# LABUR AGTION Independent Socialist Weekly

BACKGROUND OF SUEZ

. . . page 8

. . . page 7

Growing Crisis in American CP

Clinton, Tennessee: A School Integration Test Case

. . page 5

SEPTEMBER 10, 1956

FIVE CENTS

### Suez Warmongers Must Be Stopped Now!

By GORDON HASKELL

The Menzies committee to negotiate a settlement of the Suez crisis with the Egyptian government has begun its task under the shadow of growing military preparations by England and France to "settle" the

At the present moment, the possibility of war in the Middle East over Suez remains a real one. Fantastic as this may seem in the context

of the total world political situation, and despite the rising opposition of the Labor Party in England to any military measures by their government, the possibility remains because the United States government has not taken a firm, open and decisive position against it. The American people are being lulled into a state of complacency by President Eisenhower's pious expressions of hope that a peaceful solution will be arrived at. In the meantime, however, the British and French continue to pull their nationals out of the Middle East, and to build up their military forces in that

As LABOR ACTION goes to press, the NATO Council is meeting to discuss the Suez crisis. The troops, ships and planes being sent to Cyprus and the Eastern Mediterranean are part of the NATO forces in Europe. Theoretically, the NATO council could stop the movement of these forces or their use against Egypt. Actually, however, such an attempt in the face of British and French determination to settle the issue by force would break up NATO. And the role of the United States government in this whole situation flows from its unwillingness to take a firm stand against its

main allies in the interest of the democratic rights of a weak country.

In addition to the military measures being taken, the French government, led by representatives of the Socialist Party of

"If we say no with the very clear will to use force, if necessary," he added, "that will be better than the international situation that our hesitations would lead to, a situation that would perhaps constitute a greater danger to peace."

The decision of the British to permit French troops to be deployed on Cyprus indicates the seriousness with which the two governments involved are making their military preparations. As the guerrilla fighting against the British occupation of Cyprus has flared up anew, it is clear that French troops quartered there will be exposed to danger from Cypriot tion to a war over Suez in the British Labor Party, the leadership of the British Trade Union Congress, meeting in Brighton, has voted overwhelmingly against the use of force prior to the submission of the question to decision by the United Na-

It is urgently necessary for every socialist and democratic voice in this country to be raised against an attempt to solve the Suez problem by force. The American government could restrain the imperialist madmen in Paris and London, but it will only do so if it is convinced that to act otherwise would be to incur a really dangerous political risk at home. Otherwise, the close military and political bonds which tie it to the other imperialist powers will be what decides the final outcome.

The only voices which can be raised effectively will come from the labor movement and other popular organizations. So far, Adlai Stevenson and the rest of the Democratic leadership have carefully steered away from an issue out of which they could make great political capital if they were so minded. But in this, as in so much else, it is most probable that Stevenson stands so close to Eisenhower that he finds it virtually impossible to do what should come naturally to a really democratic candidate in the midst of an election campaign: seek to seize the political initiative by demanding a forthright and firm anti-imperialist policy from the government.

That is the least that socialists, and others devoted to democracy can do.

(more on Suez on page 8)

Commenting on charges that Britain's militaristic reaction was turning the clock back to the days of gunboat diplomacy, a [British] government spokesman said this week:

"Our policy is, perforce, to take the lesser of two evils. A condemned man approaching his hour of execution will turn the clock back if he can."

From the Sept. 2 New York Times

that country, has been making the most belligerent statements. On September 2, Foreign Minister Christian Pineau made a speech in which he said that Nasser is a dictator who has inclinations no less dangerous than Hitler's.

"Is it not our duty to stop him right away?" he asked.

action. The Cypriot resistance movement has announced that it will redouble its fight against the British in the event they try to use Cyprus as a base for the invasion of Egypt over the Suez issue. This threat would seem to apply to the French forces also under the same circumstances.

### The Independent Socialist League's "Subversive List" Hearing:

# A Travesty on Democracy

By MAX SHACHTMAN

The Department of Justice attorneys assigned to the "subversive list" hearing of the Independent Socialist League (and of the Workers Party and the Socialist Youth League that were associated with it in the hearing) have asked for and been granted two additional weeks beyond the date of August 22, which was the time set at the adjournment of the examinations and cross-examinations for the government's

side to submit to Hearing Examiner Edward Morrissey, "proposed findings" for him to adopt. The extension was not objected to by the attorneys for the Independent Socialist League.

It will be remembered that the chief attorney for the ISL, Joseph L. Rauh Jr., stated at the last session of the hearing that it would not be possible for him to submit proposed findings of his own in view of the fact that the government had, from the very beginning, stubbornly refused either to define the charges under which the defending organizations had been listed by the Attorney General in the first place, or to establish such rudiments of even an administrative procedure as a statement by the government at the outset of the hearing as to its "theory of the case," that is, as to what it intended to demonstrate in support of its contentions.

organizations' attorneys could not very well propose findings which had no reference point to which they could be addressed. By agreement with the hearing examiner, however, Rauh reserved the right to examine the government's proposed findings when they were finally submitted and to make any comment upon them that might be deemed appropriate.

#### WEIRD PROCEDURES

The case of the Independent Socialist League has been characterized by procedures of this sort and by weirder ones ever since the organization, and the two predecessor organizations, began to challenge their listing by the attorney

Under such circumstances the general more than eight years ago. Nothing that has happened in connection with our case in these eight years, during which irreparable damage has been done to the organizations involved, gives ground for optimism about the final outcome of the hearing-or rather, the mockery of a hearing-that was finally granted us and which we had no choice but to accept. Not for a single moment in the past eight years-not under the Truman administration which first listed the Workers Party and the Socialist Youth League, and not under the Eisenhower administration-has any one of the attorney generals or other officials of the Department of Justice showed so

(Continued on page 6)

# Auto Workers Bid for Speed-Up Not in the As Bosses Put the Squeeze On

By JACK WILSON

Detroit, September 1

Since auto industry model changeovers are taking place now-with no one talking about the huge increase in unemployment in those industrial areas-the season for forecasts has begun, and once again, the American public is being fed the same old malarkey.

The New York Times began the season with an article based on interviews with the top leaders of the car manufacturing field. Hucksters terms like "optimism, "exceptional good year," "larger share of the market," "excellent prospects," etc. become copious in the industry hand-

Curiously, little attention is paid to the fact that the Big Three, Ford, Chrysler and General Motors, in production scheduling for the final quarter of 1956 are only planning 1,700,000 units, something like 300,000 less than was previously predicted. This hardly speaks for a roaring 1957 model boom.

#### NEW CAR INVENTORIES

New car inventories have been so fantastically high that when they reach the abnormal figure of 500,000 between models, the industry speaks with pride of cuttting down inventories to "practical" levels. That happens to be a two billion dollar excess inventory, which isn't peanuts. In early post-war years 150,000 cars left over were considered plenty.

But even if the auto industry makes and sells close to 6,000,000 cars of the 1957 model, this doesn't begin to tell the real story of the impact this schedule will have on the communities, the economy, and the

For in the process of post-war auto manufacturing, some sharp changes have taken place which are a real indictment of the so-called free enterprise system, and also point up the limitations of ing the UAW, in coping basically with the problem of men earning a living in a large scale industry.

Just two weeks ago, Packard shut down its Detroit operations permanently. It was the latest victim of the inevitable, brutal and painful concentration of control and trend toward monopoly in the auto industry. Motor Products, a major supplier, is slated to go next. American Motors remains in business with loans. The squeeze is greater each year, rather than less.

#### WORKERS HARD HIT

What does it mean to 7,500 seniority workers at Packard, for example, to find that the place in which they have worked a lifetime is no longer in operation? What good are all the fringe benefits, like insurance, pensions, paid hospitalization, the supplementary unemployment benefit plan, and other union gains? And what happens to the vast bulk of these workers who are in their 40s? How and where do they get jobs?

This is not to say that fringe benefits, etc., aren't worth fighting for, but rather to emphasize that at least 100,000 workers in the auto industry are now permanently excluded from getting the fruits of the union struggles because they are no longer in the industry.

Automation is going to make a bigger impact during production of the 1957 models. One plant in Detroit, for example, expects to build as many cars in 1957 as it did in 1956 with 5,000 less workers, whose seniority, etc., becomes a mockery.

As the auto companies build new and more modern plants, the industry now has a 12,000,000 car capacity with only a 6,000,000 car market-the Big Three shift their production to new plants, hire new people, and the old-timers who fought and built the UAW find themselves helpless pawns in the vast economic changes taking place. Bound by three year contracts, the UAW has difficulty in allieviating these painful situations even by partial solutions like a shorter work week.

Of course, with automation, etc., the Big Three will make profit next year,

whether the market is 5,500,000 or 6,000,-000. But for the autoworkers, a decline in jobs, a decrease in security, is inevitable.

A story was published in the last issue of the Voice of Local 212 which highlights another new problem that plagues the auto industry. After seven months of negotiations, the Chrysler corporation has agreed with the UAW that before they move another big job out of the Detroit area, like the cushion and back department, they will give the union an opportunity to bid on the work. That is, to raise production standards to meet competition. Can one grasp the significance of this in terms of work standards in the auto industry for the next period? The plant that does the most work per men per hour gets the job.

