

PROLETARIAN NEWS

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WORKERS OF THE WORLD UNITE!
YOU HAVE NOTHING TO LOSE BUT
YOUR CHAINS! YOU HAVE A WORLD
TO GAIN! — Karl Marx

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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, makes possible 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 man's 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.A., Spain and India or China (the latter before the communists took power). Compared to the U.S., the other
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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 is 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, bit-

ter 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 their leading 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 (\$), 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, to such an extent 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-

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HOME SCENE

What's Ahead—Inflation or Deflation?

While some business analysts and governmental leaders are still 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 prevails. "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 gov-

ernment 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 when World War Two broke out. 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 hand 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

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CRACKS IN THE WESTERN ALLIANCE

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dent Eisenhower and the British Prime Minister Macmillan in restoring complete harmony. The differences between the two powers are too deep, especially on the question of the Middle East. Here is another opportunity for the "Great Ike" to exercise his "magical powers." However, this time, the press tells us, the British are determined to drive a hard bargain; that Prime Minister Macmillan, knowing what happened to his predecessor, Anthony Eden, will not be satisfied with vague promises, or "pomp, ceremony and friendly words"; that he wants to take back to Britain "tangible achievements" from the conference.

But, the question is: can the United States afford to go the British way? The "Yanks" are hard bargainers also — and so far they have been having a very happy and profitable time of it as compared to the British. The closing 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 the oil so urgently needed.

"Enlightened Self-Interest"

By now everyone is familiar with the reasons advanced by Eisenhower for condemning the British-French-Israeli invasion and ordering its pull-back. He maintained it was in the interest of peace, in order to prevent a bigger war. However, prior to this American decision, 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 "enemy nations," the U.S. and the Soviet Union, making "common cause" as it were, that is, in agreement on a very vital matter. It is 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 "enlightened self-interest" (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 "imperial, foreign invaders," ready to come to the aid of Egypt with pledged support from Soviet Russia and Peoples China, this was a combination 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, would be disastrous. And so, in effect, U.S. imperial interests dictated to its "partners" (Britain and France) that there be peace. That this kind of U.S. action helped Egypt is merely incidental to American "enlightened self-interest."

Middle-East Problem Unsolved

But the problem still remains unsolved: what to do with Nasser and Egypt if they refuse to compromise on the question particularly of the ownership of the Suez Canal, let alone that of Egypt's enmity toward Israel. So far, at this writing (March 24), Egypt refuses to compromise, insists on her right to maintain exclusive ownership of the Suez Canal, and how it shall be used, recently announcing that she will continue to deny passage of Israeli shipping thru the Suez Canal. Egypt has also voiced her determination to prevent passage of Israeli ships thru the Gulf of Aqaba, and on this score she is getting sympathetic support from her Arabian neighbors, Saudi-Arabia and Jordan.

Although Israel had already challenged Egypt by sailing an Israeli ship, during March, down the Gulf of Aqaba to the Red Sea, and it was unmolested, this was no assurance that the uneasy truce under United Nations supervision will 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 the U.N. "police force." The Egyptian government maintains that Israel should be punished for her invasion of Egypt, that she "must not 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. But this problem is so big that it would tax the "wisdom of a 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):

"Questions such as relations with Egyptian President Gamal Abdel Nasser; payments of Suez

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Technological Development and Social Change

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countries mentioned may be considered backward. Backward in what sense? Their entire mode of living, institutions, religion, ethics and habits is still dominated by hangovers of feudalism. And that is dominantly due to an antiquated production system, a backward agricultural economy. Given, therefore, a static, changeless condition on the economic front, all other conditions and relations remain relatively stagnant.

By the same token we now witness an India in ferment. This is due to the introduction and growth of industry. We can see an even greater change come over China based upon a technical revolution and compete economic reconstruction inaugurated by its communist government.

On the other hand, what makes the U.S. the most powerful capitalist nation of the world? It is its technology, an immense production machinery that has been brought into being over the last half century and more. This gives it economic and military preponderance. Yet there is a fly in the ointment. There are contradictions involved in this ultra-modern technology that are ostensibly commencing to worry the industrial and spiritual leaders of capitalism.

