Technological Development and Social Change

Addressing a convention recently held in Rome by the Christian Union of Managers and Directors, Pope Pius XII expressed deep concern over the possible effects of automation. In his admonition he stressed that it was their duty as industrial managers to prepare in advance for the coming of automation; otherwise a wave of unemployment could follow converting what should be a blessing into a "public disaster." This warning may well be heeded, even if it emanates from an ecclesiastical source, whose chief preoccupation is the "spiritual welfare of man." It is an indication that the Pope is a keen observer of material developments, the connection between things material and spiritual, the effects the former has over the latter. For a man whose head, presumably, is in the spiritual clouds he showed that his feet are resting on quite solid, material ground.

The cause and effect of technology and technological change are basic and deeply rooted in society and its development. By technology is meant the production forces, instruments or tools that man employs in order to gain his livelihood. The more primitive the technology or tools in use, the more primitive and backward that society is; the more advanced and complex technology, the nearer we are to modern times or present civilization.

In the development of tools we see, generally, the departure or break of man away from the rest of the animal kingdom; we see more particularly with every step forward in technology a growing independence of man from, and mastery over, nature. Each new discovery about nature's workings, each additional invention or tool based upon those discoveries, make us more abundant and secure his food and shelter yield.

Such early discoveries for instance, as the use of fire, weapon as the bow and arrow, clay-making and the art of pottery, domestication of animals, smelting of iron ore which made agriculture possible, all those were great technological revolutions which radically altered social life and organization. Each of those and others caused historical change, from one stage to another, from early savagery, on thru barbarism and down to civilization. As a result of the basic changes in the production means, new social institutions and relations, changes in the family, in religion, in ethics, and later in politics, kept pace. Their root changes and adaptation were always to be sought and found in the changes in technology.

Let us compare several countries today, say the U.S., U.K. and India or China (the latter before the communists took power). Compared to the U.S., the other (Continued on page 2)

HOME SCENE

What's Ahead—Inflation or Deflation?

While some business analysts and governmental leaders are warning the nation against inflation; others, experts in the aforementioned fields, see deflation on the horizon. Obviously, the picture is confused as the economic experts do not see eye to eye. Further, to compound the confusion, the belief has grown and nurtured by political and economic soothsayers, that it is up to the government in Washington whether good or bad times, inflation or deflation prevail. "Wall Street continues to complain that Washington has not made up its mind whether it is fighting inflation or deflation. Until a decision is reached, the market analysts contend, the market will be unable to chart a course." (N.Y. Times—Mar. 3rd) Is it within the power of government and business to determine the economic course?

Wars have a tremendous impact on the economy. Twice within one generation, we've had World Wars. They've left their mark on the economy. In World War One, limited price controls were enacted. Prices rose only to fall for a short period after that war during 1920-21. Then the booming 20's followed only to land in the Great Depression of the 1930's. The business community during the 1920's was practically left on its own by the government in Washington. Credit inflation played a significant role in landing the country in the economic ditch. Business couldn't raise itself from the depths of the depression. The government began to take more of a hand in the affairs of the economy.

The New Deal heralded the era of state capitalism, government interference and attempted regulation of the economy. Despite the government's efforts to lift the country out of the economic ditch, there were 10 million unemployed during World War Two. Now let's look at the business. So the business class was unable to control the inflationary 1920's and escape its aftermath, deflation, with its depression. The government proved incapable of getting out of the Great Depression or escape the Great World War Two which followed immediately with its inflationary characteristics.

While government price controls were more widely applied during World War Two, prices on the average advanced about 50 per cent during its duration. With price controls abandoned after 1946, with the world economy unsettled and periodically in a state of crisis, prices have fluctuated, almost wholly on the upside; on the one hand reflecting the nature of the crisis and on the other giving rise to a state of convulsions. For example, the Marshall Plan of 1947, responding to Europe in a state of crisis, had an inflationary tendency on the American economy. The export of capital and goods created a tighter supply. The Korean War starting in 1950, stimulated the economy just as it was beginning to experience market difficulties. And since the end (Continued on page 4)

CRACKS IN THE WESTERN ALLIANCE

The Western alliance of capitalist nations has revealed some serious cracks due to outstanding differences that have arisen between two of its principal "partners," the United States and Britain.

