

With the breaking-up of these trades, most of the skill has been eliminated. Today a young, inexperienced worker can be hired off the street and in a few hours, or at most in a few days, he will be doing the work in as well as the worker who has been on the job 30 years. Five years ago there were advertisements in the Detroit papers calling for metal finishers, torch solderers, welders, trimmers, and painters. In this high production year of 1955, such advertisements have disappeared. The large auto manufacturers have more men trained in these trades than they can use.

When the work was done on a stationary bench or buck the worker was always under pressure to meet production standards set by management. However, in the days before the UAW, when much of the work was on a piece-work basis, there was a considerable variation in the pace. Working by himself at a bench, the worker, within limits, could set his own pace. On a conveyor the worker cannot set his own pace. The motor-driven conveyor makes no allowances for the worker over 50 or 60 years of age. Management sets production standards at the beginning of a model run according to “the reasonable working capacities of normal operators,” and production workers are sometimes heard to say: “The company treats us just as if we were just a number on a time card.” UAW committee members often challenge the production standards set by management but rarely get a line-speed reduction.

Rationalization, like automation, has greatly increased the productivity of the auto worker and the industry as a whole. But while the industry continues to set new records, the number of workers remains the same or even declines.

GM Worker

OCTOBER 1955

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class—the class of workers created by the Industrial Revolution and the rise of mass-production methods. A great mathematician and scientist who, probably more than any other single person deserves the name of the father of this new branch of science, Norbert Wiener, put it this way in his book “Cybernetics”:

Perhaps I may clarify the historical background of the present situation if I say that the first industrial revolution, the revolution of the “dark satanic mills,” was the devaluation of the human arm by the competition of machinery. There is no rate of pay at which a United States pick-and-shovel laborer can live which is low enough to compete with the work of a steam shovel as an excavator. The modern industrial revolution is similarly bound to devalue the human brain at least in its simpler and more routine decisions. Of course, just as the skilled carpenter, the skilled mechanic, the skilled dressmaker have in some degree survived the first industrial revolution, so the skilled scientist and the skilled administrator may survive the second. However, taking the second revolution as accomplished, the average human being of mediocre attainments or less has nothing to sell that is worth anyone’s money to buy.

That’s pretty strong, but it was written by a man in a position to know what he’s talking about in this field, and was written, moreover, almost eight years ago, before the industrial application of his science was rushing upon us. And it is rushing pretty fast today, too. A booklet which the General Electric Corporation distributed to its employees called “Automation—Friend or Foe?” told them: “The employer must automate to stay alive. . . . It is imperative. . . . that he remove from his payroll any substantial surplus of employees not needed.” When once automation is introduced by one large manufacturer in an industry, it must rapidly be introduced by his competitors on pain of sudden death. You don’t have to be an expert in monopoly, oligopoly, the theory of imperfect competition or anything else to figure that out; it’s an elementary fact of our business system. And, since automation is very often surprisingly cheap, and can also often be applied to existing equipment, the pace is being stepped up rapidly.

In 1940, factory sales of data-process equipment were zero, in 1953, $23 million, and in 1960 expected to be $300 million. Instruments for industrial control sold to the tune of only $3 million in 1940, $65 million in 1953 and estimates for 1960 are $150 million.

These figures would not mean much without a yardstick, so let me tell you what Professor Wassily Leontief of Harvard University figured out for the Scientific American of September 1952: If all the new plants built in 1950 had been automated, that would have cost an additional $600 million in equipment; actually, about $67 million was spent in that year, and this was therefore enough to automate about 10 percent of all the new plants being built. Since the spending has risen a great deal since then, we may be sure that a substantial percentage of all new plants being built are automated. It is estimated that, if the trend continues, American industry will be fully automated to the reasonable present limit within ten years, meaning, according to the experts, that one man will do at least the work that five do now.

We come now to the big question: What will be the effect of such automation upon our economy? The air is thick with reassurances. In substance, the argument of the more conscientious apologists is something like this: “We are willing to admit that there will be labor displacements and hardships, but in the long run, more and more jobs will be created. We’ve had this problem before, and we’ve seen that, in the end, technological improvement led to more jobs instead of fewer.”

There are a number of different angles to this problem, and I propose to examine several of them. The displacement of workers due to new technologies is generally made up, in part, by increased employment in the capital-goods industries where those new machines are being built. I emphasize the “in part” for this reason: If it took as much labor to build the machinery as that machinery displaced, then the machine would not be economical and would not be used. There is no sense in paying more in wages to build a machine than you can save by installing it; you lose on the deal.

During the first Industrial Revolution and all of its later phases up to the recent period, the capital-goods requirements were massive; entire new industries were brought into being. But the remarkable thing about automation is that it saves labor on a greater scale than ever before at the cost of comparatively little money, and it will therefore not boost employment in the capital-goods department of capitalism very much. Wassily Leontief of Harvard, whose work I mentioned before, has calculated the approximate costs of automating capital equipment. He figured the costs as a percentage of the total cost of new equipment; thus if a chemical plant can be built for $900,000 and the same equipment can be automated for another $100,000, then the cost of automation is 10 percent of the total cost of the new installation. His figures show that automation for a pulp mill only costs three percent of the total cost of the mill; in chemicals
and oil refining, between 5 and 6 percent; petroleum refining, 3-5 percent; packaged foods, 3-5 percent; mining and processing of ores, 2-5 percent; rubber, 5 percent; and carpets, 2-3 percent. The highest figure on his list was for meat-packing, which runs 19 percent, and the lowest, for rayon and rayon yarn, 1-2 percent. The average figure was the amazingly low one of only 6 percent. Leontief comments on this: “The mechanization of the nineteenth century required heavy capital investment and proceeded slowly; the new technology, unhampered by such vast capital requirements, can be introduced at a much faster pace.”

Hopes for the growth of vast new capital-goods industries like those of a century ago, and of a stimulus to employment in those industries and in the secondary fields boosted by them, are bound to be disappointed. A basic difference with the first industrial revolution appears as soon as we begin to look into the problem. Not only that, but the electronic industries which produce the new equipment are themselves singularly susceptible to automation. A Department of Labor study informs us:

*Electronics output in 1952 was 275 percent higher than in 1947 but was produced by only 40 percent more workers. Output per man may rise even faster during the next few years as a result of improvements in manufacturing techniques. . . . These trends toward “automation” may result in the greatest reduction in unit man-hours in the industry's history during the next few years.*

The IUE-CIO has estimated that 110,000 workers in electrical industry lost their jobs in the 21 months ending last November 30 primarily because of the increase of automatic equipment. These facts are of the greatest importance, for they mean that we must not look to any hiring spree in the main new industry which is being produced by the new industrial revolution.

**Now we** come to the second aspect of this matter. Technological innovations can be of two major kinds: labor-saving capital-goods equipment, or new consumer products. The lathe or milling machine are examples of the first; the automobile and radio examples of the second. The economists have made much of the fact that, while Marx examined, in detail, the effects of machines that increase productivity upon the economy, he paid scant attention to inventions that place new consumer products upon the market. And they have boasted that the technological revolution of the early 1900’s in America was concerned largely with the development of new products, which stimulated consumer demand and, by a process like that of spreading ripples throughout the economy, gave a boost to every aspect of production and consumption.

Their boast had some substance to it, and this fact helped to give the American economy new vigor for a while. But, as you can see clearly from the broad facts without my citing statistics or quotations, that is not involved in the present industrial revolution. This revolution is simply bearing down on reducing the hours of labor that go into the existing consumption goods. Therefore, the big boosting factor of the early part of the century is far less, not more, operative.

Another feature of the past industrial revolution during the heyday of the first Henry Ford was the multiplication of the service industries. Here we must get a little background: When David Ricardo, the great British classical economist, first turned his attention to the effect of labor-displacing machinery, he noted at once that if an English manufacturer took the workers who were thrown out of jobs by a new textile machine, for example, and employed them as servants on his estate—gamekeepers, butlers, coachmen, etc.—using the money he saved by firing them to rehire them for the purpose of making his personal life more luxurious, then the problem of technological unemployment would be solved. This axiom noted by Ricardo came into play in the early twentieth century in the United States in a peculiar way. The servant class didn’t increase, it declined, but the number of those engaged in servant activities for society as a whole grew tremendously. I am speaking of the vast expansion of the service industries: the staffs of luxury hotels and resorts, the vast army of attendants in the gas stations and auto repair shops of the nation, the personnel of the radio stations, the new multiplicity of agents and dealers of all kinds, etc. As great new avenues of consumption were opened up for the capitalist and middle classes, and as these avenues siphoned away a portion of what would otherwise have become unemployed capital faced on the other side by unemployed labor, it had a huge economic effect.

In the seven fat years from 1923 to 1929, at a time when industrial employment was slowly falling, employment in the service industries climbed by the phenomenal figure of 70 percent, and for a time, kept the pressure off the labor market and off wages in the industrial field. The automobile had the largest role in this development. But in the new industrial revolution, that kind of growth is not to be expected, because it is not inherent in the technical nature of the present revolution.

**It is** clear that capitalism can assimilate rapid technological advances only if it can expand greatly, to invest new boards of capital and thus re-employ some of the displaced workers. During the eighteenth and nineteenth centuries capitalism was growing very rapidly, not only by increasing the market in its own arenas, but also at the expense of old systems of production, taking over new areas of its own nations and of other nations. For example, in the period from 1800 to the present, when the farming class, which used to be 80 percent of the population and was semi-independent of capital, was reduced
to only 20 percent of the population, capitalism was in
the course of this process acquiring great new areas for
investment at the expense of an older economic form. One
of the special reasons for the exceptional vigor of Ameri-
can capitalism was that it was able to repeat this process
several times over. It destroyed and then re-created through
immigration and a land abundance, a series of such farm-
ing classes, and so was able to have its cake and eat it
too, a number of times. But that day is over now.
Capitalism expanded also at the expense of the colonial
lands. The economist Fritz Sternberg has calculated that
where, when Marx and Engels wrote the Communist Mani-
manifesto, only 10 percent of the world’s population lived di-
rectly under the capitalist system, by 1914 this had in-
creased to 30 percent. Imagine if capitalism had been
compelled to keep increasing its investments and re-em-
ploying slack labor within that same 10 percent of the
world! It would have been impossible. But, since 1914, not
only hasn’t the capitalist 30 percent grown, it has even
shrunk a bit, and, on top of that, 55 percent of the earth’s
population has been permanently taken out of the orbit
of capitalist possibilities. The contrast is devastating
and shows that world capitalism will develop acute disorders
in trying to assimilate the effects of this new industrial
revolution.
I have been trying to reply to the breezy claim that
the capitalist system will take the new revolution in its
stride as it took the old machines—by expanding and re-
adjusting. But, in order to make the comparison, I have
accepted this claim—that the last industrial revolution
was surmounted by capitalism—as good coin. In actual
fact, the tale is a different one. The adjustments were very
badly made, and involved huge industrial reserve armies.
And finally, the time came when the system could not
adjust at all.
We had a big upsurge of productivity early in this cen-
tury, the hucksters tell us, and we had more employed
all the time, and better jobs, too. But then what hap-
penned? The great expansion of production, with which
consumption wasn’t permitted to keep up by the very
workings of the capitalist system, threw us into the most
devastating depression in history, with 10 million unem-
employed even at the end of it—when a war economy fin-
ally pulled us out. That’s where Henry Ford’s “job-pro-
ducing” production line put us in the end; and that’s
the part of the story that we are never told when we
are referred to the wonder-working miracles of technology
in our past economy.