At Briggs, when the company first told the union it was going to move the cushion and back work, involving 1800 workers, the workers did not take it seriously. Chrysler farmed out the work. Now 1800 workers are out in the street, at least until the 1958 model, when Chrysler says they may give the union a chance to work out a deal. At the Chrysler plant, the workers voted to increase their production 25 per cent to keep their department building cushions and backs from leav-

In a word, unless the excessive work rates in many GM plants, and some Ford plants are lowered, Chrysler workers are going to meet those high standards or else the company is farming out the work.

The real story of the auto industry is not the profits, the style of the cars, or the hozzanas for American production methods. The real story is the corporation efforts to grind the autoworkers down to the hard work levels of the preunion days, as the union finds itself less able and in some cases less willing to cope with the new problems confronting the workers in this ever-changing in-

### **Farrell Resigns from ACCF**

James T. Farrell has resigned as chairman of the American Committee for Cultural Freedom in a letter made public August 28. The New York Times article announcing Farrell's resignation also quoted from a statement issued by Diana Trilling, board chairman of the group, in which Mrs. Trilling stated that Farrell's "usefulness" to the ACCF had been ended by a letter from Istanbul which the novelist had written to the Chicago Tribune. (It was reprinted in the July 16 issue of LABOR ACTION.)

Farrell's letter to the Tribune was sent in the course of a trip to Asia and the Middle East which was under the auspices, in part, of the Cultural Freedom committee. The trip, he said, had impelled conclusions which he wished to communicate to "our own people," thus:

"The American people must know this -we will take not one word of insult, not one expression of hatred, and we will no longer give one cent of one drop of blood of our boys, our sons, unless it is in a partnership of freedom. And if we cannot achieve that, then we should retire to our own shores, and if necessary fight it out to the death with communism. But the time has come, and more than come, when we honest Americans, myself who is anti-Chicago Daily Tribune, have taken enough, given enough, and have had enough of the blood of our boys spilled on foreign soil. From here on in, we should have a truly honest partnership in freedom, or else go it alone.

... Often I have criticized our Chicago and our America but we must stop taking as much as one insult from anybody in the world, we must apologize to no one for our country, and from here on in, we must not give one cent or one drop of the blood of our sons and nephews, unless it is for an honest and free partnership of free people."

#### TRILLING BLASTS FARRELL

Mrs. Trilling explained that this letter of Farrell's "sullied his long record as a champion of understanding among the free peoples of the world." An intellectual who expresses such views is "not suited" for the office Farrell held, she

Farrell's own letter of resignation gave both "personal and policy" reasons for his act. When apprised of the Trilling statement, he told the N. Y. Times that he had written the Istanbul letter after "too much beer," overwork and lack of sleep, that it was "indefensible" and did not represent his views: "I shouldn't make a mistake like that at my age, but I presume I'll never live it

In view of the fact that Farrell had hinted at his resignation from the ACCF some time ago in an interview with Harvey Breit published in the book review section of the New York Times, it is at least questionable whether the Istanbul letter was not more a convenient means of "settling" a struggle over policy inside the ACCF than the real cause of Farrell's resignation.

The full text of Farrell's letter to the ACCF does not cast much light on the author's idea of what are the "new ways" which Americans must find in dealing with Asians, and thus retains the ambiguity created by his letter to the Tribune and the manner of his repudiation of it.

Farrell's letter of resignation to the ACCF states that "I think that we have never been able to get off the ground with a fighting program concerning cultural freedom in America. . . . We have not, in my opinion, been able to work and contribute sufficiently in the necessary and continuing struggles for the further development of liberal aims here. Also, we have not been able to contribute sufficently to the fight against censorship in this country ....

"The views that many of us have held on anti-Communism," the letter continues, "are simply irrelevant to the Asians, and we must find a new way of approaching them. This is specially so in the case of India. As a consequence of America's policy and the statements of many of our political figures and some of our intellectuals, Asians have become convinced that we have a rigid, hysterical, one-track fear of Communism. In reaction to this, many Asians have taken the attitude that the best thing to do is to flirt with Communism, insult us and perhaps get more money out of us. This might make many Americans indignant. and at times makes me indignant. At the same time, we are concerned with the soul of a continent, and we must find a new approach or retreat. We must find new ways of dealing with the Asians, specially with the Indians."

#### POLICY DISPUTE?

Farrell then goes on to state that he has in no way abated in his anti-Communism, and continues: "At the same time, the Communist problem in the United States has now become minor rather than major. We no longer need to emphasize over and over again that we are the only intelligent anti-Communist committee. We should, while watching them, keeping them isolated, opposing and fighting them on crucial issues, concern ourselves with the major effort of improving the cultural climate here in the United States, in face of what I consider growing apathy and complacency. Censorship constantly crops up in local areas. It is a perennial problem with us, and it is necessary for the forces which believe in freedom to fight it day in and day out all over the United States. It is one of our big issues.

"Further, in my opinion, the time has come for all who believe in the liberal

# Headlines

#### East of Suez—

"Control of the vast oil riches of the Middle East depends in large measure on the outcome of the Suez Canal contro-

"The ownership and operation of the oil installations in the Middle East are held by Western interests, largely British and American, through contractual agreements with the various governments of the area. These agreements are much like that of the Suez Canal Company with the Egyptian government.

"If Egypt can make its seizure of the canal an accomplished fact in violation of its agreement, the other governments may feel that they can arbitrarily void their contracts with the oil companies."

-N. Y. Times, business page, Aug. 19

#### Free Enterprise Miracle

San Francisco, Aug. 22

A headline in today's S. F. Chronicle read: "AMERICA'S MIRACLE . . . FREE ENTERPRISE IN ACTION IN THE BAY AREA."

A story in today's Chronicle read:

"MERCED, Aug. 21-A destitute Missouri farm worker and his family were found starving in their camp under a highway bridge near the spot their car ran out of gas yestrday, the youngest of the six children dead from diarrhea.

"The father, Lloyd Johnson, said they had nothing to eat for two days. His report of the three-month-old baby's death to Livingston police was the first inkling authorities had of the family's plight.

"The parents and five surviving children 'looked as if they'd just gotten out of a concentration camp,' according to coroner Kenneth Briggs. They were treated at the Merced County Hospital and given groceries and gasoline by the Kiwanis and Salvation Army, Today they moved into an empty

house on the ranch of Harry Arakelian in Livingston, where Johnson will have work for at least the next three months picking peaches and grapes.

"Johnson said he had received a letter from a sister in Bakersfield telling him there was plenty of farm work in California. The family arrived from Missouri about a month ago and had been shunted along, unable to find work. The sister had moved along with the crops and was no longer in Bakersfield....

What's the connection between this and the headline about "America's Miracle . . . Free Enterprise in Action"? Oh, that was the banner headline on page 9 and it described how "Kaiser Steel Expands Again."

#### YOU'RE INVITED

to speak your mind in the letter colum of Labor Action. Our policy is to publish letters of general political interest, regardless of views. Keep them to 500 words.

spirit to make a new effort toward achieving its resurgence ... ."

Farrell concluded by stating that there had always been a difficulty in keeping the committee free of political issues, and that even if his views were different, he would have to resign in order to devote himself more fully to his own literary work.

Despite the vagueness of Farrell's letter on many points, it is clear that among his motives for resigning from the ACCF were disagreement over its super-American pure-and-simple type of anti-Stalinism, and a feeling that an American Committee for Cultural Freedom should spend some or all of its time fighting the home-grown incursions on cultural freedom. Whether or not his resignation is the culmination of a serious fight over such issues in the ACCF it is difficult to say, as neither he nor representatives of the organization are willing to talk, for publication, on this question.

LONDON LETTER

## Trade Union Congress Faces Wage Issue

By OWEN ROBERTS

London, August 31

When the representatives of more than eight million British trade unionists gather at Brighton next week for the annual meeting of the Trades Union Congress the top topic of debate will undoubtedly be wages. Anxiously watching the course of the debate will be the Tory Chancellor of the Exchequer—Mr. Harold Macmillan. His anxiety will be whether the British trade union movement is to heed his call for

"wage restraint," or whether it will decide to go all out for bigger and better wages.

At the moment the prospects for Macmillan's point of view look none too rosy. On the agenda are a number of resolutions from powerful unions which, if accepted by the Congress, will mean that the government can say goodbye to any hopes of enlisting the support of the trade unions in solving the current economic problems at the expense of the workers' wage packets.

The largest union affiliated to the TUC, the 1¼ million strong Transport and General Workers' Union, heads the list of those with resolutions on the agenda dealing with economic policy; and its resolution leaves no doubts that it stands solidly against the Tory Government and its "wage freeze" policies.

The resolution first acknowledges Britain's present economic problems and places the responsibility in a large degree upon the shoulders of the government itself. By abandoning economic controls, and leaving the economy to drift, the government has deprived itself of the most effective means of solving the economic crisis—says the TGWU. After this opening comes the part which causes dismay to the government: 'Congress' asserts the right of Labor to bargain on equal terms with Capital, and to use its bargaining strength to protect the workers from the dislocations of an unplanned economy." says the resolution. "It rejects proposals to recover control by wage restraint, and by using the nationalized industries as a drag anchor for the drifting national

The resolution then warns that the government's policy of monetary controls cannot solve the economic crisis now facing the country and calls for the re-establishment of the foundations of a planned economy.