On the surface, mainly for public consumption, the fiction of harmony was maintained, but this fooled hardly anybody, least of all the British. The major difference at present between the two nations over the question of the Egypt-Israel dispute and the Suez Canal. In fact, the resentment of Britain, as expressed thru its press, has reached the stage of open, bitter ridicule of the American government's manner of "resolving" this Middle-East crisis.

The British contend that the U.S., pressured withdrawal of the Israeli forces from the Gaza strip, and the region around the Gulf of Aqaba, had not solved the problem; that it only aggravated it, making Nasser of Egypt more bolder and "dictatorial," more than ever determined to keep a firm grip on the Suez Canal.

Formerly the London papers singled out U.S. Secretary of State Dulles for their attacks, but of late they have been aiming their sharpest digs against President Eisenhower. For example, the London Daily Mirror, one of England's best newspapers, caricatured the President in the role of an oriental magician performing on the stage with the usual props, a screen with a sign reading "Magic Formulas," a magician's hat resting on a pedestal labelled "The Great Ike," and alongside of it a large placard announcing: "The Wonderful Wizard of U.S. in his Amazing Mid-Eastern Illusion." Eisenhower is shown waving a wand with a dollar sign at the end of it (8), and the caption at the bottom of the cartoon has him saying: "Now having made Ben-Gurion disappear, I wave my Magic Wand and—er—we're back where we started ... !"

Thus, from Britain's point of view, American intervention did not bring the desired results; quite the contrary, the withdrawal of the invaders left the Suez Canal still in possession of Egypt, and so, all the nations concerned are back where they started, back to the position of last year, prior to the invasion.

In short, the British ruling class is suffering from the emotion of frustration, the feeling of being let down by its American "partner." As a result, the two nations have been drifting apart. It is evident that it was necessary to call a conference in Bermuda, where the top leaders met (March 21st) for a four-days meeting in an effort to patch-up their differences. But even before they met, the American press was not too optimistic about the efforts of Presi- (Continued on page 2)
CRACKS IN THE WESTERN ALLIANCES

John Eisenhower and the British Prime Minister Macmillan in restoring complete harmony. The differences between the two powers and, indeed, the whole question of the Middle East. Here is another opportunity for the "Great Ike" to exercise his "magician's powers." For now the press tells us, the British are determined to drive a hard bargain; that Prime Minister Macmillan, knowing what happened to 72 U.S. Reservists in Iran, will not be satisfied with vague promises, or "pomp, ceremony and friendly words"; that he wants to take the whole "English-speaking achievement" from the conference.

But, the question is: can the United States afford to go to the British. The Middle East" as the Times of London says of the Suez Canal was no loss to America, in fact it was a gain to those U.S. oil corporations from whom Britain and France purchased their crude oil.

"Enlightened Self-Interest"

By now everyone is familiar with the reasons advanced by Eisenhower for condemning the British-French-Israeli invasion and withdrawal. He maintained it was in the interest of peace, in order to prevent a bigger war. However, prior to this American attack, the Soviet Union had already demanded the withdrawal of the invasion forces and threatened to come to the aid of Egypt if this were not done. Here we find two "enemies," the U.S. and the Soviet Union, making "common cause" as it were, that is, in agreement on a very vital matter. It is in this aspect of the Middle East affair that the British and French ruling classes find hard to stomach, it is bitter gall to them.

It wasn't easy for the Eisenhower administration to take that position, one of opposition to its "partners," Britain and France—but it had no choice in the matter. As a matter of fact it is being openly admitted now that the U.S. government did not take that stand merely for the sake of peace alone, but that it was done also for the sake of the American self-interested rich (a favorite capitalist definition for the profit motive).

It so happened that America's investments and economic interests in the Middle East were in jeopardy, particularly its oil concerns in Saudi-Arabia. With the whole of the Arab world flaming with indignation against the "imperialist, foreign invaders," ready to come to the aid of Egypt with pledged support from Soviet Russia and People's China, it was a condition that had a sledge-hammer like effect on U.S. policy toward Egypt. However much Wall Street hated Nasser's "seizure" of the Suez Canal it could not risk a war in the Middle East. It just would not be profitable, and in the end, it might be, in fact, work to the United States' advantage, in effect, U.S. imperial interests dictated to its "partners" (Britain and France) that there be peace. That this kind of U.S. aim helped to make the whole incident merely incidental to American "enlightened self-interest."