A LL THE comparisons with an earlier day point un-
erringly to a single conclusion: If capitalism in the
United States succeeds in accomplishing a more or less
complete automation—which is the logical end towards
which industry is heading—the effects will be devastating.
American economy will have worked itself into an im-
passe. And the great promise of automation in a socialist
society, which must be left to another time for discussion,
must surely be clear to all who understand that an econ-
omy which produces for use instead of profit can never
suffer from our present embarrassment of riches.

The Story of Swede Berglund

San Francisco

CHARLES F. “Swede” Berglund was a long-time wheel of
the Malone machine in the Marine Firemen’s Union. A
union officer off and on for the past 15 years, he was of
the inner council of the right-wing leadership which is ruled
by Vincent Malone, the union’s president. A great deal of
the machine’s dirty work, including steady red-baiting of oppo-
sition slates and individuals, was done by him, and he per-
sonally led the march of 800 firemen who tried to break
the picket line which Harry Bridges’ longshore union had thrown
around the USS Alaskan.

But Swede Berglund was also a popular man with many rank
and file. Above average in intelligence, a very good floor
speaker and chairman, he had the largest personal following
of any man in the right-wing group, and drew the highest
vote at the union elections.

For the past several years, the Malone leadership in the
MFOW has been drawing closer to Harry Lundeberg, Sailors
Union of the Pacific head, and assisting him in raiding opera-
tions against which the MFOW had previously fought. Swede
Berglund went along with all that. But when the Firemen’s
Union started to fall in with Lundeberg’s plan, starting about
six months ago, to “cheapen” labor costs on American vessels
so that shipowners could underbid foreign competition, Berg-
lund began to balk. That was too much for Swede. He voiced
his views at membership meetings, put out leaflets attacking
Malone & Co., and thus broke with the machine and drew
closer to more militant elements in the union.

This rank treason—to the machine, but not to the rank and
file—roused Malone’s ire. He couldn’t see why Berglund op-
posed the new idea of cheap wage rates. Berglund, he said,
“thought it was appeasement and wanted to tie up the whole
coast.” He began, in Malone’s words, “getting a little too
militant.” So, steps were taken.

Swede was beaten five times in one week. He was threatened:
“You’d better cut this stuff out or someone will be getting
a gun and blowing your head off.” An attempt was made to
remove Berglund from the union negotiation committee, but
a membership meeting voted it down. A second attempt was
made in a confused and turbulent meeting, and finally, with
many members not voting, the machine had its way and
Berglund was removed. At this August 4 meeting, Berglund
and one other oppositionist were gang-jumped and badly
beaten.

THE next day, Swede Berglund appeared at union head-
quarters, and with a just-purchased .32-caliber pistol,
spayed bullets among the top officials. He wounded two men,
turned his gun on Malone and clicked the hammer on an
empty shell. Going into an empty office, he reloaded, placed
the weapon against his own temple, and pulled the trigger.
Swede Berglund was out of the way of the Malone machine.
As the swarm of police and reporters crowded around the
union offices, Malone crowed over his dead opponent, point-
ing even to a black eye he claimed to have inflicted a few
days before the tragic end. San Francisco newspapers moral-
ized glibly over the behavior of the unionist who “voiced such
extraordinary demands” at union meetings that “he wasn’t
much help to either labor or management.” But union men
up and down the West Coast seafaring industry took a dif-
ferent view. While none held with Berglund’s last desperate
plunge, many knew just where to place the blame, and vowed
to bring that blame home some day.

Marine Fireman
In Morocco, imperialism’s promises and performance have met face to face. The wealthy French North African colonialists refuse to loosen their grip on an oppressed nation. The result: an ever-widening struggle by the native population.

French Cabinet Juggles:

Crisis in Morocco

by Our European Correspondent

Talleyrand had nothing on Edgar Faure. The French premier is displaying a talent for artful diplomatic footwork, for the most disingenuous political chicanery, Europe has seen for a long time—which should, if successful, earn him a place in the gallery of Machiavellian statesmen. This is the politician who survived the cabinet which fell with Dienbienphu, and then, living through the government of Mendès-France, which made peace in Indochina only to break its back on North Africa, he graduated to the head of the state. All of that has been a mere curtain-raiser for his current exploits in North Africa.

Confronted with a sizzling colonial uprising, Faure has been doing a dance on hot coals, thus far without getting burned, that has stupefied friend and foe alike. He sacked his Moroccan proconsul, Gilbert Grandval, for following a plan he himself had devised. Having thrown his emissary to the imperialist wolves, he got them to adopt the plan for which they had demanded Grandval’s removal. He timed his moves so that parliament would be in recess during the crisis and thus unable to overthrow him. He made sufficient concessions to the leader of the right wing, his Foreign Minister, Antoine Pinay, so that when the storm blew among the right-wing deputies, it was Pinay, not Faure, who caught the full force of it. Then came the pièce de résistance, which was to obtain the promise from the exiled former Sultan Ben Youssef—whose return to the throne, from which he was deposed in August 1953 by a government in which Faure was a minister, has been the center of nationalist agitation—that the ex-sovereign would not press his royal claims and would abstain from politics. In return it was agreed to permit Ben Youssef to leave his exile in Madagascar for one in France, to secure the departure of Ben Arafat, the discredited Sultan the French government substituted for Ben Youssef, and to set up a Council of Regents, presumably representing all Moroccan parties, as a preliminary to some form of so-called “self-government.”

Will it all work? On the political chessboard it is a perfect gambit. But the forces in real life are not exactly chess pieces. It is not so easy to maneuver a conflict between vested colonial interests fighting desperately to maintain the last bulwark of empire, and an outraged native population driven to fury first by broken promises and then by a savage repression pursuing the notorious rule of “collective guilt.” Three explosive forces must be kept in a delicate equilibrium to avoid a clash.

First, the colonial gang. The correspondent of the New Statesman and Nation described them last April as “a triumvirate of feudal chieftains, big businessmen and corrupt civil servants [who] rule a country of 9,000,000
inhabitants, with murder as the ultimate administrative weapon.” This was the crowd that engineered Grandval’s downfall. They wanted Grandval out because he seemed to be curbing their uncontrolled administration of Moroccan affairs. They engineered the terrorist outbreaks against Moroccans timed for Grandval’s arrival and then created the situation for the retaliation of the tribesmen on August 20. At the height of the events, virtually the whole top military staff turned in their resignations. Now they are all back at their posts again, applying a ruthless policy of vengeance. Behind them are the French fascist groups, reassured by the removal of Grandval who had chastised some of their leaders. These are the people who must apply the “compromise” agreements signed at Paris.

Second, the Moroccan nationalists, principally in the Istiqlal independence party. This is a middle-class group of city lawyers and businessmen which has sought to gain self-rule by peaceful, constitutional means. There was a time when it might have played the leading role of Bourguiba’s Neo-Destour party in Tunisia. Now it is in danger of getting overwhelmed by popular forces taking the road of the fellagha guerrillas in Algeria. Grandval may well have been their last hope. They undoubtedly told the minister’s conference at Aix-les-Bains that the time was not far off when they could no longer restrain the people.

Third, the French people themselves. Their interests are now directly at stake, particularly those of the youth of the nation. The army in the Indochinese war consisted of volunteers and mercenaries, since there was a French law forbidding the sending of conscript troops overseas without a specific act of parliament. North Africa, however, is considered “metropolitan” territory, and an army of 250,000 men drawn from occupation duty in Germany posed to the sending of conscripts into North Africa. The Communist and Socialist Parties took a stand against it. Express, Mendès-France’s weekly paper, tried to explain to the youth why they should rally to the colors, distasteful though the war might be to them. Claude Bourdet

wrote a blistering attack, “No Contingent for North Africa,” in France-Observateur, in which he made pointed reference to the conscientious objectors’ movement in Germany. The paper was suppressed and the editor cited before a military tribunal.

On September 12, at the Gare de Lyons (Paris station), the first mutiny occurred among a thousand airmen being transported to Morocco. Shouting “Morocco for the Moroccans,” “We don’t want to go,” and “Join us, civilians,” the reservists refused to board the train. Forced on by armed police detachments, they pulled the emergency brakes and stopped the moving train. They were then packed off into police vans and driven back to their barracks in Versailles, but later flown, the government claims, to North Africa. Actions like these can be extremely contagious, while punitive measures against the rebels can arouse a big popular movement in their defense. The opposition to the Indochina war was passive, conducted mostly by the CP and other Left groups. This time, the struggle can become an act of defiance by the youth of the country against their imperialist government.

Such an alignment of forces dictated one of two possible solutions to the “Moroccan problem”: either outright independence or a sweeping reform which would completely alter the relations between France and its protectorate. The first was rejected out of hand as the dissolution of the Empire, the probable loss of French capitalism’s biggest overseas investments, the end of the privileged position of French settlers in North Africa. The second would have required a frontal attack on both the colonial administration at Rabat and its colonial lobby at Paris. The right-wing government, deriving its support precisely from such forces, could not contemplate such a policy. Before Grandval’s arrival, there had been a series of murders of French liberals in Morocco by French fascist terrorists, a warning to the government to keep its hands off. When Grandval was sacrificed at the point of an ultimatum from the army generals in Morocco and half the cabinet in France, reform was half-dead.
"Showing No Mercy" is the caption given by the news service to this remarkable photograph of French imperialism in action in Morocco. Soldiers coolly shot helpless civilians in the back and then called them "terrorists" in justification.

The "new dispensation" contrived by the Premier after his devious manipulations is a transparent facade for the old regime. It settles nothing in Morocco, but, with luck, it may keep the present French cabinet in power until the general elections next year.

The Protectorate established in 1912 is to remain absolutely unchanged—that was the preamble for the declaration of new policy. Within the protectorate there is to be established a relationship that is called "interdependence"—presumably a colonial status modified by a few institutions of self-rule. To a certain extent, that status prevailed in the past when France ruled more indirectly through the Arab pashas and caids. But it was thrust aside for direct French rule when post-war industrialization created both a modern working class and a movement for independence. The feudal chieftains had become ineffective as puppets and, due to the swelling pressure from below, unreliable as allies. The colonial masters saw the handwriting on the wall when the former Sultan became openly friendly to the Istiqlal party.