The fact that such a resolution stands in the name of the biggest union of the TUC is worry enough for the chancellor of the exchequer, but his worries are further increased by the fact that since the war the TGWU has been the leader of what are termed the "moderate elements" of the labor movement. At Labor Party conferences and Trades Union congresses the leaders of the TGWU have thrown their full weight with the forces of the right-wing, and in doing so have carried with them many of the smaller trade unions who rely upon the "patronage" of the TGWU in order to get men elected into positions on the central bodies of the movement. The TGWU is therefore the pivot point around which the weight of the British labor movement

But in recent months a change has come er the TGWU. In rapid succession two of its right-wing general secretaries died and early this year Frank Cousins was elected as general secretary. Whéreas the previous secretaries, Arthur Deakin and Jock Tiffin, stood well to the right of center, Frank Cousins stands several degrees to the left—and he is setting the tone for the whole of the TGWU. His attitude may be simply expressed in a statement he made last week to the Sunday Pictorial when, upon being asked by a reporter what he wanted most, he replied: Two things. First that my union members should get a better standard of living; and secord, that this present Tory Government is removed from office.

In addition to the TGWU a number of other unions have resolutions which reject any ideas of wage restraint on the order paper for the congress. The National Union of Mineworkers, with nearly 700,000 members, asks the TUC to pledge its support to unions fighting to secure progressive miprovements in the living and working standards of their

members. The 200,000 strong shopworkers' union asks the TUC to repudiate any suggestions that wage increases are responsible for the present economic problems. Also lined up against wage restraint in a series of resolutions are the unions representing boilermakers and shipbuilders, technical civil servants, foundry workers and railwaymen.

The resolution from the National Union of Railwaymen is of particular interest, for it looks very much as though the railway workers are going to be the first to feel the effects of a policy of "no wage increases" which the government is imposing upon the nationalized industries.

As reported in a previous London Letter, some months ago the chancellor of the exchequer called together the chairman of all the important nationalized industries in Britain. He asked them to establish a policy of "no price increases" for at least the remainder of the current year. To this the bosses of the national ized industries agreed.

This move was widely hailed by the press as a serious endeavor on the part of the government to stabilize prices and so halt inflation. But more astute observers saw it as the first step toward freezing wages. With the nationalized industries tied to a policy of "no price increases" they would be able to resist any demands for pay increases on the grounds that such increases could only be granted by raising prices—and they had pledged themselves not to do this,

Two days ago the results of this policy became apparent when the Associated Locomotive Engineers and Firemen placed before the British Transport Commission a demand for a 15 per cent pay lift for its 70,000 members employed on the nationalized railways. The answer of the Commission was a curt "no." This means that all of the workers on the railways, some 500,000 workers, are now confronted with a virtual freeze and the National Union of Railwaymen, who are expected to make a claim for an increase in the near future, know the response to its demand before it has even formulated its precise details.

Faced with such a strong line-up of opposition the government is making desperate attempts to influence the course of events at next week's TUC. Two days ago the chancellor took the unusual step of calling a press conference in order to outline the economic position and to make "an appeal to the nation" for restraint. His remarks were directed straight at the trade unions. While devoting some of his remarks to the need for lower profits and prices, Mr. Macmillan was mainly concerned in telling the workers that extra wages were bad for them; this he coupled with a spine-chilling prophesy that when the figures for Britain's gold and dollar reserves were published next week they would come as a "bit of a shock."

When asked by a reporter what would happen if the unions did not heed his plea for "wage restraint" and industrial trouble followed, the chancellor warned that trouble of a different sort would also take place. "I suppose we should devalue the pound and all that sort of thing," was part of his endeavor to curdle the blood of the trade unionists.

The day following the chancellor's press conference the General Council of the TUC packed its bags and went off to Brighton to begin its preliminary talks on next week's agenda and to try and make up its mind whether or not to side with the chancellor, with the unions calling for a rejection of the chancellor's policy, or whether to try and take some "middle-of-the-road" stand between the two. These preliminary talks are held in private, but glimmers of information seeping through indicate that the TUC

leadership is having a tough time in making up its mind. On one side there are the old-time conservative elements who were aligned with Arthur Deakin during his lifetime, on the other side there are the more militant elements who are trying to shift the TUC's policy over a little to the left. Five of the unions who have resolutions calling for a rejection of wage freezing have members on the General Council, and amongst these are Frank Cousins of the TGWU and Jim Campbell of the NUR.

But, even if by some chance, the General Council managed to push a right-wing line through the Congress itself the majority would be so small that it would mean nothing. For the TUC cannot impose policies upon its affiliated unions and already there is such a strong body of union opinion lined up against any ideas of "wage restraint" that; regardless of what the TUC or its General Council says, the gloves are being pulled off for some big scraps in the industrial arena.

#### Women in a Stalinist Society—

### **Equality** — or **Degradation?**

Susanne Miller is a member of the German Social-Democratic Women's National Committee, and the following article was issued in the Bulletin of the International Council of Social-Democratic Women. It should go without saying, but perhaps ought to be mentioned nevertheless, that the Social-Democratic Women, in criticizing the Stalinist policy on women's work, do not thereby fall into the opposite reactionary error of "woman's place is in the home (only)."—ED.

#### BY SUSANNE MILLER

"The only reserve labor force in East Germany which still remains to be mobilized are the 2.8 million women who are not as yet gainfully employed." Thus a statement made a few years ago by Otto Grotewohl, the Communist leader and Prime Minister of the Soviet-occupied part of Germany, before the Congress of the Socialist Unity Party (the Communist Party of East Germany).

The methods used in mobilizing this reserve, the burdens imposed upon the women concerned, the total lack of concern for biological, psychological and humanitarian considerations, all this is described in a recent comprehensive memorandum issued by the Social Democratic Party of Germany. This memorandum appeared under the title "The Mobilization of Women for the Economy of the Soviet Zone," and gives chapter and verse for its statements and conclusions.

The Communists defend their policy of employing women for every type of work in industry by claiming that this corresponds to the principle of equal rights for men and women. This is but another case of the Communist practice of distorting and falsifying a principle which has been upheld by progressive and enlightened people for decades.

What is the essence of equality of rights? It is the rejection of discrimination against any group or individual on grounds of sex, race or religion. It is certainly not disregard of special characteristics or interests. On the contrary, such disregard means in fact a violation of rights, and this is precisely what happens to the women in the Soviet Zone.

One of the means by which women are forced to seek employment is the withdrawal of their national assistance allowance. Women with children, whose husbands were killed in the war or are still prisoners in Soviet Russla, were previously entitled to this allowance, but can no longer claim it today.

As the Undersecretary of State in the Ministry of Labor—a woman by the name of Friedel Malter—declared: "All women who refuse jobs offered to them by the labor exchange on the ground that they have small children to look after shall be deprived of their right to national assistance."

The decree under which women responsible for children under six years of age or for two or more children under fifteen years of age, or for two or more working members of their family, were exempted from work has been rescinded. This has affected almost two million women.

In recruiting women for the labor

market, the main stress is laid on their becoming "production workers." This is illustrated by the following figures.

Statistics for 1954 show that 20 per cent of the labor force in the coal-mining industry are women and 10,000 women actually work underground; in the chemical industry, 30 per cent are women; on the railways, the figure is 29 per cent, and of the latter many work on the rails and in shunting. Women are employed on blast furnaces and cranes. There are even female "butcher brigades."

The protection of the working woman and mother is utterly inadequate. The Social-Democratic memorandum quotes pages and pages from East German papers denouncing abominable conditions in this respect and attempting a critical "self-analysis."

Admittedly, even in West Germany-conditions in this field are far from perfect. But at least the Federal Republic does not claim to be a socialist state! Moreover, and this is what really matters, in West Germany the political and trade-union organizations have the possibility of fighting abuses while in the Soviet-occupied zone the trade unions are completely powerless and only one party dominates the government on whose mercy everyone depends.

The guiding principle which underlies all measures aimed at recruiting women for industry may be formulated as follows: "Production, the factory, is everything; the human being, the family, is nothing."

This is also illustrated by the East German government's attitude toward the "domestic day" (a free day a woman worker is allowed once a month for her domestic duties—in Germany, it should be remembered, it is not customary to have the Saturday off). Those who want to claim this "domestic day" in the Soviet Zone must satisfy very severe conditions, and Prime Minister Grotewohl, once declared frankly that "the decisive help given to women is not the domestic day but the constant improvement of social institutions in the factory." This shows that he expects women's lives to be rooted in the factory and not in their homes.

It is true that there are nurseries and children's homes connected with the factories, some of which are excellent while others leave much to be desired. But, however necessary the provision of these institutions may be in any modern industrial society, the point made by a woman worker in Chemnitz in Saxony is still relevant. The memorandum quotes her as saying: "Nurseries—all well and good, but children also need the parents' love."

The greatest worry for the East German women, exhausted by heavy work, ruthless speeding-up, Sunday work and night shifts, is probably caused by their inability to give their families, especially the children, the motherly care they need and which cannot be replaced by education in any institution. Significantly, the program of the West German Socialists postulates that "no mother with children of pre-school age should be compelled by economic necessity to be gainfully employed."

In the countries under Communist rule the very opposite principle prevails and is strictly enforced.

# YOU SCIENCE

#### What Shall Be the Scientists' Social Role?

By CARL DARTON

The engineers and industrial scientists of this country would like to consider themselves professionals; unfortunately their employers do not pay them high enough salaries to permit them to live in the manner to which professionals have become accustomed. This is one of the messages given by the Engineers Joint Council's report on "Professional Standards and Employment Conditions."