There are other aspects to the new and growing technology be-

sides what is immediately apparent. We are told of the glowing wonders of the new technology, of the many gadgets and immediate pleasures and comforts it provides, in automobiles, televisions, washing machines and freezers, etc., etc. These are but the IMMEDIATE EFFECTS gratifying, to be sure, even if they are loaded with increasing indebtedness and worries for the workers. But there are other, more ultimate effects which are not seen on the surface and yet are equally certain to follow. They are derived not from the technology, as such, but from the social conditions in which it operates.

Capitalism is a profit economy in which things are produced not for use or personal enjoyment but for sale, and at a profit. Property, or the means of production, including the instruments of labor, are privately owned by individuals we call capitalists. The majority of the people belong to the wage-working class, without any property or production tools. It is this arrangement that produces the capitalist-labor antagonistic relationship, or class struggle.

Alongside this class opposition there is an inner opposition within the propertied class itself. It is the battle of competition, for raw ma-

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THUMBNAILS

CHANGING TIMES: Early in March serious consideration was given by Japan's Prime Minister Kishi to a proposal to send suicide "Kamaikaze," or sit down fleets, to Christmas Island in an attempt to force Great Britain to call off scheduled H-Bomb tests in that area.

In vetoing the proposal Kishi expressed understanding for the feeling behind such a move but felt official government protest was their only avenue of action. (At this writing Britain was turned down all such protests.)

The Japanese Government did not say whether they would attempt to stop the Japan Council Against Atomic and Hydrogen Bombs (sponsor of the proposal) from carrying out the plan if official protests fail.

The march of events and the contradictions of capitalism provokes a nation into destroying and killing in an aggressive war on the one hand and a decade later some of its citizens ready to lay down their lives for the preservation of mankind against the deadly affects of Atomic radiation.

IRONY OF LIFE: On Feb. 23rd Federal Judge Harold R. Medina, speaking at the 80th annual Washington's birthday dinner of the Sons of the Revolution in New

York told his audience he feared present attacks on the Fifth Amendment (the right to refuse to testify against yourself). He said he would rather see "every Communist go scot free" than see the Bill of Rights trampled on.

You will remember Judge Medina for his part in sending 11 Communist Party leaders to jail back in 1950 for "conspiracy to teach and advocate" overthrow of the government of the U.S. The honorable judge now feels America's freedoms (?) are in danger of being abandoned. Little did we know this warm heart beat under such a cold exterior. Did you say five years, Judge?

STEP IN THE RIGHT DIRECTION: Britain's shrinking empire has seen one more ghost of her past glory disappear from the world scene as the Gold Coast was granted independence on March 6th. This new nation is called Ghana and is now a full fledged member of the British Commonwealth.

To be tied to the apron strings of Great Britain's shaky economy via the Commonwealth is not exactly what one could call independent, but this latest "parolee" of the old British Empire is not yet ready to cut the cord completely.

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"Creeping Socialism"

In its heyday, the Socialist Party of America obtained many votes and elected a couple of Congressmen, a number of mayors, aldermen and other political officials. 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 workers and small property owners with many proposed reforms which it called "immediate demands." It was these "demands" which brought out the "socialist" vote. They were sometimes referred to as "planks in the platform."

In "building the platform," they would insert certain "planks" to catch the farm vote, and others, such as a shorter work-day, anti-child-labor legislation, to attract the vote of organized 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.

Many of those reforms have long since been inaugurated by the parties of capitalism—by anti-socialists. This was 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 as "Creeping Socialism," and they have contended that this "gradualist" enactment of social reform legislation would stealthily bring socialism into being. However, some of its proponents imagine that socialism can be brought about in that way, and that some fine morning the country will wake up to discover that socialism is here. Occasionally, some "socialist" exhorter will loudly proclaim that the American postal system is an example of socialism. This "Postoffice socialism" used to be popular. A few people still cling to that notion, but it is no longer taken seriously.

Numerically speaking,—and from an influential stand-point—the Socialist Party now is but a shadow of its former self. In recent times, some of its leaders have complained about the old parties stealing its thunder, but it certainly was not socialism they "stole." As a party, it cannot make a come-back, because the historic conditions out of which it arose are no longer here. However, that does not mean that the need for socialism has passed. More than ever, the conditions call for social revolution, for complete and unreserved socialization of the means of production.