The terms of the projected self-rule are thus deliberately vague. Anything with substance would quickly create a situation similar to that in British Guiana, where the election was voided by the imperialists, except far more acute as it occurs against a background of terrible violence and repression. That had already been the experience in Algeria, where the nationalists, despite the most severe handicaps, won a clear majority of all the seats in a legislative assembly, only to have the election brazenly stolen from them by the French. This probably explains why there is still nothing definite as to when and how the Council of Regents will call the new organs of self-government into being.

In Morocco itself, the first step has still to be taken. The puppet sultan is still on his throne and refuses to leave. During Grandval's brief tenure, Sultan Ben Araf, finding himself a virtual prisoner in his palace, fearing assassination if he ventured outside, deserted by the bulk of the religious and feudal hierarchy, had agreed to pack his bags for Tangiers. At the crucial moment, the Glaoui of Marrakech intervened to change his mind. The Glaoui is a power in south Morocco, known for his fabulous wealth accumulated from the white slave trade and brothels. Tied in with big French interests, he was the cornerstone of the colonial administration because of his influence over the Berber tribesmen, which has since almost completely disappeared. The Glaoui fixed the deposition of the former sultan, is stalling the resignation of the present sultan, and he remains the ace-in-the-hole of the Rabat crowd that wants to spike the present plans.

Marshal Juin, the most powerful militarist in France, the real power behind the scenes in North Africa, greeted the Faure plan with a threat. He warned the politicians not to "yield too easily" and "not to give way to fear to allow the impression that crime pays." The politicians having never brought anything but "shame and contempt to the Moslem countries," he hoped that "the French of North Africa, of which I am one" may not "in the near future have to curse an ungrateful fatherland." Juin is
in the government, but General Koeki, who holds the same opinion and has opposed the least concession to " Hauptmann " in the past.

The bras hats have become the decisive influence in North Africa, as Grandval was to discover to his chagrin. In North Africa, the general had persuaded the police who were shamelessly tied in with the French terrorists, and in any case could no longer cope with the сagging nationalist revolt. But when the general was in hopes among the Moroccans, they greased the plank for him. They no longer advised or reported to him. Although informed of a possible outbreak from the tribesmen, they deliberately con-
menced the danger which was to lead to the "atrocities" of August 20 and provide the pretext for the ousting of Grandval and officers of " Hauptmann " by this means of repression. The army will be the final arbiter of French policy in North Africa until the French people succeed in getting a new regime in Paris.

Meanwhile there have been deep-going changes among Moroccans. The intifada, or白领 flag, are now directed against the regime, are now in opposition. In the cities, the remarkable restraint of Moroccan workers on August 20, while the militarists were looking for the slightest pretext to drown the natives in blood, points to a more thorough and disciplined movement than has hitherto existed. There is talk now of permitting Moroccon trade unions, excluding those of " Hauptmann " and officials of the " Hauptmann," to take the lead in organizing of nationalist opposition which would combine with the struggle against French exploitation. In any case, the time is fast passing when the French can pit one section of their miserable victims against the other. The whole nation is being welded into a solid bloc for freedom.

What favors the Moroccans, despite the terrible odds against them, is that their struggle coincides with mounting economic conflict in France itself. A wave of strikes is spreading over the country, thus far affecting mostly the shipbuilding and metal-working industries as well as the building and transportation workers. French employers, backed by the government, have been stiffly resisting wage demands. As a result, there has been a general rise in the cost of living. Unless generous concessions are forthcoming, the movement, which is the most determined since the end of the war, can assume nation-wide scope.

I ask the labor movement for the reason that it is my only hope for democracy.

Wendell Phillips, 1927.
Canada, increasingly an economic colony of U.S. capital, is also afflicted by the long-standing division between French and British Canadian. These and other problems of the developing labor movement there are discussed in this survey of Canada today.

by George Brodie

Canada has come up in the post-war period as a major industrial power. Paralleling the expanding economic power has been her increasing political importance in international affairs, with her politicians thrust into the councils of the great powers and attaining important diplomatic roles new to them.

While definitely under U.S. tutelage and protection today, Canada remains part of the British Commonwealth. The continuing British connection is often attributed to invisible bonds that trail off into the maelstrom realm of romantic myth. In this category can be placed considerations of common language, culture, tradition, etc., none of which were sufficient to prevent the American colonists from severing their ties with the home country. The British connection is maintained to the present day because of the material interests of Canadian capitalists who benefit economically from the British preferential trade system, and politically from the constitutional built-in safeguards against progressive legislation. An example of the latter was the Farm Securities Act, which, introduced by the Cooperative Commonwealth Federation, the Canadian labor party, after it won power in Saskatchewan in 1944, was disallowed by the judicial committee of the Privy Council in London in 1948. Fervor for the British connection would quickly disappear in Conservative quarters in the event that Britain went socialist.

Canadian political institutions have been modelled on the British; but in its economic development, Canadian industry is a hybrid product of a colonial past upon which has been superimposed the mass-production techniques of the U.S. Canada used to be primarily a source of raw materials and a market for manufactured goods. Even today, wheat, planks, wood-pulp—export items which were its most important products a century ago—are still major components of the economy. This also explains the country’s extreme dependence upon foreign trade, which in 1952 amounted to $9.2 billion out of a gross product of $23 billion, with fully two-thirds of foreign trade concentrated on the U.S. market. Foreign investment plays a dominant role in the economy. Up to the end of World War I, British capital held first place but gave way in the early twenties to U.S. investment, which by 1926 surpassed the British, reaching a total of almost $3.2 billion compared to $2.6 billion for the British. World War II accelerated the influx of American capital, and continued the process of reducing British holdings through the repatriation of Canadian bonds. By 1949, only 21 percent of foreign investment was in British hands while U.S. investment jumped to 75 percent of the total. Since 1950, the rate of investment in Canada by American business has been over $500 million a year and by 1952 totalled over $4½ billion.

Canada’s political independence from England thus developed concurrently with a growing economic dependence upon the United States. The nature of American holdings gives American businessmen a greater control over Canadian economy than was ever exercised by the British, because U.S. investment is mainly “direct,” that is, concentrated in Canadian companies which are branch plants or subsidiaries of parent firms in the U.S., compared to the “portfolio” character of British investment, that is, holdings of public issues of Canadian stocks and bonds.

A special investigation in 1946 revealed that the U.S. controlled 37 percent of all manufacturing in Canada. In the non-ferrous metals group, American control gripped 72 percent, not including International Nickel or the Aluminum Company of Canada, where investment is considerable. The U.S. controlled 42 percent of non-metallic minerals, 36 percent of the chemical industry, 31 percent of iron, and over 25 percent each of the wood-paper and animal-products industries. Furthermore, it controlled 95 percent of the auto industry, 66 percent of petroleum refining, 60 percent of rubber, 55 percent of electrical apparatus and 49 percent of sheet metal products.

These figures are conclusive for showing the preponderant role of American capital. Nevertheless, Canada’s

The author is a Canadian unionist with many years experience in the Canadian Left.
economic growth has been so impressive in recent years that the relative weight of foreign control has been decreasing. Where in 1939 foreign investment controlled 38 percent of all industry, it had declined to 32 percent by 1948.

There has been a sharp rise in the rate of industrial development since the War, illustrated in the following table:

**COMPARISON IN RATE OF GROWTH BETWEEN CANADA AND THE U.S., 1946-51**

<table>
<thead>
<tr>
<th></th>
<th>CANADA</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percent Rise</td>
<td>Percent Rise</td>
</tr>
<tr>
<td>Gross National Product</td>
<td>76.62</td>
<td>55.95</td>
</tr>
<tr>
<td>Net National Income at</td>
<td>75.43</td>
<td>53.95</td>
</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross Domestic Investment (excluding business inventories)</td>
<td>172.31</td>
<td>113.00</td>
</tr>
<tr>
<td>Total Salaries and Wages (excluding agriculture)</td>
<td>81.95</td>
<td>53.63</td>
</tr>
<tr>
<td>Indexes of Industrial Production</td>
<td>33.16</td>
<td>28.82</td>
</tr>
<tr>
<td>Gross National Income per Member of the Labor Force</td>
<td>61.53</td>
<td>42.67</td>
</tr>
<tr>
<td>Net National Income per Member of the Labor Force</td>
<td>60.44</td>
<td>40.84</td>
</tr>
<tr>
<td>Gross Domestic Investment per Member of the Labor Force</td>
<td>149.31</td>
<td>94.91</td>
</tr>
</tbody>
</table>

(Source: Dept. of Labor publication, *Labour Gazette*, January 1953.)

Due to late industrial development under big-firm control, Canadian production has become even more concentrated than in the United States. Only two giant corporations dominate the railway transportation system, compared to the dozens of similar companies in America not one of which owns a complete transcontinental line. Ten banks control the entire banking system in Canada. In 1943 a survey revealed that 100 of the largest non-financial companies in Canada, comprising 22 percent of the total, accounted for 87 percent of all the assets of such companies. Fifty Canadian “big shots” hold in their hands the major portion of the industrial wealth of the country.

Canada’s history is the story of a dual development in its French- and English-speaking sections, bound together like Siamese twins in one body politic. When British military forces occupied the French colony along the St. Lawrence, they took possession of a settlement which retained the feudal structure of France. The growing discontent in the American colonies helped perpetuate feudalism in Canada as Britain required a stable conservative base of operation against the American rebels. The absolutist structure of the French colony, combined with a willingness on the part of the seigneurs (feudal landlords) and clergy to effect a deal, provided the preconditions for the establishment of such a base. This deal, consummated with passage of the Quebec Act of 1774, accepted the French colony as a national entity, maintained feudal relations, retained the French civil code and recognized the Roman Catholic Church as the state church. The clergy and seigneurs, who benefited from continuation of the status quo, pledged in turn loyalty to the British Crown.

FEUDAL relations saddled the settlers with rents of various kinds, **tithe** (church taxes) and **corvée** (compulsory labor). The dominant power was the Roman Catholic Church, which received grants of one quarter of all distributed land and which held over two million acres. The legalization of feudalism left a legacy of backwardness which has persisted in various forms to the present day.

The process of “abolishing” seigneurial exactions has at each stage in Canadian history resulted only in changing the form of the tribute. A long succession of Acts dealing with the subject finally in 1940 provided for the “abolition of seigneurial rents.” Habitants will, under this Act, be freed of all payments in 1961!

These feudal conditions were a barrier to increasing the productivity of the soil and produced a static self-contained economy. When industry finally developed in Quebec, it did so parallel to a backward agriculture instead of flowing out of an advanced one. The backwardness of agriculture in Quebec is indicated by the fact that, with a farm population only 2.5 percent smaller than that of Ontario, Quebec’s farm income was less than half as large.