One can well imagine that the wages of engineers are little to brag about if the company-dominated engineers' technical societies cite the low wage as a principal cause for the shift from "professional attitudes" to a friendly viewpoint on collective bargaining. The EJC report expressed concern that a recent questionnaire sent to its 117,917 members indicated that 30,300 members were not opposed to participating in collective bargaining.

Closely paraphrasing the report we list here the reasons given for the interest of engineers in collective bargaining:

Financial Treatment:

 Engineers' salaries are not commensurate with their fundamental contribution to society.

(2) Their salaries are low compared to skilled manual workers.

(3) With older engineers little allowance is made for experience.

(4) Pay varies from place to place for the same quality of work.

(5) There is dissatisfaction with the merit review salary raise systems.

Professional Treatment

(1) They are not made to feel that they are "part of management."

(2) There is little communication between top management and the engineers.

(3) They are inadequately recognized as professionals.

(4) Much of the assigned work is of a sub-professional level.

(5) There is too much specialization and narrowly compartmentalized assign-

(6) There is often no means of resolving problems of the individual on the job.

Personal Treatment

(1) There is no recognition of the engineer as an individual.

(2) Lack of broad classification and titles.

(3) No rotation of jobs.

(3) No rotation of jobs.

(4) Inadequate understanding of promotional policies.

(5) Feeling of employment insecurity.
(6) Management's knowledge of human relations has not kept pace with the growth of technical information.

The main purpose of the report is to turn the wayward engineers from collective-bargaining interests to those of professionalism. To this end much of the report deals with the professionalism escape clauses under the Taft-Hartley Law. Explanations are made in many different ways to the effect that the T-H Law protects engineers from being "trapped" in the mire of unionism. Recommendations are listed with the ai mof tying the engineer to manageemnt, rather than to other workers.

The report does not examine very closely the general public's concept of professionalism. Very briefly it would appear to involve a larger-than-average income which permits living in an expensive neighborhood, and freedom from keeping regular working hours. The professional must be free to attend luncheon meetings, afternoon teas and golf appointments.

#### There's No Angel Around

to finance LABOR ACTION. It has appeared every week since 1940 be cause it's been backed by the dimeand dollars of independent socialists — AND YOUR SUBSCRIPTIONS.

A sub is only \$2 a year— Subscribe now! Very little emphasis is placed (regrettably) on intellectual activity or attainment. The engineer is, alas too often, not interested in ideas, especially apart from his vocational field.

It is also to be noted that the report endeavors to make the engineer interested in and sympathetic to all around him—all, that is, except the other workers in his plant; those who happen to work with their hands. Not only does the relationship of all workers, manual and mental, to management have much in common, but in a vocational sense the shop workers can also contribute ideas to the engineer and the engineers' main task is to make the shop man's work easier and more efficient.

#### RIPE FOR ORGANIZATION

The companies realize that a great number of engineers are ripe for union organization. They realize that they cannot solve their low pay and other unsatisfactory working conditions by moving from employer to employer. Some are better than others but even the best is not satisfactory, for they do not provide the same economic opportunities as that of the self-employed professional—the medical doctor and lawyer.

Unfortunately the trade unions do not appear to be aware of the situation. In plant after plant unions rest content with organizing the manual workers and pass by the engineers (and other white-collar employees.)

Where is the union education and propaganda telling the engineer that his interest is basically the same as that of the shop worker? Where is the invitation to join and democratically participate in a union of all employees?

The companies tell the engineers that the key to professionalism is to hate the unions. Why don't the unions proclaim that the key to professionalism is a salary high enough, with sufficient leisure time, to permit the engineer to fulfill his intellectual and social obligations to the scientific community and to society as a whole?

Only union organization can give the engineer and industrial scientist a professional standing. "We'd Better Get Used to that Sort of Thing"

### One Democrat is Fed Up

By C. SPEARE

New York, August 29

Convention time's over and Democrats have returned to their respective districts to begin the big job of mapping strategy for a major election campaign. Procedure will be routine: trumpet-blowing, promise-making, demagoguery, and distortions, to convince John Q. Voter that there is something for everyone in the Democrats' 1956 bag-of-tricks.

Only this year there will be at least one small difference: Herb Lerner won't be riding the band wagon.

Herb Lerner is an engineer, living in a middle-class district in this city. He has been a loyal and devoted Democrat all his life, and had spent many years in his Democratic Party Club doing active volunteer work.

Until last week:

#### WANTS ISSUES

On Friday, the club met to plan campaign tactics for the forthcoming elections. In the midst of fervent proposals for "sound trucks, rallies," etc., Herb Lerner's high-pitched and serious voice came echoing from the back of the room: "I'm not interested in gimmick for winning elections; I'm interested in issues! I've gone through the resolutions of the Democratic convention thoroughly, and couldn't find anything worth canvassing for!"

There was dead silence as forty-six shocked faces turned around to look at the speaker.

"I've been a Democrat all my life," he continued, "because I believed in good government and in the principles of the Democratic Party. I've always been glad to work for the victory of my party when I thought it was worth working for, but I'm not illusioned anymore... Any party that would betray the Negro people and the labor movement is no party for me!... On civil rights alone, I couldn't find any difference between the Democratic and Republican planks. What are we trying to do, beat the party of big business at being more conservative?"

The club president interrupted at this point: "Look, Herb, all of us here tonight know how our candidates [Stevenson and Kefauver] feel about civil rights; and we know what kind of ad-

ministration they will offer the American people.... The civil-rights plank that was adopted—and I don't say it was the best possible—was necessary to help keep the party together."

"No, sir!" Herb retorted, "There is no such thing as a party half Democratic and half slave!"

The club chairman cut in: "Isn't it better to worry about these things after we win the election, Herb?"

"I've heard that one too many times before. I've got to be convinced first that we deserve to win the elections!"

By now intimidating remarks were being hurled from all directions: "Negative . . . radical," etc., and the president had to bang on the desk to restore order. He said: "OK, Herb, since you've got all the answers—what is the alternative to Adlai Stevenson?"

"I don't know what the alternative is; but the answer isn't in the Democratic Party. The Democratic Party is washed up—finished!" And Herb Lerner walked out.

When the group had recovered from the bombshell thrown in their laps, all the club president could think of saying was: "Boy, some people sure like to make a grand exit!"

"No!" came one shaky voice from the group, "We'd better get used to that sort of thing; we're going to run into a lot of it, and we'd better have the right answers ready!"

#### HOW ANSWER THEM

"Yeah, Jim—how do we answer people like that?" another member of the club asked.

"Look," the chairman answered, "it's getting late and we've got to get our committees set up and distribute canvassing assignments. If we get some time at the next membership meeting, we'll take the question up."

Is the case of Herb Lerner a unique one? There must be a mass of militants who have been disillusioned by the vain efforts of the liberal movement to find a voice for labor and labor's allies in one or the other of the major parties.

The utter futility of this attempt has grown more apparent as a united tradeunion bloc and a militant Negro people's movement can get no recognition from either the Democratic or Republican Parties. The liberal forces are more demoralized and impotent than ever before, and as the labor-liberal bloc crumbles in the Democratic Party, the only possible answer to Herb's question of "an alternative" will emerge: a break with the capitalist parties by the American working class, and the establishment of a labor party that can meet the real needs of the people.

CABOR ACTION BOOK SERVICE 114 West 14 Street, New York City

specializes in books and pamphlets on the Labor and Socialist movement, Marxism, etc., and can supply books of all publishers. Send for our free book list.



September 10, 1956 Vol. 20, No. 37

Published weekly by Labor Action Publishing Company, 114 West 14 Street, New York 11, N. Y.— Telephone: WAlkins 4-4222—Re-entered as secongclass matter May 24, 1940, at the Post Office at New York, N. Y., under the act of March 3, 1874.—Subscriptions: \$2 a year: \$1 for 6 months (\$2.25 and \$1.15 for Canadian and Foreign).—Opinions and policies expressed in signed articles by contributors do not necessarily represent the views of Labor Action, which are given in editorial statements.

Editor: HAL DRAPER
Associate Editors:
GORDON HASKELL, BEN HALL
Business Mgr.: L. G. SMITH

### DEATH SHIP

Rep. Mollohan (D-W. Va.) has lifted the curtain on a macabre operation conducted by the Immigration Service.

On Sunday, Mexican wetback laborers being deported on the S.S. Mercurio from Texas to Veracruz by the Immigration Service rioted aboard ship. Thirty-six jumped overboard and four of them drowned. The ship was forced to make an unscheduled step at Tampico.

Mollohan now reveals that Congressional investigators who have been surveying life aboard the Mercurio for two months have come up with a grim story. The ship, an old corvette built in Canada for service in World War II, was never designed to carry passengers. Sold after the war to a Mexican firm and used in the banana trade, it was chartered last December by the U.S. Government.

On each sailing, immigration officials crowd more than 500 Mexicans into the hold. Each passenger occupies below deck a space two feet wide and three feet long. There is only one toilet. Except for a floodlight at either end, the hold is unlighted. The ship which carries this pathetic human cargo from Texas to Mexico still carries a load of bananas on its northern run. Mollohan compares the Mercurio to the "hell ships" of a century ago which carried slaves and convicts.

In event of emergency, the ship has only two lifeboats, which would accommodate a total of but 48 persons. The Immigration Service has obviously been running the risk of a major sea disaster if the ship should sink.

As long as these aliens are under American control, this country is legally and morally obligated to provide for their care. Immigration officials have traditionally operated in secret, arbitrary fashion. The mutiny off Tampico and four needless deaths should surely serve as a warning flag. The petty despots of the Immigration agency have played fast and loose with human lives long enough.