Those legislative reforms we here have referred to, where enacted, have strengthened the capitalist system. That is why they were adopted, even if some workers may have benefited therefrom. They definitely have not "paved the way for socialism." Their probable effect has been just the reverse.

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 political sway." 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 democracy. The proletariat will use its political supremacy, to wrest, 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 the ruling class; and to 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. Even laws that do benefit some 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 as well as forward. Social reforms have 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 force the workers to "do something for themselves," such as saving for 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 capitalist state paternalism. The evolution of capitalism itself, rather than social reform agitators, will bring about those changes. The nationalization of industries, too, under capitalism, will be brought on by the same social pressure.

Frederick Engels, in his *Socialism, Utopian and Scientific*, describes the process. In writing about Trusts and the "small band of dividend-mongers," 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 property is felt first in the great institutions for intercourse and communication—the postoffice, the telegraph, the railways." * * * "But the transformation, either into joint-stock companies and trusts, or into State-ownership does not do away with 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 organization that bourgeois society takes on in order to support the external conditions of the capitalist mode of production against the encroachments, as well of the workers as of individual capitalists. The modern State, no matter what its form, is 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 does it exploit. 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." In other words, it is not the first stage of Socialism, but the last stake of Capitalism. It is this State ownership that is branded by conservatives as "creeping socialism," and accepted by pseudo-socialists—the "gradualists"—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 but a few benefit. They have little say in the matter anyhow. And, they should accept whatever "fringe-benefits" capitalism has to offer. At best they will be but crumbs thrown back to the workers from the surplus value, from which they have already been expropriated.

The working class cannot "buy-out the capitalists." All they receive is a minor portion of the wealth they produce. The whole cannot be bought with a part thereof, and the capitalists, in control of the State machinery, will not legislate themselves out of business. No, the workers cannot "creep" into socialism. They can only achieve victory through struggle, 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 vast majority." The Proletarian Party points the way.

John Keracher.

THUMBNAILS

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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 new country will lead all of Africa on the 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" Marx, Engels and Lenin anyway they see fit, Moscow be darned.

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 CP USA has made such a miserable failure of "interpreting" Moscow, we are doubtful about its ability to "interpret" Marx, Engels and Lenin—on the American scene, or otherwise.

L.D.

HOME SCENE

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of the Korean conflict, war scares, plus the expanded credit gimmick, have kept business up and prices going higher.

Presently, the experts are divided over what's on the horizon, more inflation or signs of deflation. The inflationary forces, as they see it, are increased money supply in currency, mounting debts (government and private), foreign loans. Forces against inflation and working towards deflation are the growth of productive forces and capacity, signs of unemployment, sharpening of competition at home and from abroad, heavy taxes curbing the appetite to expand, and instability in colonial areas, too risky to export capital.

With the national debt approaching 300 billion dollars, state and local governmental debts mounting, it is obvious, such administrative policies are inflationary. True, the government has the power to collect taxes and it does. But the federal, state and local governments are spending more and faster than their collecting of taxes. To balance the books they have resorted to borrowing on a large scale. The commercial banks upon taking on the federal government's bonds have 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 withdrawn. With increased spending and indebtedness more paper currency is circulated than withdrawn. Paper currency represents the equivalent value in gold as well as the backing of articles of value, measured and priced by gold. While business is good and the market for the goods is flourishing, 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 currency has been weakened.

Consumers, including workers, have taken a leaf out of government financing by going deep into debt for durable goods such as cars, household appliances and such. Such financings have been encouraged by the merchants of such wares. Result — high sales volume based on installment buying. This in turn compelled the expansion 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. Unemployment and the shorter workweek 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 becoming the clamor. More currency abounds than ever, but goods are not moving so fast, thus slowing the circulation of currency. Those merchants and businesses yelling about tight money are crying for more inflation, which invariably leads to deflation and economic crisis. Capitalism is hooked with inflation or deflation — instability.