The effects of the primitive economy surfaced up in the low educational standards and consequent lack of professionals and technicians. Industries introduced into Quebec, mainly owned by English and American firms, had to import their own technicians, supervisors and foremen, who were English-speaking, and who congregated in the better sections of the community. These soon developed the superior privileged attitudes of similar groups elsewhere. With the native population exploited in foreign-controlled factories and supervised by English-speaking technicians and foremen, the nationalist problem was exacerbated and provided with an economic **raison d’etre**. The inequality of wages which still prevails in Quebec despite great strides in trade-union organization is indicated in the following table:

**HOURS AND EARNINGS IN MANUFACTURING IN QUEBEC AND ONTARIO—FEBRUARY 1951**

<table>
<thead>
<tr>
<th></th>
<th>Average Hours Worked</th>
<th>Average Hourly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ontario</td>
<td>42.3</td>
<td>1.17</td>
</tr>
<tr>
<td>Quebec</td>
<td>44.7</td>
<td>.98</td>
</tr>
</tbody>
</table>

The extremely low wage levels of certain communities account for the high sickness and mortality rate of the province. While the infant mortality rate in 1941 in Quebec was 75.9 (per thousand live births), it was 45.6 for Ontario. In certain areas of Quebec it reached appalling proportions. In Three Rivers, for instance, it hit 297, a higher rate than that of Madras or of Bombay, ranked as the worst in the world. But it is important to note that economic exploitation did not create the national problem but only aggravated it. A tendency towards equalization of wages, therefore, will not eliminate the national problem but will only attenuate its economic features.

Despite the general antagonism in Quebec to British-
Canadian and foreign capitalists, the industrial interest found ready and eager partners in the French-Canadian capitalists, the church and the seigneurs. The total holdings of the Church, which carefully conceals its financial activities and is helped in this by total exemption from taxes, is estimated at $600 million, with a yearly revenue of $50 million. Its wealth has been considerably augmented by extensive investments in industry, with which it is clandestinely connected.

The political role of the Roman Catholic hierarchy has been a reactionary one from the original deal with the British Tories down to the present. Nor does the hierarchy confine its activities to Quebec. It agitated extensively on the separate-school issue in Manitoba in 1896, recognizing there an indirect blow to its control of educational facilities. It openly intervened in opposing the Cooperative Commonwealth Federation in its first bid for power in the Saskatchewan elections of 1934, threatening members of the CCF with expulsion from Catholic-controlled schools. Its interference in trade union affairs has been continuous. It intruded itself into the UE-IUE struggle for supremacy in Peterborough, Ontario, urging from all pulpits the defeat of the UE, but failed despite the predominant Roman Catholic population of the area. It dominated the Catholic Syndicates which until recently were scab-herding and strike-breaking organizations. Its corporatist influence in the Duplessis political machine has produced the most reactionary and corrupt government in North America. The retrogressive influence of the Church temporal over the French-Canadian working class will continue while it can pose as a defender of their national rights.

The socialist CCF has been unable to establish any real base in Quebec thus far. The strength of the Cooperative Commonwealth Federation in any other provinces, its penetration of English-speaking communities with a Labor Party tradition, is precisely its weak point in Quebec. Its abandonment of its early isolationist-pacifist position on the key questions of support for the second World War and conscription has bred the suspicion that it was a tool of imperialist policy—an accusation which was quickly taken up in the agitation of the Right and readily believed by the anti-war peoples of the province.

The national problem, while a knotty one, does not present an insurmountable obstacle to solidarity between English and French. Progressives in the English- and French-speaking sections of the country may draw inspiration from the example of solidarity shown between the Upper Canada radicals and Lower Canada patriotes of 1837, a precedent which undoubtedly will be repeated. This, however, can only be the end-product of common social objectives. Suspicions must first be removed and mutual confidence restored. The CCF has taken some steps in this direction by relying more heavily on French Canadian candidates and penetrating to a greater extent the mass movements in Quebec.

The key to the future of Quebec socialism, however, lies with the organized labor movement. Numerically, the AFL, with 150,000 members, is the largest trade union body in Quebec. The Catholic Syndicates (CCCL) is next with about 100,000 and the CCL (CIO) has about 50,000. Of the three, the CCL is the only one which has as yet committed itself politically with support of the CCF. Unity between the CCL and AFL will now give much greater weight and influence to the international unions thereby aiding the breakdown of existing barriers to solidarity between French- and English-speaking sections of the labor movement.

But the Syndicates are also growing. Originally a priest-ridden appendage of the employers, the Syndicates have evolved into a more normal union body whose militancy in the asbestos strike in 1949, and more recently in Louiseville, greatly added to its prestige and influence. Several of its members ran as candidates on the CCF platform in the 1953 Federal elections. There is a growing tendency on the part of the three unions, CIO, AFL, and Syndicates, to undertake joint activities which may eventually result in a more effective unity among the labor bodies of the province.

The English-speaking workers are responsible for transplanting some of the class-consciousness that is part of the British Labor Party tradition. The growth of the CCF as a counterpart of the British Labor Party must be attributed in great measure to the previous experiences of English-speaking immigrants. It is often asked why the CCF first gained power in Saskatchewan, an agrarian province, and why, despite the ebb in the workers movement, the CCF has maintained itself in power in Saskatchewan for 11 years.

Saskatchewan's economy is based on wheat. Geared to the world market, it is extremely vulnerable to the uncertainties and fluctuations of world prices, and is prone to the hazards of natural catastrophies such as floods, frost, drought, pests and disease. The extreme uncertainties of their existence have bred a strong solidarity and a determination to build protective organizations.

But this alone does not explain the consistent support for the CCF. Similar conditions prevail in North Dakota, which has a common border with Saskatchewan; is also based on a one-crop economy, with the same climatic, geographic and natural hazards. It was also a cradle-bed of radicalism; this is where the Non-Partisan League won power in 1918 and again in 1932.
IN Saskatchewan, however, there was an additional set of factors at work which created something more permanent than a passing populist protest movement. To begin with, the province was new, having been incorporated into the Dominion only in 1905. The new immigrants, predominantly from England, included many workers with trade-union experience, who chose to settle on the land. Because of the newness of the province, they did not have to adapt themselves to an alien culture and contend with established local customs. They were in a position to freely use their Old World experience to solve the political, economic and social problems posed in the new world.

To defend themselves from the financial, transportation and marketing monopolies, they founded cooperatives. To this day, Saskatchewan has more co-ops than any other area of comparable population on the North American continent. The average farmer in Saskatchewan belongs, not to one, but to three or four, dealing with consumer, marketing, credit and welfare problems.

Even before socialized medicine had become an issue in the rest of Canada, the Saskatchewan farmers had set up their own “nationalized” medical plan. Early in the twenties, the Saskatchewan farmers, confronted with the need of proper medical attention, made more difficult by the isolation of farm families from each other and from towns and cities, placed physicians on salary. This method proved successful and spread until it involved one-third of all Saskatchewan farmers. It was also discovered that the health of those covered by this plan was better than in areas where doctors were still practicing on a fee basis. Physicians on salary were more interested in keeping their wards healthy than in profiting from their illness. The salaried physician found it to his interest to practice preventive medicine. Socialized medicine is no bogey to the Saskatchewan farmer, but a practical solution of a social need.

It is this combination of factors that accounts for the firm grip that the CCF retains upon the farmer-labor elements in Saskatchewan, and which made it a springboard for the launching of a national party in 1933.

THE CCF was founded in this way: After the first World War, many influential labor and farmer-labor organizations sprang up in various localities. Due to the sparseness of the population, these groups remained only local organizations. The depression, however, laid the basis for their unification. In 1932, a number of farmer, labor and socialist groups were invited to a conference in Calgary, Alberta. This conference was attended by United Farmers representatives from Manitoba, Alberta, and Saskatchewan, the League for Socialist Reconstruction (similar to the Fabian League of Britain), the Socialist Party from British Columbia, the Canadian Brotherhood of Railway Employees, and sundry farmer, cooperative and radical groups. It laid the organizational basis for the Cooperative Commonwealth Federation which had its founding convention in Regina the following year, and issued the historic “Regina Manifesto” containing the call for the abolition of the capitalist system and the building of a new cooperative commonwealth.

The CCF grew rapidly although it was against stiff competition from the funny-money Social Credit Party which was organized at the same time, which won power in Alberta in 1935, and gained widespread support in the other western provinces. Social Credit had no positive alternative to the capitalist system. It stormed against the Eastern financial interests and dangled the promise of free credits, while its anti-Semitic and fascistic nuances gave it a resemblance to Father Coughlin’s Union Party. The CCF met this competition in a contradictory manner: by concluding alliances with Social Credit and even Tory parties in Saskatchewan, while simultaneously repudiating such alliances on a national plane. Socialists within the party defending the socialist Regina Manifesto found themselves at odds with opportunists whose primary concern was the winning of votes, and who were ready to jettison those features of the platform vulnerable to opposition attacks. The flush of radical idealism which caused the CCF to write into its founding manifesto opposition to participation in all imperialist wars evaporated in the face of the real thing. This did not prevent the CCF from benefiting from the radical wave in the closing years of the war.

It was with the formation of the CIO that organization of workers in the mass-production industries first occurred. The labor movement, which had been an exclusive club for the skilled aristocracy of labor, broke out of its craft-union straight-jacket. It was then that Canadian labor found a voice to give political expression to its economic struggle, and a release for the forces of indigenous radicalism which had been nurtured during the depression.

IN Canada, the depression years are referred to as the “hungry thirties.” This is a symbolic as well as a literally accurate description. There was no New Deal administration to inaugurate large scale social legislation, mainly because the stormy period of industrial organization began only after the economic revival had already set in. The depression consequently left much deeper scars on the working
class. The period of labor militancy having come later than in the United States, was more deep-going for having been so long pent up.

By 1939, the trade union movement doubled its membership. Then in 1944, the new CCL-CIO voted for independent political action by adopting the CCF as its political arm. The Liberal Party had been miserably about welfare legislation during the depression, but when the upsurge came, it outdid itself. But the turn had come too late. In the provincial elections of 1943, the CCF swept into power in Saskatchewan, capturing 57 of the 62 seats; in Ontario the CCF won 34 out of the 90 seats, and also made impressive gains in other provinces. In 1945, the CCF won 28 out of 260 seats in the House of Commons. Its membership jumped from less than 20,000 in 1942 to about 100,000 in 1944.

Just as the new unionism of the eighties in England was given a big push by radicals of the Social Democratic Federation and the Socialist League, so the participation of Communist and Socialist members insured a broader direction to industrial unionism which went beyond the simple bounds of trade union demands. The basic antagonism between the Communist and Social Democratic tendencies led to an internal tug-of-war, however, in which the latter emerged victorious when the Canadian Congress of Labor named the CCF as its political arm. For the CCF, this meant a decisive shift in its main base of support—from primarily an agrarian movement to a labor party, while retaining its agrarian base in Saskatchewan.