Editorial in the New York Post August 30, 1956 September 10, 1956

Edited and Published by the YOUNG SOCIALIST LEAGUE

FIVE CENTS

In the Third Year of Integration

# Court Order Enforced by National Guard

By MICHAEL HARRINGTON

At this writing, the crucial question raised in the integration riots at Clinton, Tennessee, remains unanswered: will the official show of force directed against what appears to be that minority of the community which is fanatically opposed to integration succeed in dealing with the situation?

In some of the previous struggles around the integration issue, mob action was met by quick force-in Baltimore and in St. Louis, for example-and integration then went through without further difficulty. The Clinton school will have opened by the time this appears in print, and we will probably know the answer. But one thing is already clear, that success in this particular case will be of great importance. It will give an example of what a determined policy can accomplish. On the other hand, failure and a retreat on integration, will mean that a racist minority has dictated to the

Clinton is a small town of 4,000, located some 25 miles from Knoxville. The Negro population is about 350, close to 10 per cent of the total. But the problem arose when only twelve Negroes began classes in a Clinton high school with a student body of 700 whites. Or rather, the issue did not actually come to a head until the day after the twelve Negro students went to the school. "There was no trouble," one Negro boy reported after the first day.

#### OUTSIDE SPARK

This is the first important factor in the Clinton case. The spark that touched off the resistance was not from the town itself. It was on Tuesday when John Kasper, a segregation advocate from Camden, New Jersey, arrived that the trouble really began. Until then, according to the New York Times, the mood of the town was one of unenthusiastic acceptance of the court order of Federal Judge Robert Taylor. And at no point during the events of last week was it clear that a majority of the Clinton people went

#### Random Curiosity

A high-ranking corporation official delivered a not very veiled warning to 3292 University of Southern California graduates (some of whom will be seeking work in his firm) to shut their minds to anti-capitalist ideas at the peril of their jobs and future.

Harry F. Vickers, president of Sperry-Rand, a multi-million-dollar war corporation, told the graduating class:

"One's associates should be chosen with the knowledge that at some time an investigation into one's past may be made either by a government agency or by a prospective employer.

"This is no moral lecture. To attend a meeting of a subversive organization could, in the future, bar a person from obtaining government clearance necessary for an important position.

Do not let your curiosity lead you into associations which may leave a black mark on your reputation. Avoid so-called 'pink' or 'red' groups like the plague."

There was a time when graduates were urged to think, to find out, to probe, to see all sides. Now they are told to be careful, to close their eyes, and to cower before the possibility of some private or government agency discovering they went to a meeting to hear non-conformist ideas expressed.

-Socialist Newsletter (Los Angeles)

along with the riots. True, only a small minority, led by a New York lawyer who is an attorney at nearby Oak Ridge, actively opposed the mob. But from all reports, the hard core of violent resistance was a group not larger than three hundred men and boys.

On Tuesday and Wednesday, Kaspar led rioting whites in picketing and throwing tomatoes at passing Negroes. Judge Taylor had issued an order in restraint of interference with the integration, and on Friday he sentenced Kaspar to a year in prison for contempt of court. At this writing, Kaspar was scheduled to be let out on bail at the beginning of the week. He plans to appeal his convic-

On Friday, with Kaspar in jail, Asa Carter, head of the Alabama White Citizens Council, drave into Clinton to lead the resistance. Carter delivered a speech attacking the Supreme Court decision on integration, but he carefully avoided making any direct reference to Taylor's court order and the situation at the Clinton high school. A crowd of about 1,000 heard his speech. After talking, Carter slipped out of town, but part of the crowd began to riot. Here, as in almost every instance throughout the situation last week, the mob was built around a core of two or three hundred people. At one point, about two hundred men started for the home of Mayor W. E. Lewallen, a supporter of integration, but Sheriff Clad Woodward headed them off.

Here is how John Popham, the Times reporter, described the crowd situation: The show of violence was a fluctuating thing of sharply shifting moods. At times it was menacing in its fury and at other periods it was only an unruly group of some forty or fifty teen-agers acting in hoodlum fashion. To observers in general it appeared that local police officers without reinforcement could not handle the more passionate moments of the crowd, but that some fifteen or twenty highway patrolmen could have readily broken up the hoodlum groups and restored order."

#### MINORITY ACTION

It is this fact that makes the Clinton situation so important. From Popham's estimation, and other reports, it is fairly clear that only a minority of the townspeople, egged on by Kaspar and Carter, were violently opposed to the integration. The mass of the population vacillated, confirmed the judgment that they were ready to give passive support to integration, and only occasionally joined in the actual rioting. Given these circumstances, it is possible that the forceful position taken by the authorities may even lead to a peaceful integration in

The high-point of mob action thus far came on Saturday and Sunday of last week. On Friday night, the sheriff had been able to handle the situation, as described above. But on Saturday, a volunteer force of forty was sworn in to aid the local police contingent of eight men. The volunteers moved in groups which contained at least one uniformed regular policeman. They were armed with shotguns and riot guns, and were under the command of Leo Grant, Jr., the Oak Ridge lawyer. Grant is 29 years old, and a for-

mer army parachutist who saw action in Korea and in World War II.

The volunteers moved into the square and began to disperse a crowd of about 2000. As they moved, they made several arrests of people who refused to obey their orders. The center of resistance, according to the Times, was a "jeering and taunting group of some 350 youths. The volunteer group formed a skirmish line, shoulder to shoulder, and began to march on the crowd. Finally, the two forces were face to face. The center of the skirmish line fell back, and Grant exploded three tear gas grenades. The crowd dispersed, regrouped, and were dispersed again by the grenades. Five minutes later, a group of 150 youths and men gathered into a compact body and prepared to rush the volunteers and

#### STATE HIGHWAY PATROL

At this crucial point, 110 state highway troopers roared into town in 39 police cars with sirens screaming. As soon as the troopers arrived, the crowd became quiet. After that, several segregationist speeches were given, but there was no further violence. The aid from the state had come in response to a call for help from Clinton's mayor. He asked for, and received, a proclamation of state assistance from Governor Frank Cle-

The situation continued to be tense on Sunday. At a little after noon, however, a vanguard of seven tanks with 76-mm, guns and three armored personnel carriers with .50-caliber machine guns, led 633 armed National Guardsmen into the town square. The crowd watched the troops, but generally drifted away-with the exception of the familiar knot of 200 to 300 young men spoiling for trouble. By evening, the crowd had built back up to about 1500, and the guardsmen were being taunted and jeered at.

At one point, about 200 whites pursued a single Negro sailor and followed him into a gas station. Someone threw a bottle at the sailor, but it landed and shattered at his feet. Twelve guardsmen came in and took the Negro into protective custody, holding their weapons at the ready. This was the only instance of mob violence reported after the contingent of National Guardsmen had arrived.

Sunday afternoon, when the guard was already in town, the pro-segregationists held a rally in the Blowing Springs grammar school, some three miles north of Clinton. Reporters who attempted to approach were met by a small group of men and boys who chased them away with stones and sticks. Once more, the number at this rally was reported to have been at about 150. Some of those present were recognized as having taken part in the mob action on Saturday night.

#### **EVENTUAL SETTLEMENT**

The Clinton situation is far from settled. Indeed, it could not be considered settled even if integration could go off as scheduled, but only because the town was under a state of quasi-martial-law (the authorities have boggled at a technical proclamation of the obvious fact that the city is under military control, though civilian authority remains in force, e.g., the courts). But what does appear possible in Clinton, if effective action against the minority of violent anti-integrationsts is contnued, is an eventual peaceful settlement of the dispute and a genuine achievement of integration. The reports make it clear that the majority of the townspeople are not at riot-heat

over the issue and that they will accept the court order.

The problem, then, comes down to one of effectively combatting the violent minority, and of winning the passive majority over to a position of active acquiescence with the court order. In contrast to a similar situation in Mansfield, Texas, this seems to be within the bounds of chance. In the Texas case, the majority of the people appear to be involved in the mob action, the Negroes have not pressed their rights, and the local authorities have used the rioting as an opportunity to ask the Supreme Court to forget the whole thing.

But in Clinton there is hope. So far, the local authorities would seem to have acted fairly effectively in terms of opposing the riots. Clement, for all that one can say about his speech at the Democratic National Convention, did send the state troopers and the National Guard into the town. And if the authorities can now proceed to win over the passive majority, there is a real chance that integration can win a tough fight. The Times, not noted as a radical journal, recognized this fact when it wrote, "The Clinton case suggested that integration had a chance when local officials moved against trouble-makers."

#### FORCE IS BEING USED

But what has to be emphasized in Clinton is that the force is being used, first, of all in defense of a court order, and secondly, against a minority of the population. The issue at stake is not simply one of integration, important as that may be, but of the power of a minority to dictate to a majority, both locally and nationally. Here integration and the fight for Negro emancipation merges, as it almost always does, into a larger struggle for democracy. What happens in Clinton this week when the schools open up again will be of crucial interest. hallenge will report on the outcome of the situation in forthcoming issues.

#### Anti-War Feeling Helps German Socialists Gain

Last week, Challenge reported the victory of American youth over the Pentagon on the issue of Universal Military Training. Now, news comes from Germany of an increase in anti-war sentiment in that country which may have a decisive effect on national politics.