The workers are hurt by inflation as rising prices are generally above wage hikes. Since inflation is followed by deflation, as it seems now to be developing, they are in for rough times under this setup. They reproduce the equivalent 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, must cash in on these surplus values produced or shut down the factories. This, the market decrees. It appears that deflation is rearing its ugly head.

L.B.

Technological Development and Social Change

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materials, labor skill, but dominantly for customers. It is this drive for profit and wealth accumulation, the ever present resistance offered by labor, as well as the rivalry from competitors, that keeps business on the constant lookout for lower production costs and smaller wage bills. Machinery was the answer to capital's prayer when plagued by labor organization and resistance in the earlier days of capitalism.

Each advance of labor in shorter hours and higher wages was always met by advances and changes in technology. More mechanization, greater output was the consequence. With the result that machines do much of the work which formerly was done by men. They are labor-displacing devices. Additionally they displace skill, reducing the workman to an appendage, or a machine tender. If during the period of early manufacture, the laborer and his skill played the primary role to the tool; in modern industry, the huge machine is unequivocally lord, and man but a puny slave and watchman.

Now it is argued that if machinery is so labor-displacing, creating the conditions for vast unemployment, how come that our labor force is so huge, around 60 million or so?

That seems like a contradiction, all right. But only for those who have forgotten the early 30's, with the 15 million and more unemployed, and war years that followed. It is now fairly well accepted as given that if it were not for the demands and conditions produced by that war and the preparations since, we would have many millions unemployed on hand. In its turn the war in its demands upon industry exerted strong influence. Intensified research in science and technology came up with new answers in atomic energy, radar, electronics and automation. "Necessity is the mother of invention," and war's necessity caused many an invention which is now being

applied to civilian industry.

We hear and see more of electronics and automation daily. The big industries are converting, in automobile and others. What does that mean? It means more elaborate, costly machines, but fewer in number. Automation not only displaces men; it displaces machines, as well. Even as a machine-tender, man is now no longer necessary. Except for a few engineers and mechanics the machine can get along very well, unaided.

The effect automation, when in full swing, can have upon the laboring population, the factory workers as well as white-collared, is utterly disastrous.

Naturally, the expense of the new machines, running into the millions, rules out small business. In this battle of competition between big and small business, it is easily seen, how small capital, with relatively antiquated machinery, falls by the wayside.

Consequently what the new technology does under capitalism is concentrate the wealth ever more into the hands of a few super-rich, only to bring the rest of the population to the brink of economic ruin.

Capitalism has during its life-process achieved a phenomenal feat in revolutionizing the production forces or technology. But in so doing she has reached an impasse. Its social relations or economic setup is now hindering any further technological progress at the risk of social ruin. Capitalism can't assimilate its own creation. Because of its profit-motive it can't consume what it produces. Hence crises, unemployment, wars are a natural consequence.

These contradictions can be eliminated thru the new society only, socialism. Technological developments always begot social change, in the past. The same law is exerting its influence now. A new society, capable of assimilating and adapted to the new technology, is in order.

R. Daniels

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CRACKS IN THE WESTERN ALLIANCE

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Canal tolls and the future of the Gaza Strip and navigation in the Gulf of Aqaba will not be decided until after United Nations Sec. Gen. Dag Hammarskjold has reported to the UN on his current talks with Cairo."

At the time the Bermuda conference took place, the UN Secretary, Dag Hammarskjold, was in Cairo, Egypt, trying to persuade President Gamal Abdel Nasser to "co-operate." If he should fail in his mission, what then?

This, too, was considered in Bermuda, as the Chicago Sun-Times further reports: "Mr. Eisenhower and Macmillan have discussed alternate courses to be followed depending upon the outcome of the Cairo talks; but the nature of these courses will not be made public."

What the "alternate courses" will be remains to be seen. This much is certain: the United States is in a quandary over the question. To side with its "partners" (of the Western alliance) against Egypt would be to antagonize not alone the latter but also that considerable section of the Arab world that sympathizes with her. This, the U.S. cannot afford, and not only because of 'enlightened self-interest' but, as the Eisenhower administration had already pointed out, it would drive Egypt and her Arab allies further into "the Soviet orbit."

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

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