Because industrial organization triumphed in Canada during the war years when patriotism was used to quench industrial flare-ups, it was not until after the war that the new unionism could consolidate its positions. If there were any illusions on the part of the employers that industrial unionism was merely a war-time phenomenon, to be tolerated in the interests of the war effort, but which could be easily dispensed with later, they were quickly dispelled in 1946. The auto union, which opened the 1946 strike wave, fought not only for long-delayed wage gains, but also for union security. The Rand Formula it won from the auto industry was really a trade union certificate which served notice to all management that the CIO was here to stay. A series of strikes followed in steel, lumber, rubber, packinghouse, textiles and shipping, with the workers establishing their unions as going concerns in all these industries.

As soon as it consolidated its organization, the new unionism almost immediately settled back into lethargy, due in large part to the unprecedented prosperity of the post-war years. By shifting emphasis from economic struggle to the legislative field, the CCF members in the labor leadership accelerated the process of transforming activists into bystanders. Grass-roots leaders in the unions were deprived of initiative, which was placed more and more in the hands of “responsible” labor functionaries, who in turn fed grievances through constantly more complicated conciliation and arbitration machinery. The economic boom, shortly bolstered by the intrusion of the cold war into domestic affairs, proved decisive in spreading the conservative mood throughout labor ranks.

But as in the United States, prosperity rests on a false foundation. A sharp decline in economic activity at the end of 1949 was arrested only by the Korean war. Military expenditures bolster the economy at home while huge military expenditures by the United States maintain the large flow of exports from Canada. Despite these artificial stimuli, unemployment in Canada has, this year, surpassed 12 percent of the working force. Automation and rationalization of industry are creating a permanent pool of unemployed. The Canadian economy is headed for trouble.

The labor movement, now facing new problems, is not the labor movement of the war years. It is more conscious of itself as a class. The prospective unification between the AFL and CIO will further this understanding. Because the CCF is recognized as labor’s vehicle for political action, alternative political parties will be treated with scant attention. There will be no by-passing of the CCF regardless of how short it falls of meeting standards set by advanced radicals.

THE CCF has succeeded in establishing itself as a mass labor party able to weather the vicissitudes of a fluctuating political climate on a continent as yet unfriendly to radicalism. Lacking a clearly defined doctrine, it travels light and blunts the sharper edges of its already vague socialist tenets. It has thereby been able to adapt itself to the ideological demands of the Right, even to the extent of conducting its own witch-hunt against militant elements within its ranks, expulsion of leftists, and in general, in slavish acceptance of the anti-Communist hysteria of the Right.

Equally dangerous is the tendency to develop a more centralized internal structure, reversing its original broad federated character. The conservatively inclined trade union leadership is exercising a growing control over the CCF, comparable to the disproportionate control by the British trade union bureaucracy of the Labor Party. An independent Quebec labor party, federated to the CCF, would help modify this developing centralism, serving at the same time to give expression to the more uninhibited aggressiveness of French Canadian radicalism.

CCF opportunism may be a source of frustration for the forces of the Left, but should not be allowed to obscure favorable developments which have already begun to penetrate Canadian politics. It is a big step for M. J. Coldwell, who urged participation in the Korean war even before the Liberal Government was prepared to do so, to adopt his present position of urging Chiang Kai-shek’s retirement and the recognition of the New China. There is progress from previous unquestioning support to the present critical evaluation of U.S. policy and the demand that atomic tests be halted. It is a long step from past circumstances to the isolation of the right wing in its attempt to swing the party in support of German rearmament—an issue over which the only casualty was the right-wing M.P. Ross Thatcher, who resigned in protest against the “ominous influence of left ideas.”

The Canadian labor movement, not yet drawn as a class into this world dispute, cannot long remain untouched by international problems. When it moves, it is most probable that it will seek the broadest possible expression for its own social aspirations. It is for this that the Left should prepare.
Dangers of Supercharged Credit

The present boom in business is due in large measure to a supercharged dose of credit. The American economy is no longer breathing with the oxygen developed by the natural functioning of its industrial system, but rather is running at superheated speed under the artificial stimulus of financial credit fed to it out of the anticipations of endless bright tomorrows.

The chart illustrates the new debt being created each quarter to finance the purchase of homes, automobiles, and inventories. It is the total of the new installment debt, business loans, and mortgages created each new quarter. The increases over the last three quarters have been as high or higher than any in our past history. The increases have been so large and so rapid that the credit facilities of the banks have become strained to the point where the interest rates charged for various forms of credit have been spurring upward. Most interest rates have now been set at the point where they were in 1953 under the hard money policy of the Republicans, when the recession came toward the end of that year. The Cleveland Federal Reserve Bank set the interest rate it charges to business at a point where it has not been since 1934.

In a credit-fed boom the payment by any one person or firm of a debt depends upon the condition that all firms and persons pay their debts. In such a boom it becomes a general condition that most are in debt and a good many possess more debts than assets. Then if one group in the chain of debt defaults, the people to whom the money is owed cannot in turn pay their debts, nor can their creditors second removed pay their debts and so on ad infinitum. If the ascent into the heights of the boom has been rapid and dizzy, the descent can be more so.

Weak Spot in the Bull Market

TIGHTENING credit has forced the bond yield 'way up while a booming stock market has forced the stock yield 'way down. The two are closer together than they have been since 1939. This means that the investor gets little more return on his venture capital in the form of stock than he can get on a high-grade bond which is in the nature of an assured and risk-free investment, unlike stocks, which fluctuate.

Normally the stock yield should therefore be well above the bond yield. Only in an over-stimulated stock market (or in depressed conditions) are stock yields below bond yields. Therefore normally the ratio of stock yields to bond yields should be above 100 percent. When the ratio falls

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to near 100, the stock market has reached a highly unhealthy state. The investor can make an equal profit in perfect security by taking his money out of the stock market and putting it into bonds. When enough people start doing this, the market is headed for trouble. In June of this year the ratio reached 114.8 (see chart). In other words, taking into account the greater safety connected with bonds as against stocks and the inflated levels of stock prices, the market has approached the point at which the strong underlying demand for stocks that has so inflated prices can evaporate. As the pressure to sell and get out of the market grows, and as fewer and fewer buyers remain, the inevitable result can easily be foreseen.

A strong underlying demand to the market exists when, as prices begin to fall slightly, buy orders placed with brokers are uncovered. A weak market would uncover sell orders. In the latter case the investor is only in the market because of capital gains. Once the market has begun to mark time or fall off and there is no immediate prospect of further large capital gains, there is no point in holding on to stock if their yield is lower than he can get elsewhere.

Thus as soon as a big bull market such as we have been experiencing the last two years falters, the rush to get out is always considerable. When nearly everybody rushes to get out, very few come out unhurt.

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**Farmers on a Treadmill**

Prices which farmers receive for their crops have fallen sharply, while prices they must pay have remained steady, opening a dangerous scissors. Nor have lower crop prices been passed along to consumers, as above retail food index shows.

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**Prices** of farm products, which farmers sell, have fallen steadily and drastically since 1951, while prices of industrial goods which farmers buy, after jumping spectacularly in the Korean conflict, have remained on a very high plateau.

Industrial prices have remained high because they are under the control of monopoly capital. Agricultural prices have fallen because the monopoly elements are not concentrated among the producers but in packing and milling. These middlemen buyers have had at their mercy a disorganized mass of small farmers. And they have forced the price of agricultural raw materials down while holding the line at the retail level, thus boosting their profits fantastically. This scissors, with its widening spread between farm and industrial prices, threatens ever greater surpluses of farm products. For the farmer, in seeking to maintain his income, endeavors to compensate for declining prices by increasing his output. The greater quantity produced at lower prices will give him the same income as a smaller quantity at higher prices—of course, with a good deal more effort. However, this action by the farmers is self-defeating, as greater quantities force the prices even lower. If the farmer continues to try to maintain the same income by producing more, prices continue to go even lower. The farmer is thus caught in the treadmill of increasing effort and productivity with a lower and lower return—all to the benefit of the grain and packing monopolies.

This situation on the farms provides a contrasting background to the boom. It exists as an added element of weakness serving to emphasize any downturn which develops.
Is There a Steel Shortage?

Since the steel strike at the beginning of July, the steel operating rate has not gone much above 90 percent of capacity, where, in earlier post-war years, it was close to and above 100 percent. It has now moved to about 85 percent of capacity, whereas just before the strike the industry had been running at above 95 percent of capacity. The steel companies, at the same time, have been crying loudly that they are booked full with orders through the end of this year and that the various users of steel are putting pressure on them to open their books for next year. Obviously the only pressure being exerted is through this phony propaganda put out by the steel companies. If business is beginning to fall off, what better way is there to scare some up than by saying: “We’re swamped and you’d better order now or you won’t get any.” The users of steel are not being stampeded by such talk, however, and the prospect remains of a decline in the steel operating rate for the near future.

This pattern of basic weakness at one point in the economy and hyper-inflated boom at the other is but the sick fruit, the visible manifestation of the contradictions inherent in capitalism. The roots of the contradictions lie in the maldistribution of income based upon the exploitation of labor.

Inequality of Income Distribution

There has been much propaganda trumpeted about lately concerning the “redistribution” of income that is supposed to have occurred in the U.S. over the last couple of decades. Actually, of course, the only change in the pattern of income distribution has been a slight one, in part brought about by the increasing participation of married women in the labor force. Because many families now have both husband and wife working whereas in similar families twenty or thirty years ago only the husband would have worked, the bottom half of the income pyramid has increased its share of total income by 2 or 3 percent.

Nevertheless, according to the official government figures as illustrated in the chart, 44 percent of all income earners made less than $2,000 a year. If you had a gross income of $5,000 or above in 1953, count yourself among the privileged, as more than 8 out of 10 people in this country made less than that.

So much noise being made about such little points indicates only the degree to which the Big Money is sensitive about the actual state of income inequality in the U.S.

October 1955
Juveniles in a Delinquent Society

by Lewis Scott


There is a good deal of sound and fury these days about the need to combat juvenile delinquency. Politicians, preachers, police commissioners, educators, writers, not to speak of parent organizations, are all duly alarmed. Yet this is actually one of the most neglected areas of our national life. A close estimate has it that the total cost of dealing with juvenile delinquency, including both public and private expenditures, comes annually to a mere $200 million. This sum is the equivalent of the amount expended on the military budget in only 48 minutes.