According to a poll taken by the Emnid Institute, the Social Democrats have now edged ahead of the Christian Democrats in political popularity. Thirty-four per cent of those polled favored the SPD; while only 33 per cent were recorded in favor of the CDU. This was in sharp contrast to the last vote in which the Christian Democrats racked up 50.1 per cent of the popular vote (with the aid of a proportional representation system) and the Social Democrats only 31 per

The main fact behind the change in the popularity of the parties, according to the New York Times, was a shift of opinion on rearmament, conscription and reunification of Germany. In particular the poll showed that the last six month have revealed a considerable increase in sentiment against the military training law. This has also been reflected in the number of volunteers who have entere the new army. Only half of the cadr officer-trainees have been obtaine through the volunteer route, and the is crease in anti-militarist sentiment ma even slow down the rate in comin

## A Travesty on Democracy — —

(Continued from page 1)

much as perfunctory interest in seeing to it that the organizations were given justice, no matter what standards are used to define that cruelly abused term. Not for a single moment in the past eight years has any one of these officials showed anything but a determination to hound and harass us for our political opinions, and to do it in a most cowardly way.

For the political persecution was and is not only malicious and pernicious but cowardly as well when the persecutor does not dare assume that open and unafraid responsibility for his conduct which is meaningful only when arrangements are available to his victim for a fair and square confrontation. We cannot ever forget that for eight years after our organizations were listed by the attorney general as "subversive," arrangements for such a confrontation—a hearing-were not only not made available to us but our persistent and exhausting efforts at redress were answered, when there was enough politeness in the Department to stimulate an answer, with the statement that no such arrangements existed in the first place.

The idea that the hearing finally granted us restored justice to its proper place in the case is belied by virtually all the conditions of the hearing.

After all the years of contemptuous indifference to our appeals for a hearing, the department announced that a hearing would be held only after the unfavorable decision of the Appeals Court in the case of Shachtman vs. John Foster Dulles over the refusal of the Department of State to grant a passport to Shachtman. When it finally opened its sessions, the hearing quickly proved to be a fabulous travesty.

#### ONE MAN TEAM

It is the attorney general, of course, who places the organizations on the subversive list." When his action is aprealed, and a hearing against his action s at last arranged, it turns out that this ame attorney general, on his exclusive athority and without any consultation with (let alone agreement of) the organiation or its attorneys, designates the earing examiner. It turns out further hat the rules for the conduct of the earing, by which the hearing examiner nd all other participants are bound, are ritten down by the same attorney genral whose decision is being appealed. It earing examiner does not require, inged refuses to require, the attorney genral's representatives in the hearing to ate what they intend to prove or to de-He the charges against the listed oranizations. It turns out further that the me hearing examiner does not even tow the definition of the term "Comtinist" even though this term is one of ose applied by the attorney general in der to justify his listing of it and at same time to characterize it specifi-Hy under the listing. It turns out furer that the same hearing examiner es not require, and here too refuses to quire, the attorney general's reprentatives in the hearing to state how ey define the term "Communist" and that basis how they propose to make eir case against the organizations. And turns out further yet that the hearing aminer is to conclude the hearings not a decision on the case, but only by a commendation which he must submit the man who is to make the decision. And who would this man be best the y same attorney general who listed organizations to begin with and ose staff is numerously present in the rings to contend that the listing is l always has been air-sealed, waterht, fire-proof and correct, too. With a ring organized in this manner, the rney general leaves himself a small definite possibility of finding in the that he was right all along.

These details out of the many which characterized the hearing are so monstrous that they help obscure an aspect of our case which far exceeds in importance all the details taken together. It is the aspect that has all but been lost sight of, and that through no fault or responsibility of our own.

The idea that in order to escape the penalties, discriminations and sufferings that follow surely from being "listed" by a government department, you or I or any one of us are obliged to appear before any governmental hearing—promptly organized or not, fairly managed or not, guaranteeing a just verdict or not—for the purpose of justifying or even merely presenting our political views—that is the greatest monstrosity, the greatest outrage, the greatest travesty on democracy of all!

There can be no question about the fact that it is our political views and only our political views that are involved in the case-our views and, of course, our right to present them to the best of our abilities and resources. Throughout our existence, which covers the whole of the Seecond World War period and the years after it, we have never committed an illegal act, and what is no less important, we have never been accused of committing one. Indeed, time and again during the sessions of the hearing, this fact was brought out not so much by our attorney as by the attorneys of the government. They protested often and vehemently against our attorney's reference to us as "defendants," and insisted that we were not defendants and that this was not a juridical proceeding against us. Time and again, our attorney challenged the government representatives to take us into a court of law if they seriously believed that any of the organizations involved had ever violated the law-and the challenge went unaccepted. It is our political views, our theories, our analyses of social and political institutions or events, our beliefs that were held against us, that were cited against us (it should be added, of course, not the beliefs we really held in every case but those the government claimed we held)-political beliefs and nothing but political beliefs.

#### POLITICS A PUBLIC MATTER

We hold that any individual or group has the right to demand of us, as of any political association, that we express ourselves on all pertinent political questions, and generally speaking, to the extent that we have formed political opinions on these matters, we are bound, within the limits of our abilities and requirements, to present our opinions before the public. Or, to put it somewhat more exactly, a political association announces its readiness to submit to the verdict of all shades of public opinion on the day when it announces its birth, and by the same token it proclaims its readiness to influence public opinions by the nature of the political views it expresses. My organization has the right to call upon all others to express their political views in public-and "all others" includes the political organization that heads the government of the country. Again, all other political organizations, including the one that heads the governhave the right to call ubon my organization to present and justify its political positions in public.

If my organization responds to the call and presents its views in the way and at the time it finds appropriate, everything is in order. Everyone who is interested can thereupon judge it politically by what it says, how it says it, when it says it, where it says it, and the like. He can decide freely to support it fully, partly or not at all; to oppose it a little, a lot or not at all; or to be indifferent and uninterested. And if my organization fails or refuses to respond to the call for reasons it regards as good, everything is still in order. Every interested person is free to judge its silence and to behave toward it accordingly. All political organizations are subject to these elementary rules, again including the party at the head of the government.

But we hold it to be an unpardonable violation of our rights, and on the part of the governmental political party especially we hold it to be a despotic outrage against us, if police measures, di-

rect or indirect, are used against us (or any other political adversary, for that matter) to compel a presentation or justification of our political views under penalty of governmental punishment if the governmental political party finds our presentation or justification unacceptable.

We are ready to debate in public all controversal political questions of interest to us and to take our chances with any political opponent. At such a debate, we could very well understand it if our opponent insisted that a policeman be present to see to it that neither contender shoots the other because his views on some political subject are not to his liking. But suppose the opponent, disguised as a government attorney, had us present ourselves before him with the demand that we justify our political position under threat of police action against us?

#### AN ABOMINATION

Yet it is precisely such an abomination and outrage which lies at the very heart of any hearing—"good" or "bad"—on the "subversive list" and that is so because of the very nature of the list as devised (but not invented) by the Truman administration and perpetuated by the Eisenhower administration.

When my organization (or yours) is designated by the attorney general on the "subversive list," it has not been accused in a court of law of having violated any law. By the arbitrary, personal, uncontrolled action of the attorney general, an entire political organization is accused, found guilty, convicted and sentenced to indefinite but extensive punishment at a single stroke, without a semblance of normal legal or democratic procedure. Members, real or alleged, and sympathizers or friends, real or alleged, of my organization from then on suffer penalties which effectively deny them their rights to one degree or another. They can be (and have been) thrown outof their jobs for no other reason than that they are (or are supposed to be) members or sympathizers of the organization. They are therefore effectively in a separate, special outlaw category in a dozen different personal and social respects-in their jobs, in their unions, in the armed forces, in their housing projects, among their neighbors, in schools, and so on. In effect, the government has taken a sweeping police action against them because of the political opinions held (or said to be held) by the organization with which they are (or are said to be) associated.

And at present, the only way to be relieved of this outlaw status, and all the obloquy, disability, discrimination and other sufferings that accompany it and are meant to accompany it, is for the organization to ask for a hearing at which the acceptability of its political views—not their legality, always bear in mind—is to be welghed and ruled upon by its avowed political opponents, who have, what's more, already weighed them and ruled against them to start with!

#### LIST OPPOSED COMPLETELY

The monstrosity of such a procedure pairs with the monstrosity of the list itself. So we of the Independent Socialist League see it. We are opposed to the "subversive list" from start to finish and to the entire poliitcal mentality that conceived it. But in the still prevalent atmosphere of witchhunting and hysteria, of omnipresent nervousness and panic in the highest circles of the government (and not of the government alone), no legal means is available to any individual or organization to challenge the infamy of a government "subversive list," either in whole or in part, before a court of law where the contestants are more or less equal-at least not until the travesty we have experienced already as a "hearing" is first gone through from end to end.

It is known that no court of competence would be prepared to sit in judgment on the listing of this or that organization, let alone on the "subversive list" as a whole, until all measures of what is called "administrative relief" had been exhausted. The hearing before an examiner appointed by the attorney general presumably constitutes this "adminis-

trative relief." Our chief attorney, Joseph L. Rauh Jr., made it amply clear, and more than once, that he is prepared to take the case to court the minute the present procedure was concluded and had revealed that "administrative relief" led into a blind alley and not to justice.