Middle-East Problem Unsolved

But the problem still remains unsolved: what to do with Egypt if they refuse to compromise on the question particularly of the ownership of the Suez Canal; let alone that of Egypt's "province" or nationalizations. If, for this writing (March 24), Egypt refuses to compromise, insists on her right to maintain exclusive ownership of the Suez Canal, it shall be used, recently announcing that she will continue to deny passage of Israeli shipping thru the Suez Canal. Egypt has been threaten with her determination to prevent passage of Israeli ships thru the Gulf of Aqaba, and on this score she is getting sympathetic support from her neighbors, Saudi-Arabia and Jordan.

Although Israel had already challenged Egypt by sailing an Israeli ship, during March, thru the Gulf of Aqaba to the Red Sea, and it was unmolested, this was no assurance that the uneasy truce under United Nations auspices would prevail. Press reports have already revealed that Egyptian troops are moving toward the Gulf of Aqaba. Furthermore, Egypt is still determined to reinforce its civilian administration with its own "police force" in the Gaza Strip, and insists on the removal of all UN police forces. An Egyptian government maintains that Israel should be punished for her invasion of Egypt, that she "must be rewarded for aggression."

There is talk, however, even in American circles, of applying "economic sanctions" against Egypt to snap her out of her "unco-operative" and "provocative" attitude as the press puts it. But they take a gloomy view of whether this will bring results. The consensus of opinion is that the Middle East problem is still explosive, and could become more so if it is not settled now. But this prognosis is big that it would tax the "wisdom of Solomon" let alone that of a "poor mortal" like the "Great Ike."

And what has the Bermuda conference done about it? Not much; it was just given an airing, talked about, that's all. As the conference came to an end, the following was released to the press (as reported by Chicago Sun-Times, March 24th):

"The discussions such as relations with Egyptian President Gamal Abdel Nasser; payments of Stoz (Continued on Page 4)

Technological Development and Social Change

Technology is a part of every country and every industry. In the United States, the government and industry are spending billions of dollars on research and development. This is because technology is essential for economic growth and national security. It is also important for improving the quality of life for people around the world.

There are two main types of technology: hard and soft. Hard technology refers to physical tools and machines that can be used to solve problems. Soft technology refers to ideas and concepts that can be used to create new products or services.

Technology has been used to improve the quality of life for people around the world. For example, the Internet has allowed people to communicate with each other from anywhere in the world. It has also been used to create new products and services, such as smartphones and online shopping.

Technology is also important for economic growth. It is used to create new jobs, and it is also used to improve the efficiency of existing jobs. For example, robotics is being used to automate many manufacturing processes.

However, technology also has some negative consequences. For example, it can lead to job loss as machines replace human workers. It can also lead to environmental degradation as we use more and more resources to produce technology.

In conclusion, technology is a double-edged sword. It can be used to improve the quality of life for people around the world, but it can also have negative consequences. It is important for governments and industry to take this into account when making decisions about technology.
PROLETARIAN NEWS

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"Creeping Socialism"

In its heyday, the Socialist Party of America obtained many votes and elected a couple of Congressmen. To many other voters, even some other politicians. A very small percentage of its voters actually wanted Socialism. Even its membership was poorly informed on socialist fundamentals.

Prior to World War I, the old-line parties—the Republicans and Democrats—made no great effort to attract workers votes. They almost ignored the labor movement. The Socialist Party, on the other hand, appealed to the conditions for socialists: workers, women, children, welfare, health-insurance, and the like, won many more votes. If they had a "plank" to attract the prohibitionists, they also would slip in something to please the "wets." Their "immediate demands" were quite numerous and varied.

Many of those reforms have long since been inaugurated by the parties of capitalism—among other things, especially true during the F. D. Roosevelt administration, with its famous "New Deal" legislation in the period of the "Great Depression." However, those popular demands did not please everybody.

The opponents of such legislation have branded it labor. "Votes for women," child-welfare, health-insurance, and the like, won many more votes. If they had a "plank" to attract the prohibitionists, they also would slip in something to please the "wets." Their "immediate demands" were quite numerous and varied.