Yet the moral decline of the youth proceeds at a staggering rate. Delinquency is increasing at five times the rate of increase of the juvenile population. And the character of delinquency has taken a shocking turn. One government official reports that "The first cycle of the post-war crime wave is now behind us. . . . In those years youngsters stole bicycles; now, in the second cycle of post-war crime, they are stealing autos, robbing banks, and engaging in holdups." He also foresees a most unpromising "third cycle."

Since World War I, when delinquency raged ominously for the first time in our history, a good deal of attention has been given to the problem by competent scholars, who have done valuable probing into the basic causes of juvenile delinquency. The answers are certainly of great interest, for the fact is that a parent rarely knows when delinquency is liable to strike close to home, like an assailant in the dark. Important work was done particularly by William Healy and Augusta Bronner ("New Light On Delinquency and Its Treatment," and other works) before the second World War.

As to the cause of delinquency, there is no lack of theories, and they are generally one-sided. There is the comic-book theory, the broken-home theory, the slum-housing-area theory, the delinquent-parent notion, the gang idea and so on. Inasmuch as there is some validity in each of these, there is need for a book which presents a rounded picture. A rather good attempt of this sort was made by Milton Barron ("The Juvenile in Delinquent Society"). The chief drawback in Barron's work is that, except for a few illuminating flashes, the author seems afraid to substantiate the central theme of his book: that a delinquent society produces delinquent juveniles.

"1,000,000 Delinquents" by Benjamin Fine, education editor of the N. Y. Times, has nothing new to add, but is a good survey of the problems involved and is enlivened by numerous thumbnail case-histories of youngsters, told in their own words, which makes it a very readable book. It becomes clear from the material he presents that, as in the case of many other social problems, the biggest lag is not in the realm of academic research but in the application of the results of such research. The divergence between theory and practice is wide as the ocean.

In a recent issue of U.S. News and World Report, a number of officials deemed worthy by that magazine were interviewed on the question of delinquency, since they spend their time grappling with the problem. Each had his favorite nostrum:

Judge Samuel S. Leibowitz, of Brooklyn: "... when you give a child a few whacks on his fanny, you're training him. When you give a young criminal a bit of taste of jail, some may call it punishment, but I choose to call it training. . . ."

State's Attorney Gutenhecht, of Chicago: "I think the basic reason (for delinquency) is a gradual decrease in home discipline. The child that has never been taught discipline in the home is only going to respond to the court when punishment is severe."

Police Commissioner Gibbons, of Philadelphia: "Either corporal punishment or the threat of corporal punishment. I think it works wonders with kids."

Police Captain Wolke, director of youth-aid bureau of Milwaukee's police department: (Regarding ages 18 to 21) "He's just as much a criminal as the 30-year-old. . . . And he should be treated similarly."

Mr. Scott works in the youth-guidance field in a metropolitan center.
A Florida judge proposed the whipping-post.

The officials in charge of the cure are far from comprehending the nature of the disease. From their statements it would be hard to see it, but the truth is there has been a degree of progress as against 100 years ago when children of ten and eleven were being hanged for crimes calling forth that penalty. In those days the individual was punished, regardless of age, for the act committed. Current theory, getting its first big impulse from William Healy, emphasizes not the act, but the actor. The individual is supposed to be treated as a person who has not properly adjusted to his environment.

FROM the point of view of a society which fervently trusts its own virtues, it appears that delinquents are misfits, moral monsters of one sort or another. The social worker, the psychologist, and the psychiatrist delve into a life's history and come up with one of the myriad of difficulties which underlie any typical case of delinquency. After the diagnosis follows the prescription and then, if treatment is carried out, presumably comes the cure. Just as if it were a case of treating pneumonia. In reality delinquency, being a social disease, cannot be remedied so simply.

But it is no more than the icecap which shows above the water; the other four-fifths of the iceberg lies submerged. For each youngster apprehended by the police—and that is what the one million figure represents—four or five are not caught. Middle-class and upper-class youths rarely appear in court, despite the growing trend to delinquency in those strata as well. Nor is delinquency restricted to four or five million. After all, the terms "delinquent" or "non-delinquent" are legal technicalities. The impulses which lead a certain number of youth to become active delinquents are common to the bulk of the young generation. The difference remains one of degree. Often the inner tensions which explode into antisocial activity in some juveniles are turned inwards in others to the point of self-harm.

To one or another extent a large proportion of our youth is not adjusting to its environment, which is indeed a most bewildering set-up to adjust to. The transition from one decade to another has become utterly abrupt: the jazzy, roaring twenties; the hungry thirties; the war-tense forties and fifties. Quick change is the hallmark of our time, and the so-called rebellion of modern youth is one of its by-products. This rebellion is not directed against the goals and ideals of our culture. On the contrary, rugged individualism, private gain at the expense of others, the sanction of any means to attain a personal end, and all the other practiced morals of a dollar-crazed nation are extolled by the delinquents. The well known research team, Sheldon and Eleanor Glueck ("Unraveling Juvenile Delinquency") arrived at a description of the typical delinquent which brings to mind any typical business buccaneer:

On the whole the delinquents are more extroverted . . . more hostile, resentful, defiant, suspicious and destructive. They are less concerned about meeting the conventional expectations, and are less submissive to authority. . . ."

Tucked away somewhere in almost any serious book on delinquency we find some broad statement about the need to alter the values of our culture. For example, Milton Barron writes: "Ideally the prevention of delinquency would entail some modification of the social structure and culture of American society itself." Or Marshal B. Clinard, an expert in this field: "In fact the behavior of almost the entire adult world . . . constitutes a moral hazard to the juvenile." Benjamin Fine, however, though he offers us a taste of almost every other notion under the sun, prudently averts his eyes from this glaring truth. Perhaps that is to be expected from an employee of the N. Y. Times.

Once we have, wrongly, centered all our attention upon the individual as the source of aberration, there seem to open up new vistas for optimism. It even appears possible to eradicate this disease altogether. Reforming the errant individual is no longer the monopoly of the church. The efficacy of religion has been replaced by the efficacy of the dollar. All we have to do is spend enough dollars in the right way. Mr. Fine says: "We can, I believe, achieve a condition in which delinquency is diminished to a fraction of its present incidence . . . if we spend more."

FINE would concentrate his funds mainly on the public schools. He proposes to double the school budget. Here he has a very valid point, which he pursues quite thoroughly over several chapters. Only partial use is made of present school facilities. In crowded cities the schools can serve a multitude of functions from morning to midnight. This entails, of course, engaging a second shift of instructors and group leaders. Our concept of the school as the learning-bench, where the youngster pursues the three Rs from first grade to twelfth, belongs to an era long past. But since our concepts of education for today lag so far behind, what can we expect of actual educational practice? So, Fine concludes, we must:

Double the school budget and improve the juvenile's attitude to schools. (At present youngsters express their feelings by shattering 265,000 panes of glass each year in New York City at a cost of about $400,000.)

Educate and tenderize the police force. (Marshal Clinard writes: "Num-
erous studies have indicated that the police . . . constitute one of the chief moral hazards to both juveniles and adults.

Provide an adequate number of correctional institutions, of which a state the size of New York possesses only two, Warwick and Industry. (Of these Judge Leibowitz says: "These correctional institutions are mere dumping grounds, human junk yards . . .")

Provide adequate psychiatric attention. (Again, to quote Judge Leibowitz: "The population of our state prisons is about 20,000 and there isn't a single full-time psychiatrist on service.")

Provide guidance centers at every school; social service for unhealthy family situations, which embrace 25 percent of all families, judging from divorce statistics; provide constructive interests for the gang to replace their destructive excitements; rid the cities of slums; provide foster homes for several hundred thousand children annually; and a host of other provisions which remain to be listed.

All this is indeed very desirable. But neither Mr. Fine nor any of the other optimists can tell us how this is to come about. The human imagination is too stolid to conceive of either the Democrats or Republicans going all out to 'coddle' our youth. That would be galloping socialism!

The cost of all crime comes to $15 billion annually. Fifty percent of all adult criminals have records of having been delinquent juveniles. So it would appear perfectly economical to spend half the cost of crime each year, about $7 billion, to do something about juvenile criminality, instead of the insignificant $200 million now being expended. But let's not get carried away with the notion that money will solve everything. Such a bold approach would do much to improve the status of youth. But even assuming that all juvenile delinquency could be eradicated in a certain year—like smallpox—a new crop of delinquents would inevitably be reared year after year, until the more basic social ills, from which the disease originates, could be extirpated.

The author takes note of the statistical curve which can now be plotted indicating the incidence of juvenile delinquency. Unlike adult crime, which increases in periods of depression and decreases in more prosperous times, juvenile delinquency seems to thrive precisely in periods of prosperity. Then all the basic drives of the profit system are given full rein: There is room for fancy ideas on how to get ahead quick, how to make a sucker out of the next guy, how to get rich quick, how to get the biggest kick out of life. So it is not the prosperous conditions per se which cause a burgeoning of delinquency, else we ought to become apostles of the gospel of righteous poverty. It is prosperity in a social framework of gross inequalities, which provides the manifold stimulants but cannot satisfy major sections of the population. The urges and goals of our business culture are inculcated into a youth—which, by and large, can't reach those goals—with a deadly effect. A youth tantalized by partial opportunities for a few has proven, in some ways, to be worse than a depression-bound youth.

War and the preparation for war bring on certain tensions which drive the statistical curve of delinquency upward. During the second World War this trend rose ominously. With the end of the war the curve dipped again, but never to return to the pre-war level. With the onset of the Korean war, delinquency zoomed upwards again. And in the post-Korean period of cold-war jitters the figures continued to rise.

J. Edgar Hoover illustrated this trend as follows: "Even the present number of juveniles, committing crimes at the present rate, in the next 33 years—approximately a generation—will commit 7.4 million automobile thefts, 15.8 million burglaries, 2 million robberies, 3 million aggravated assaults and 200,000 murders."

What remains to be done in order to avoid a fate outlined by the FBI chief is not so obscure, although unmentioned by the author of "1,000,000 Delinquents." First, wars and war tensions must be eliminated. Prosperity is very healthy for the young, but only in an improved social framework, with much greater equality, less corruption to emulate, less violence to ape, a more human culture with other than commercial goals and ideals, a more fraternal relationship between men and nations.

But Kempton is not the man for the job. He is certainly a couple of notches above the Eugene Lyons Red Decade school of journalism; he is not an embattled warrior of the witch-hunt. But by the process of social osmosis, he has become impregnated with all the prejudices and fixed attitudes of our present-day intellectuals—and the intellectuals, unfortunately, have in the main caved in before the power of Mammon during the cold war. Even where they honorably resist at times reaction's encroachments, they accept the underlying assumptions and permit themselves to get swept along by the black tide. The result is a book that is a compendium of the smugness, the incredible confusions, the tasteless moralizing of the successful newspaperman of the cold-war fifties, interlarded with pseudo-profound philosophical-moral pronouncements that sound like second-rate paraphrases of T. S. Eliot, Oscar Wilde's "Ballad of Reading Gaol," and Edward Dowson's "I Have Been Faithful to Thee, Cynara, in My Fashion."