So, on the eve of the submission by the attorney general's men of "proposed findings" to their appointed examiner. to their appointed examiner, we find it a suitable occasion to make it expressly clear why the Independent Socialist League found it necessary to participate in a procedure which is in its very nature abhorrent to it, as are abhorrent all procedures, measures and institutions which deny and restrict democratic rights and institutions. It is worth noting, too, that several times during the hearing, government attorney Maddrix insisted that consideration of the validity of the "subversive list" was no more the concern of the hearing than was consideration of the consequences suffered by the organizations designated, and that therefore the hearing examiner was bound, like all other participants in the hearing, to disallow all evidence and testimony relating to such matters. According to the rules for the hearing set' forth-naturally!-by the attorney general himself, the hearing could concern' itself only with whether or not the appealing organizations were correctly designated-that's all.

That, more or less, is what we were obliged to confine ourselves to in the course of the examination and cross-examinations. No effort on our part to go beyond that and to get to the wider questions met with success. With the way the hearing was organized by the fearless government authorities, such success was pretty well precluded and for that they may congratulate themselves.

#### NO ONE "BELONGS"

But our own position is not modified in any way by our success in putting it forth or getting it accepted at one moment, or the next. In fighting every inch' of the way, and in every legitimate way, to get the names of the Independent Socialist League, the Workers Party and the Socialist Youth League removed from the "subversive list," we in no way suggest that the idea of such a list is otherwise acceptable to us; it is not and not at all. In presenting our political views before such a hearing, despite our abhorrence of such a procedure, the distinction we necessarily make between our views and those of other organizations, and even the emphasis we lay upon the conflicts with such organizations as the government slyly seeks to suggest our alliance or agreement with, we in no way suggest that while we should not be placed on the "subversive list," other organizations do "belong" on it; nothing of the sort.

We are opposed to the listing of the Independent Socialist League and its predecessor organizations. We are opposed to the whole idea of "subversive lists," regardless of the organizations named on it. If we found it impossible to combat political adversaries by political means and had to resort to cowardly police measures against them, we would be confessing our political bankruptcy. We have only contempt for confessed political bankrupts. With all the political and legal means we can use, we intend to fight our way on till we win. If we do not have too much confidence of victory coming out of the hearing, we have nothing but confidence in victory at the end.

A NEW PAMPHLET, JUST PUBLISHED IN ENGLAND

Russia from Stalin to Khrushchev by

TONY CLIFF

22 pages

15 cents

LABOR ACTION BOOK SERVICE 114 West 14 Street, N. Y. C.

# THE CRISIS GROWS DEEPER

in the

### AMERICAN COMMUNIST PARTY

By GEORGE POST

Despite the trials of the Old Bolsheviks, the Hitler-Stalin pact, opportunism and worse in the American trade-union movement, "Browderism" and the expulsion of Browder, the destruction of the CP's base in the trade-union movement, the hysteria of the mass expulsions of 1949-50 on "white chauvinism" charges, and the Foster-Dennis ironclad bureaucracy, the Communist Party has been able to impose a totalitarian

structure upon its membership because they accepted the moral authority of the Stalinist state. It was only due to this that the thousands of sincere trade-unionists and radicals who moved through the CP gave up the right to democratic discussion. With the fast mooring of the Soviet Union to cling to, a fact which could justify every swivel-chair turn in the line as being due to the necessity of preserving "socialism" in Russia, it could be made to appear that the demand for democratic discussion within the Party was "objectively" anti-Party.

#### U.S. CP HARDEST HIT

The "revelations" (revelations which have appeared for twenty-five years in the socialist press) of the Twentieth Party Congress and the events in the Stalinist world following upon it have left the Communist Parties of the world in a permanent crisis. The CPUSA, not having the mass base of the European Communist Parties, has been the hardest hit, and will be the first to disintegrate. The signs of the disintegration increase in number and intensity with each day.

It does not take a savant to recognize that the CP was weak and sickly in comparison with its former strength even before the permanent crisis began. In the July Party Voice, the discussion bulletin of the New York Party, the New York State organizational secretary of the CP cites the following facts about the New York Communist Party, the healthiest CP organization in the country: (1) Over the last 10 years the CP lost over two-thirds of its membership. (2) Of its present membership, one-third are workers. (3) No more than 30-35 per cent attend meetings even on an irregular basis, the rest being paper members. (4) No more than 20-30 per cent engage in sustained activities. (5) Two-thirds of the present membership are over 40 years old "with no recruiting taking place." (6) Only 62 per cent of the Party made its dues payments in the first five months of 1956.

Combine this situation with the crisis of the post-Twentieth Party Congress period and the foundations of the Party are crumbling. As the New York State organizational secretary of the CP declared, there is "a moral crisis in the Party," crisis not like anything we have ever experienced in the Party's past history."

The entire situation has led to the most open discussion ever held in the CP since the complete Stalinization of that Party, with the appearance of clearlydefined factions and sub-factions, factions which it is safe to predict will appear at the CP convention armed with mimeographed factional documents and factional programs.

In the first place, there is the Old Guard, led by William Z. Foster and based on the older party-fundamentalists. Foster and company, while accepting in dutiful fashion the bulk of Khrushchev's criticisms of Stalin, nevertheless still attempt to defend Stalin in one manner or another. Recognizing that the attack on Stalin can and is being turned against his own bureaucratic, anti-democratic manipulation of the CP, Foster can only fight back by defending Stalin. This faction while probably not the largest of the factions, is certainly of considerable strength numerically, having within it the bulk of the older party members who have long-since ceased being anything but members of a cult for the adoration of Stalin's Russia. Despite this numerical strength, it is not of great strength apparently within the current active membership and secondary-leadership of the CP.

In the second instance, there is the Dennis faction, which Joseph Lash writing in the New York Post of July 22 dubbed the "conciliationists." This group, while attacking the Foster leadership of the Party for having been "left-sectarian," particularly during the "left" period of 1946-52, is doing little more than parrotting in typical Stalinist fashion, the current "popular frontish" line of the Russian Party, a line which demands public apologies for the previous line. Dennis is attempting to make Foster the scapegoat for this period, in the way that Foster made Browder the fall-guy for the wartime line, even though both the "right" line of Browder and the "left" line of Foster were determined in Moscow. Dennis is the new leader of a Stalinist Party who has attempted to crack down upon the

free-wheeling discussion going on in the

CP press.

The third group, a group of "Young Turks," is led by John Gates, editor of the Daily Worker, and has within it much of the secondary and local leadership of the CP, a group largely recruited into the Young Communist League in the early Thirties. This group has demanded of the leaders of the Russian Party "a basic analysis of how such perversion of Socialist democracy [as revealed in Khrushchev's approach], justice and internationalism were permitted to develop and continue unchecked for twenty years." They put forth and had adopted by the National Committee meeting of June 24 a resolution which declared: "We have begun to re-examine our previously oversimplified and wrong concept of the relations, which should exist between Marxists of various countries including the Socialist countries."

Reflecting this point of view, "Food Worker" writing in the July Party Voice declares: "I'm an American Communist. I don't want to be a Russian Communist. And, not only that—I'm an American working-class Communist." The party, he continued, was wrong more often than not in the positions it took, "in great part because we thought the Russian Communists had all the answers and all we had to do was to get it from them." He concludes: "The main lesson of [the] Congress, it seems to me, is that we must think for ourselves. We must look first, hard and squarely, at all the realities of our country. We cannot do that unless we begin to learn how to listen to the people with respect, and to learn from them. Without this we will not be able even to make the necessary changes in our party. We must start by listening to the rank and file members of the party."

#### LEADERS BLAMED

Irv Becker concluding a long analysis of the crisis of the party in the Party Voice writes, ". . . the history of our party contains right as well as left errors, and in each instance there are two interlocking causes: the persistence of bureaucracy coupled with shallowness as regards understanding and application of Marxism." The party's leadership, he argues, made the CP the sick thing that it is. He writes: "Our leadership would be doing a real service-and in fact his is what is incumbent on it-were it openly,-in the face of the whole party, to admit that it has trained the party to be what it is; to work as it does, and to think as it does; that it is responsible for the kind of cadre the party contains; and if it were to examine openly this cadre and these methods of work, and to pinpoint these matters, including the pinpointing of people. If we are to make real changes, the discussion must be taken out of the realm of generalities, and concrete measures taken and abided by for the creation and growth of party democracy."

Lester concludes with an attack on any attempt to blur the differences within the Party. He writes: ". . . in the name of a ficticious 'unity' the line and policy of our Party becomes more and more one of a compromise character. At this critical stage in the history of our Party, compromise will serve no useful purpose. Comrade Foster charged in 1945 that Browder used the 'fear of factionalism' to stifle opposition. We need equally to fight the 'unity of the Party' slogan being used to force compromise and the capitulation of the majority to the minority."