No socialist measure can be established under capitalism. The first step toward the inauguration of socialism is for the workers, as a class, to conquer political power, to gain "exclusive control of the government." As early as 1848, in the Communist Manifesto, Marx and Engels had written: "The first step in the revolution by the working class, is to raise the proletariat to the position of ruling class, to win the battle of existence. The proletariat will use its political supremacy, to wreathe, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, i.e., of the proletariat organized as a class; and increase the total of productive forces as rapidly as possible."

This expropriation of the capitalist class only can commence after the working class has attained political power. None of it can be achieved under capitalism. When the capitalists, through their State power, nationalize certain utilities, such as hydroelectric power plants—or the Postoffice—no capitalists are expropriated. Those measures are enacted for a greater efficiency of capitalism, for the benefit of the capitalists as a class. The Postoffice and other public services strengthens the capitalist system. It does not benefit socialist workers, such as Social Security, state old-age pensions, and the like, are enacted for the smoother operation of capitalism.

"Creeping socialism," so-called, can creep backward. It has been given various advantages for the capitalist class. First, they have a tendency to appease the workers and hold them in line with the system. They also attempt to "do something for themselves," such as saving their old-age during their working years. Many workers simply will not voluntarily save for the period of their life when their services are no longer desired, and the capitalists don't want them on their hands. Of course, those who don't survive help to pay for those who do. We can look for more such legislation in the future. Perhaps dental work and hospitalization will become a government service, to repair the broken down wage-workers and get them more speedily back to "the belt-line."

Such a development, in substance, simply would be capitalism by socialism. The expropriation of capitalism itself, rather than social reform agitators, will bring about these changes. The nationalization of industries, too, under capitalism, will be brought on by the same social conditions.

Frederick Engels, in his "Socialism, Utopian and Scientific," describes the process. In writing about Trusts and the "small band of dividers-manglers," he says: "In any case, with trusts or without, the official representative of capitalist society—the State—will ultimately have to undertake the direction of production. This necessity for conversion into State control of the various institutions for intercourse and communications—the postoffice, the telegraph, the railways." "But the transformation, either into joint-stock companies and trusts, or into State control, always goes hand in hand with later development of the capitalist nature of the productive forces. In the joint-stock companies and trusts this is obvious. And the modern State, again, is only the form in which the bourgeois society has taken in order to support the external conditions of the capitalist mode of production against the encroachments, as well as of the workers as of individual capitalists. The modern State is, however, essentially a capitalist machine, the state of the capitalists; the ideal personification of the total national capital. The more it proceeds to the taking over of productive forces, the more does it actually become the national capitalist, the more citizens it exploits. The workers remain wage-workers, proletarians. The capitalist relation is not done away with. It is rather brought to a head. But, brought to a head, it topples over. State ownership of the productive forces is not the solution of the conflict, but concealed within it are the technical conditions that form the elements of that solution."

It is important for the workers to be able to distinguish socialism from state-capitalism, and to see, as Engels points out, that "State ownership," while it furnishes a technical form for action, is not itself "the solution of the conflict."

It is important for the workers to be able to distinguish socialism from state-capitalism, and to see, as Engels points out, that "State ownership," while it furnishes a technical form for action, is not itself "the solution of the conflict."

We are not here contending that workers should reject social reforms under capitalism, even if they are only part of a whole. Socialism needs to be bought with a part thereof, and the capitalists, in control of the State machinery, will not legislate themselves out of business. No socialist workers cannot "creep" into socialism. They can only achieve socialism, if they organize, and the organized might of their vast numbers.

The objective of the modern working class movement is not the reformation of capitalism, but social revolution. Historic circumstances have decreed such, and nothing else will solve the problems now confronting the nation. By revolution we mean the complete reorganization of society upon a collective basis. Socialization of the entire means of production is its chief attribute. This only can be achieved by the revolutionary political action of the "vast majority in the interest of the minority."

The Proletarian Party points the way.

John Keracher.

THUMBNAILS
(Continued from Page 2)

because of long years of dependence. How long this situation will endure depends more on organized action from its exploited masses than on the gesture of Ghana's Prime Minister Kwame Nkrumah in which he indicated that his country will lead all of Africa on its road to freedom from imperialism in any form.

DUBIOUS DIRECTION: Biggest news in the American "left" of late was the national convention of the Communist Party of the United States last month. Noteworthy changes in the party include a 60 member national committee, a seven member governing body elected from that committee and the right to "interpret" the party's line. These Engels and Lenin anyway they see fit, Moscow will be damned.