The very method of the book is faulty for the purpose at hand and practically guarantees an abortion. Mr. Kempton tries to capture the spirit of the thirties by a series of novellas, or, as the jargon goes...
nowadays, biographies "in depth," which means that you give your imagination free rein, and proceed on the basis of some fleeting impressions to psychoanalyze your literary victims. The method is open to grave objections. First, its practitioners generally don't know anything about psychoanalysis, except that they have presumption, and have picked up a smattering of the lingo in casual reading or at cocktail parties. Second, it is an assumption that is increasingly getting rejected that psychoanalysis provides the key to social change and that the sufficient explanation for the radicals of the thirties is that they were "moved by some inner compulsion." Third, even if for the sake of argument we accept this method as providing the explanation, the author has hardly any authentic data to go on. He has to suck it all out of his thumb. The results are about the same as others have achieved with the literary monstrosity known as the biographical novel: Neither the reader nor the author knows where the fiction stops and the biography begins.

EUGENE LYONS, J. B. Matthews and that crowd popularized the myth that Communists had infiltrated every crevice of our society during the New Deal days and were well on their way to taking over. Kempton correctly debunks this fantasy, but in doing so, he goes a little to the other extreme in underrating Communist Party influence. There is no question the influence of the current was Rooseveltian New Dealism, and even a lot of the Communist Party influence was purchased on a false basis by playing down its own political identity and exaggerating its kinship with the Rooseveltian one. But despite its Machiavellian tactics and abrupt changes of front, the Communist Party bloc was the sizable left wing of this stormy movement of social protest, and its influence in that period is a matter of record, especially in the labor movement, and in general upon the thinking of the period. Kempton lacks proper feel of the situation when he writes, "America went about its business as usual." Throughout the book the thought is reiterated that "there was less kindness, justice and brotherhood in the radicals of the thirties than in any other group of radicals in our history." It is of course easy to idealize the libertarian qualities of the pre-World War I radical movements, but it remains unfortunately true that the Communist movement was no exception. It became the school par excellence of cold fanaticism and bigotry, and was obsessed with questions of power manipulations. This is an important subject and deserves a lot of thought. Kempton's contribution to the matter, however, is nil, as he tries to account for the radical revolution by personal failings and sinning. (Why were radicals so much more prone to sin in 1930 than in 1910?) And things get hopelessly muddled and misconstrued when he attempts to deal with the fierce faction struggles in the auto and maritime unions in terms of nebulous philosophico-Christian and personal considerations.

The chapter on the literary movement of the thirties is one of the best in the book because the author is better acquainted with the subject. It is an almost unbelievable story—the attempt of commissars to get writers to produce "proletarian novels" under the discipline of the Communist Party and strictly tailored to its line. Naturally, almost nothing was produced but a lot of junk. But even here Kempton's prejudices run away with him. While the pure-blue proletarian novel came to naught, the decade of social upsurge—of which the radical movement was a distinct part, which influenced writers above all—produced a most important literary output, unless one wants to wave away such names as Dos Passos, Richard Wright, John Steinbeck.

Kempton displays his customary lack of judgment when he suggests that "the twenties were really the revolutionary era in America and the thirties were a kind of folding of banners, a surrender to formation." Maybe he was unconsciously thinking of his friends in the fifties, and that is why he introduced completely out of context and without cause this remark of the Irish poet Yeats: "Evil becomes us men of the imagination wearing as its mask all the virtues. I have certainly known more men destroyed by the desire to have wife and child and to keep them in comfort than I have seen destroyed by drink and harlots."

B. C.

**Russia and China**


The victory of the Chinese Revolution in 1919 and its growing influence throughout Asia has provided the impetus for many new studies relating to the history and growth of Communism in China. Some studies have maintained that Chinese Communism represents a "decompositional" which became estranged both from Marxism and Chinese thought in the 1920s. (B. L. Schwartz, "Chinese Communism and the Rise of Mao.") Others have worked on the basis that the Chinese Communists remained ideologically dependent on Moscow until 1946. (Rostow, "The Prospects for Communist China.") And the classic study in this field by Isaacs ("The Tragedy of the Chinese Revolution," recently revised), described Soviet policy towards China, reflecting the ascendency of the trial-and-error methods exemplified by Stalin.

The present author, Whiting, subtly attempts to introduce the theory that the attitude of the Soviet Union towards China and its early influence over the Chinese Revolution were both a large extent determined by the Kremlin maneuvers to maintain the gains made by Czarist imperialism in China. In the course of attempting this point Whiting illuminates a comparatively obscure period of Chinese political and diplomatic history, which gives his book important informational value.

The overthrow of the Manchu dynasty in 1911 left China without a central government and in a condition of chaos which made her a prey to foreign interests established European powers. It was only the bitterness of inter-imperialist rivalries in other parts of the world and their preoccupation with World War I which acted as a temporary brake for their ambitions in China.

With the resumption of peace in 1919, and Japan's emergence as a new interested party in China, a number of warlord cliques began again to jockey for power. In Peking, an ostensibly independent government passed from the hands of the "Anfu Clique" to the "Chih Clique," reflecting a partial realignment from Japanese to Western European domination. In North China and Manchuria, through its support of the warlord, Chiang Tso-lin, Japanese influence remained controlling. In the central and southern portions of the country the jockeying took place between various French- and British-supported armies. In Canton, Sun Yat-sen, at first with European help and later relying on Soviet aid, was attempting to create a modern Chinese Republic.

The resultant political anarchy furthered the deterioration of China's already low level of economic existence and made life insufferable for the masses. Whiting writes, "British, French, and Japanese spheres of influence kept China divided among warring militarists, strangling internal trade. Foreign concessions stretching into China's richer regions along the foreign-controlled railroads sucked out mineral resources. Foreign loans and indemnity payments drained the government treasury and necessitated higher taxation. Foreign enterprises, particularly textile mills, competed successfully with Chinese entrepreneurs."

SOVIET policy towards China proceeded on two levels. First, a Chinese Communist Party arose after the war which sought, in combination with the peasant and native capitalist groups, to oust all foreign influence and destroy the outmoded semi-feudal system in the countryside. The debates which took place in Communist party discussions on Asia between Lenin and Roy centered mainly around this question of allying an independent communist movement with the nationalist capitalist forces. Though no hard-and-fast policy was established in those early years, Lenin's position was that a temporary alliance with bourgeois democratic forces was necessary in the colonies, eventually won out. However, to this policy, Lenin added an admonition to maintain the organizational and political independence of the Communist Parties, advice which was to be disregarded in China in 1927 with dire results.

The second level of Soviet policy, one to which Whiting devotes the major portion of his book, was concerned with diplomatic maneuvers revolving around continued Russian ownership and use of the Chinese Eastern Railway. Built by the Czar, this railway stretched across the northern section of Manchuria and was the only transportation link that the Soviet Union had.
with its Far Eastern Siberian provinces. From 1917 on, due to repeated attacks by the remnants of the White Russian armies operating from Chinese territory, this link was extremely weakened. In addition, the territory was threatened by Japanese imperialism. "Were it not," says Whiting, "for the presence of the Siberian provinces as a restringing influence in the intervention period of 1919-20, Japan might well have extended its control over all of Siberia."

Dr. Whiting accuses the Soviet Union of backing down in its original intention of handing over the Chinese Eastern Railway to China. Yet everything demonstrates that this would have been a suicidal gesture deprived of any progressive political content because of the chaotic condition of the Chinese government. He also accuses the Soviet Union of recognizing and encouraging the formation of a Mongolian People's Republic. Here again he implies that Soviet policy should have been to permit Mongolia, which had revolted against Chinese anarcho-despotism, to revert to Peking control. In this case as well, such an approach would have been completely unreal, especially since the White Russian Army of Baron Ungern von Sternberg captured Mongolia in 1921. The quick succession which Whiting advocates would have led to the recognition, not of a Chinese government in Mongolia, but of a White Russian counter-revolutionary base on the Russian border.

The author's main theme, that the Soviet Union acted in an imperialist fashion towards China during the early 1920's, remains unsupported despite Whiting's five years of work on the subject. The traditional imperialist prerogatives in China—extra-territoriality, indemnification for the Boxer Rebellion, and other special privileges such as foreign consular guards patrolling Chinese cities—these the Soviet Union renounced unconditionally. It was the first government to give its representative to China ambassadorial rank, and though it had very few reasons to sympathize with the various cliques that ruled the country, it accorded China the status of an independent government.

These are irrefutable facts of the history of the early twenties, and Whiting does nothing to buttress his thesis when he tries to tear them away by suggesting that they were merely attempts on the part of the Soviet Union to "embarrass" the imperialist powers—although the imperialist powers might very well have gotten embarrassed by these acts.

M. B.

American City


French political government of its municipalities is excessively centralized—a legacy from Napoleonic times—and leads to overburdening bureaucratism. The American system decentralizes administration between the federal, state and local governments; but under present social conditions, the results have been scarcely happier. Lord Bryce, in his well known study of America, called the political governments of the cities "the one conspicuous failure of the United States."

This study of Hamtramck, the predominantly Polish community at the northeast section of Detroit, gives some impressive data of the hard road travelled by the immigrant people and their children to gain a modicum of security and status for themselves in the new world, and the incredible corruption of capital and municipal politics.

Hamtramck is an immigrant city with its own officials and services, although it retains some legal associations with Detroit. The name is not of Polish origin, as is often thought, but derives from a French-Canadian colonel who served under "Mad Anthony" Wayne and received the surrender of Detroit from the British in 1796.

When the county within which lay Detroit was organized, it was given the name of Wayne, and a little rural township north of the city was named Hamtramck. The Poles swarmed into the city with the opening of the Dodge plant during the second decade of this century. By 1950, according to the U.S. census, the population stood at 43,000, 70 percent of whom were of Polish origin.

In short order, after the massive Polish arrival, a new set of politicians of Polish descent elbowed the old crowd aside and took over the direction of the city's affairs. Hamtramck had already established a solid reputation of gambling establishments, brothels and saloons, with the administration ridden with graft. Now the new crowd of politicians began preying upon their uninformed and still unassimilated countrymen, continuing and even surpassing the record of their political predecessors. One after another of city officials from mayor on down were indicted and often convicted of graft, collecting payoffs from gambling joints and bawdy houses and the like. The case of Tenerowicz illustrates the temper of the times. Twice mayor, he was convicted and sentenced to 3½ to 5 years imprisonment. In December 1934, less than a year after his release from jail, he was pardoned by Governor Comstock, ran again and was re-elected mayor in 1936 and again in 1938, and from there went on to become a Congressman!