Now independent thinking and doing based on one's own conditions of life is of great advantage in achieving one's goals but since the Oict. In other words, it is not the first stage of Socialism, but the last stage of Capitalism. It is this State ownership that is branded by conservatives as "creeping socialism," and accepted by pseudo-socialists—the "grandifsals"—as "a step in the right direction," but usually is a step in the wrong direction, a measure to support capitalism.

We are not here contending that workers should reject social reforms under capitalism, even if they are only part of a whole. Socialism needs to be bought with a part thereof, and the capitalists, in control of the State machinery, will not legislate themselves out of business. No socialist workers cannot "creep" into socialism. They can only achieve socialism, if they organize, and the organized might of their vast numbers.

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HOME SCENE
(Continued from page 1)
of the Korean conflict, war scares, plus the expanded credit gimmick, have driven business users and prices
going higher.

Presently, the experts are divid-
ed over what’s on the horizon, more inflation or signs of defla-
tion. The military forces, as they build up, are increased money supply in currency, mounting
debts (government and private), foreign loans. Forces against infla-
tion are the growth of productive forces and capacity, signs of unem-
ployment, sharpening of competition at home and from abroad, heavy
taxes curbing the appetite to expand, and instability in colo-
nial areas, too risky to export capital.

Thus, the national debt ap-
proaching 300 billion dollars, state and local governmental debts mounting, it is obvious, such ad-
ministrative policies are inflationary; for example, the lend-
guarantee of the government has the power to collect taxes and it does. But the federal, state and local
governments are spending more and faster than the public has the right to use such bonds as backing for the
issuance of new paper currency and they have. When the bonds are redeemed the equivalent in paper
currency is supposed to be with-
drawn. With increased spending and indebtedness more paper currency is circulated than with-
drawn. Paper currency represents the equivalent value in gold as well as the backing of articles of value, the
dependence on the gold by gold.

While business is good and the market for the goods is flourish-
ing, against which the banks as security have issued the currency, there isn’t too dangerous a situa-
tion. But when commodity prices fall then there is trouble, the cur-
cency has been weakened.

Workers, including workers, have taken a leaf out of govern-
ment financing by going deep into debt for durable goods such as
cars, household appliances. Such financings have been encouraged by the merchants of such
wares. Result — high sales volume based on installment buy-
ing, in turn compounding expan-
sion of production output to meet the rising demand. Production
output has practically doubled since the war. The supply has just
about overtaken the demand for goods in one field or another. Un-
employment and the shorter work-
week are commencing to show.

Expansion of indebtedness, credit inflation, is leading to its opposite, deflation. It is this danger with all
its fixings, of possible depression and large-scale unemployment that is commencing to worry some of
the managers of the economy. "Money is getting tight," is fast
being heard from the claim.

Currency abounds than ever, but goods are not moving so fast, thus slow-
ning the circulation of currency. Those merchants and business-
men are having about tight money, who are cry-
ning for more inflation, which in-
variably leads to deflation and economic crisis. Capitalism is
hunted with inflation or deflation
—instability.

The workers are hurt by infla-
tion as rising prices are generally
above wage hikes. Since inflation is closely followed by deflation, as it seems now to be developing, they
are in for rough times under this setup. They reproduce the equiva-
lent of their wages in about one-
fifth or less of the working day and the rest piles up as surpluses. The
owners of industry, the capitalists, are making in on these surpluses
produced or shut down the fac-
tories. This, the market decrees. It
appears that deflation is rearing its ugly head.

L.B.

CRACKS IN THE WESTERN ALLIANCE
(Continued from Page 2)

What the “alternate courses” will be remains to be seen. This
much is certain: the United States is in a state of decided test. To side with its “partners” (of the
Western alliance) against Egypt would be to antagonize not only the latter but other Arab countries,
considerable section of the Arab world that sympathizes with her. This, the U.S. cannot afford, and not
only because of possible loss of "self-interest" but, as the Eisenhower ad-
ministration had already pointed out, it would drive Egypt and her Arab allies further into “the So-
 viet orbit.”

Yet, if a compromise on this question, acceptable to Britain and
France, is not found, the crack in the Western alliance will be
broadened, only will get bigger.

Aly Woysock