The Detroit newspapers, radio and vaudeville performers and other agencies have seized upon the foreign character and heritage of the city to build up a stereotype of Hamtramck as a community wallowing in vice, crime and political corruption. This has been deliberately pursued for years without letup against what is essentially a hard-working labor community. Thus when a heinous crime is committed in Detroit, it is often said that city would carry shrieking headlines: "Police Seek Gangsters in Hamtramck Hideout."

The author of this study writes: "The fact seems to be that the community is used as a kind of 'goat' town on which to unload the sins of Detroit itself."

The Polish population has in this case been subjected to the discriminations and denigrations that have been the common feature of the American treatment of the immigrant peoples.

Despite the hi-jinks and splash of the politicians, the Chrysler Corporation and the banks keep a close check on the town's officials and don't let things run too far out of hand as far as their purposes are concerned. During the depression when half the town was on relief and the Director of Public Welfare was doling out the funds with a generous hand, the banks quickly stepped in and forced the dismissal of the official in favor of a strict social worker, disciplinarian. At other times when the politicians would get too greedy and threaten to raise business taxes to pay off the mounting debts, a strong hint from the Dodge Corporation officials that they might move the plant would be sufficient to bring the boys into line.

In recent years the community has become more homogeneous, as the Polish population is now largely American-born-and-educated, and the political administration has settled down into a more sedate mold.

If corruption and graft is as great as before, it is at any rate not so well publicized, and the officials carry on in more sober fashion. The GIO has not only achieved a considerable force in the community and exercises a restraining hand on the old type of politics. Hamtramck's population is overwhelmingly working class, and the city has delivered its solid bloc of votes to the Democrats in all national elections since 1916. The GIO has nevertheless not changed the essential pattern of the city's politics.

Professor Wood's book contains much important information, just briefly touched on in this review; but like most American sociological writing, it has no integrated viewpoint. A lot of statistics and uncorrelated information are piled on a lot of other statistics and information, to be inevitably concluded with some innocuous and fatuous sermonizing.

D. A.

Two Conflicting Paths


The title of this book is more interesting than the contents. The author tries to compare the effectiveness of the NAACP legal type of activities with what he calls the "revolutionary antagonism" type of activities exemplified in his opinion by Paul Robeson and W. E. B. DuBois, and gives the verdict in favor of the former. It is an old discussion, but Mr. Wynn's study is so skimpy and his understanding of the Negro struggle so feeble and weighted down with academic formalities and superficialities, that the reader is no wiser at the conclusion of the book than he was at the start.

Mr. Wynn is Dean of Students at Langston University in Oklahoma and the book derives from a Ph.D. thesis he wrote at Boston University. It never should have left the university archives.
LETTERS TO THE EDITOR

Ten Introductory Subs

I’ve never bought magazine subscriptions for my friends before, but then I’ve never seen a magazine which I could consistently read from cover to cover. Our country needs the American Socialist and you are performing a great service by publishing it.

Enclosed you will find a check to cover ten introductory subscriptions for the attached list of ten names.

A. R. Baltimore

Dear American Socialist: I’m so glad I met you. You’ve made my life much more interesting and well informed ever since that introduction six months ago. I couldn’t bear to part from you now, so I enclose my check for our permanent acquaintance.

As a matter of fact, I’m making my check a trifle larger, to cover your full cost and pull my weight in the boat. I’m sorry it can’t be larger, but as you’ll see from the enclosed leaflet, I have a fight on my hands.

Long life and millions of readers to you, till we convert this country of ours to socialism.


[Miss Luscomb, who is state chairman of the Progressive Party of Massachusetts, refused last January to answer questions of a state witch-hunt committee on the ground of the First Amendment because, as she says, “I considered it my duty to protect the Bill of Rights from encroachment and subversion by government inquiry.” She is at present bringing suit against that committee for placing her name on a blacklist which names 85 Massachusetts citizens as “members” or “former members” of the Communist Party. Copies of her leaflet and of her statement before the committee may be obtained by writing to her at 140 Huron Ave., Cambridge 36, Mass., and readers can send contributions to help her fight to the same address.—Ed.]

A Correction

In your September issue you said that Federal Judge Weinfield dismissed my Congressional contempt indictment “on a technicality.” I believe that this statement underestimates the importance of the decision.

For the main point in the decision was that the indictment cited no resolution or minute granting the McCarthy Committee the legal authority to conduct investigations. The Government tried desperately to find such evidence and was unable to produce it. If this decision is sustained, all contempt cases arising from McCarthy’s investigations must be thrown out.

Regarding the committee’s lack of power, Judge Weinfield said in his decision: “This is no technical or formal matter. It is a matter of importance not only to the defendants charged with a serious crime, but also to the orderly conduct of Congressional inquiries.”

The U.S. Government has now appealed the Weinfield decision to the United States Court of Appeals for the Second Circuit, and I have every confidence that the decision will be upheld.

Corliss Lamont New York

Just a note to express our appreciation for the fine editorial comment in your September 1955 issue [“Brownell Moves to Smear The Nation”].

Carey McWilliams Editorial Director The Nation

I appreciate the very fine review of my book "Labor: Free and Slave" in the September issue of your magazine. . .

Bernard Mandel Ohio

Time of Grace

For the enclosed check, please extend my time of grace for one year, then send me also a bound volume for 1954. There has been a lot of history in the earlier issues that has interested me very much.

I was a delegate to the St. Louis [1917] Convention of the Socialist Party. Later on, I received a 20-year sentence for refusing to serve in the first World War. I did time at Leavenworth.

Now then, I feel that I must say a few words as to how the American Socialist impresses me. I think it is a fine publication. There have been many outstanding articles in it. I liked very much the Braverman article in the current September number [“Myths About the ‘New Capitalism’”]. The article called “A Free Press” was splendid. “What is Property?” by Forrest Wiggins was really tops. And so it goes. If I could put my finger on some defect I would do so. The main complaint would probably be that the magazine is not big enough and it does not come to my hands any near often enough. Well, enough of this. May we all prosper by following Marx. Yours in the fight,

I. M. Illinois

In your June review of William A. Reuben’s “The Atom Spy Hoax,” it was charged that the book is “built around a thesis . . . that there has never been such a thing as atom bomb spying at all . . .” Although forewarned by this criticism, I could find no such theme in the book.

The book truly is, in your reviewer’s own words, “an invaluable study of the spy trials.” But nearly half the review was devoted to an unfair criticism which overshadows the praise it contains.

F. R. New York

The bitter pill first: I wish you would forget your occasional jabs at Mr. Norman Thomas. He has borne the heat and burden of the day, and, in my opinion, rates only gratitude and high regard from all socialists.

Now the sweet: The American Socialist is a refreshing, uncontaminated breeze, sweeping away miasmas of newspaper and magazine double-talk and wrenching of palpable fact, and my cynical presumption that their readers are too dumb to see through the sophistry.

Also, as a calendar-rewired editor, I am overjoyed at being able to read the Socialist without cringing at outrageous solemnisms met on every other line. In other words, your copy standards are superb, and for that I give my sincere thanks.

Take a squint at Social (so-called) Security when you get around to it, as compared with frequent pay raises to politicians at various levels of government.

My renewal is enclosed. Every good wish to the magazine as a whole and the staff in particular, believe me.

G. M. A. Penna.

I think the American Socialist is a little too much on the “pink” side—like Norman Thomas. I subscribe to about fifteen so-called liberal, radical, and socialist papers and magazines. I like Simplified Economics and the American Guardian best of all. They seem to have less fear of telling the facts than any of the others. Enclosed, my renewal.

E. B. Groover City, Calif.

I agree with your ideas in substance, but disagree with your stand on Stalinist countries; too much of what can be learned from them is in the negative, being now anti-socialist (I think!). I was very much interested in your article on American socialist history and I would like all your other issues dealing with that topic.

E. T. New York

Interesting All the Way

Pardon my delay in sending a renewal. The August number was very interesting all the way through. To me, Eby’s analysis of labor unity and Cochran’s review of the German Social Democracy were especially illuminating.

Braverman makes a good statement of the beginnings of the Moscow-Belgrade rift—and I’m still laughing over Herreshoff’s review of “How I Made a Million.” And not the least is Raleigh’s “Balance Sheet of the U.N.” I’m surprised that the point of view is maintained so evenly throughout the magazine.

I enclose my check for $1, for which please send the August issue to the four friends listed . . .

H. D. Illinois

Yes, I think the American Socialist is a great magazine and I read it from cover to cover and would hate to be without it. I take a number of publications and would like to help all of them but just can’t do it. Am enclosing a small addition to my renewal payment to help a little. Best of luck to your fine magazine.

C. T. Whittier, Calif.
Debs Centennial

November 5, 1955, will be the 100th anniversary of the birth of Eugene Victor Debs. As is widely recognized, Debs made a greater impact on America than any other socialist in our history, and he did it without sacrificing or watering down of principle.

To aid in the commemoration of this Debs centennial, the AMERICAN SOCIALIST will publish a special Debs issue next month. We will include a lengthy and informative personal memoir of the Debs movement, plus several articles and viewpoints on Debs and what the present socialist movement can learn from him and his work. This issue should make a lasting contribution to socialist thought and history, and will undoubtedly be useful in introducing new readers to the AMERICAN SOCIALIST.

Speaking of new readers, our Letters to the Editor page this month features a letter from a Baltimore reader who, after sending a number of subscriptions over the past few months, decided to do the thing wholesale and added ten friends to our subscription list at once.

This is an example worthy of emulation, and we urge all readers to do likewise, even if they can't do it on the same scale. Our experience shows that the biggest single source of new readers is old—and enthusiastic—readers. Do it now, so that your friends can start their subscriptions with the Debs issue.

Chicago Readers
SYMPOSIUM
What's Ahead for Labor?

Ernest DeMaio  Prof. Kermit Eby
Pres., District 11     of University of Chicago
United Electrical     Workers of America
Workers of America
Ernest Mazey
Secretary, Michigan Committee
Against Trucks Law

Friday, October 14 — 8 P.M.
Midland Hotel  Contribution 75c
172 West Adams
Auspices: American Socialist

A Chicago office of the AMERICAN SOCIALIST has been opened at 208 N. Wells, Tel. AN 3-2720. Readers and interested persons will find the office open on Wednesdays from 10:30 A.M. to 2:30 P.M., and Saturdays 10:30 A.M. to 5:00 P.M. Books and publications of interest to the labor and radical movements are available.

New York Readers
LECTURE
Recent Developments in Atomic Energy

The Social, Political and Biological Consequences by
Dr. C. F. Hiskey
Former research worker in the Manhattan Project

Contribution: 50 cents

Friday, October 14
863 Broadway (near 17th Street)  8 P.M.
Auspices: American Socialist

Watch for further lectures in our Fall series. On October 28, Harry Braverman, AMERICAN SOCIALIST editor, is scheduled to speak on a topic of current interest.