This attack on the party bureaucracy, this open criticism of the Russian CP, this revaluation of the entire past of the CPUSA, even though it is being led by a secondary leadership which has yet to indicate the sincerity of its protesta-

tions of democracy, which itself certainly is implicated in the past of the CP and which still continues to think of itself as the critical defender of the Soviet Union has opened a host of problems for the CP—and like the consequences of the opening of Pandora's box, there is now only the prospect of permanent crisis be-

#### FOR DISSOLUTION

The real depth of this crisis is indicated by the fact that the party has been forced to open up its press to voices which go far beyond the proposals of the Gates-led group. There is a considerable group within the party which has been drifting away, have been, as Joseph Starobin indicates in a letter to a recent issue of the Nation, clearly no longer accepting the leadership of the CP in their trade-union and community activities. Some in this group have begun to cast about looking for a home, and following the lead of Clifford McAvoy, the fellow-traveling head of the American Labor Party, have come out in support of the candidates of the Socialist Workers Party in the forthcoming presidential elections. Starobin indicates that this group contains "several thousands," which if true, represents at least a fourth of the active membership of the

Part of this group has already openly called for the dissolution of the Communist Party-and the Party Voice has had to print articles of this nature. The July Party Voice contains a letter from one "D. V." which calls in the first place, "to return to the people, where they will receive us, and to work humbly within the existing mass organizations. Perhaps in # return to the people we will learn the humility which is the basic ingredient of all leadership." And he concludes: "That this positions calls for the dissolution of the American CP should be obvious. What excuse can we have for its continued existence when it no longer has roots either in life or in theory. Possibly in return to earth we will sink new roots and produce new healthy flowers, not the poisonous fruit of Stalinism. For this kind of an approach to the reforming of the progressive ranks of America, the rigidities of the CP would be only an obstacle. We need an organization free of doctrinarianism and devoted to a democratic approach to the solution of American political problems."

The crisis of these people is well indicated by Joseph Starobin's letter to the Nation alluded to above, a letter filled with contradictions and half-apologetics for the CP, but still one which recognizes that the time for the death of the CP has come. Starobin, in a curious tone, in which he suggests that the non-Communist "Left" "social-work" the CP, writes: "They [the CP] need to be replaced and absorbed, a process that requires, if not mutual aid, then at least the interaction of many sectors of the Left. Where are men and women of vision, far-sighted and big enough to take the initiative for that?" Starobin clearly indicates that what he has in mind is not another front for the CP, but rather a grouping which would not initially have Communists in it, but would rather absorb those healthy elements from the CP as they left it and looked for a new political home.

#### CAN CP SURVIVE?

Whether or not the CPUSA will be able to survive in its present form the current crisis is problematical. However even if it does manage to pull together its currently openly warring elements there is little question that the permasee large sections of the nent crisis will CP drift away from it, and will prevent any serious new recruiting to its ranks

But this does not mean that those whe leave the CP will automatically become intransigent opponents of the Russian regime. For that matter, we probably are entering a period in which Stalinoid ism and new illusions about Russia wil become increasingly strong. The position of the Stalinoids has been changedthey have become instead of the satellite of the CP, the rallying points around which ex-CPers will congregate. Stalin oidism, in one form or another, will b on the rise in this period, its ranks being swelled by those former CPers who upo leaving the party will not simply dro out of politics altogether. Thus the cur rent crisis within the CP produces ne opportunities and new problems for the independent democratic socialist mov

#### New Bound Volumes Now Available for 1953-54

Labor Action (per yr.) .....\$3.00

New International (1953-54 in one handsomely bound vol.) .... \$6.00

#### COMBINATION OFFERS

LA and NI both, 1953-54.....\$10.00 (Reg. price \$12.00)

Labor Action, 1953 & 1954.....\$5.00 (Reg. price \$6.00)

#### **NEW INTERNATIONAL 1953-54**

Two years, fully indexed, bound together in one volume in heavy red buckram.

589 pages of concentrated Marxist analysis, including the whole of Max Shachtman's series on Isaac Deutscher, "The End of Socialism," and Hal Draper's definitive study on "The Myth of Lenin's 'Revolutionary Defeatism." And much besides. In a special-quality binding for only

\$6.00

Order from: Labor Action Book Service, 114 West 14 Street, N.Y.C.

# Suez Canal: A Bit of Imperialist History

By BOGDAN DENITCH

A great deal of confusion, most of it created deliberately, exists about the status and role of the Suez Canal Company. Throughout the London Conference references were made to the "international" Suez Canal Company. Liberal pundits like Max Lerner state: "the canal was built internationally. It has been financed and run internationally. It is international by all agreements Egypt has signed. . . . International

shipping depends on the canal, and Western Europe will starve for oil

without it."

To begin with, this makes the usual confusion between the question of the canal as a free waterway and the Canal Company which is being nationalized. All that is involved today is the question of the nationalization of the canal company-Egypt has insisted time and time again that it intends to respect the various treaties guaranteeing free passage through the canal to the ships of all powers not at war with Egypt. (This last clause is their legal argument for stopping Israeli shipping.) The Lerner statement, however is untrue in any case; the canal was not built internationally, certainly was not financed internationally and defacto was not "international" while Britain occupied Egypt but was a fortified, British waterway open to shipping at British discretion which closed it during both World Wars in violation of the very treaties being invoked today.

To clarify the matter it is necessary to go into some of the history of the canal, the company and the treaties involved. Egypt's conquest by Napoleon brought Egypt intimately into contact with Western Europe and with western capital. Although Napoleon toyed with the idea of building the canal and two decades later the Saint Simonians from France actually sent surveying expeditions to investigate the feasibility of it, no concession was granted until 1854. The original concession was granted to Ferdinand Lesseps, a French adventurer who had the confidence of the Khedive of Egypt, Muhamad Said.

The concession was a remarkable document, or rather, the way the concession was interpreted was remarkable. The concession authorized Lesseps to form a company-the Companie Universelle du Canal Maritime de Suez, to construct, maintain and operate the canal. The company was not to be French and the capital was to be offered for subscriptions to all countries. Under the original concession the canal was to be constructed at the cost of the company and the profits were to be divided as follows; the founders 10 per cent; the Egyptian government 15 per cent and the rest to the shareholders.

#### A GOOD BUSINES DEAL

However, what really happened was proof of the brilliance of Lesseps, if any had been necessary. Egypt was maneuvered into digging the canal and paying the company. The company managed to get the following grants:

• Free rent or use of all lands not the property of individuals, which "might be found necessary," also free use of all land not the property of individuals which would be irrigated by the com-

• For the entire period of the concession (99 years) the company was given the right to exploit any mines and quarries situated on these lands free from any

The company was exempted of all customs and duties on the import of machinery to be used for the construction of the canal or the "related enterprises."

Finally and most important of course free forced labor was provided for the list eight years of the canal construction.

In addition to all the above grants the chedive of Egypt bought 44 per cent of the total issue of canal shares. In effect that happened was this: the total cost of the canal (without figuring in the alue of the forced labor) came to 432,07,882 francs, the actual payments by the company, excluding Egyptian contrictions, came to 222,000,000 francs.

So far, one might say merely that the impany had unusually successfuly dealgs with the Egyptian government. More as to come. Egypt technically was still part of the Ottoman empire, although fact independent. British pressure in Constantinople resulted in the intervention of the nominal sovereign of Egypt, the Sultan. The Sultan threatened to halt construction on the canal unless (a) forced labor was abolished and (b) the alienated lands were returned. This of course was the result not so much of the then famous Turkish humane attitude toward subject peoples but because of the opposition by Britain to the project itself—Britain feared that the project might undermine its naval supremacy.

As a result of the Sultan's ultimatum

As a result of the Sultan's ultimatum a new agreement had to be reached between Egypt and the Company. Napoleon III was called upon to arbitrate a new agreement. Now of course it is one of those odd coincidences in history, as liberal historian are wont to say, that Napoleon III's subjects had the major part of the shares in the company and that the arbitrator came up with the verdicts he did.

First the company was to be indemnified for abandoning its claim to free labor (which was nowhere granted in the original concession) for the sum of 38 million francs. The company would surrender most of the land granted to it by the concession for 46 million francs, and in return for renouncing its privileged position exempting it from customs and taxes the company received another 30 million francs. By another odd coincidence, just at that time the company was badly in need of capital to finance the current constructions-about 80 million francs, to be exact-and the arbitration covered that amount neatly. In addition to doing this it did something else: Since Egypt did not have the funds to cover the huge sums involved it had to get its first foreign loans-from French banks of course. Since the loans did not quite cover the amounts involved Egypt turned over the profits from its shares to the company.

Egypt, during the middle of the nineteenth century, was going recklessly into debt borrowing at the usual exorbitant rates of interest on loans to the backward and semi-colonial nations. In 1875, therefore, having failed to raise additional loans on his shares in the canal, the Khedive was forced to sell these shares to the British government. This deal gave Britain 44 per cent of the shares, which she still retains. However, this deal was fascinating as business deals go. Egypt got 100 million francs for its shares, but since it had turned the profits from those shares over to the company six years previously for 25 years, it agreed to pay Britain 5 million francs annually for 19 years to compensate Britain for her loss of dividends. Thus Egypt paid Britain 95 million francs, or almost all the money she received for her shares. A very excellent deal indeed when one adds that those same shares were worth 800 million francs by 1910 and (the franc by this time had become devaluated) \$360,000,000 by 1929. Also through those shares and her army in Egypt (since 1882) Britain now controlled the canol.

The last remaining interest in the canal (15 per cent of the royalties provided for in the original agreement) were sold to a French bank for 22 million francs in 1880. By 1928 the *income* from those royalties was 110 million francs.

The political developments in Egypt during this period as well as the role of the canal under British control in power politics are beyond the scope of this article, but the current status of the company (Before nationalization) is of some interest. Total assets of the company were valued at \$240 million in 1955. There are 800,000 shares outstanding of two different types. The British government holds 353,504 shares, French capital holds about 348,000 shares, the rest is scattered. The dividends in 1955 were about \$27 per share.

### The Pocketbook Has a Lot to Do With "Calm" in Washington, "Panic" in London

The following item, from France-Observateur of Aug. 9, was titled "Why Suez Does Not Interest Wall Street." That's something of an exaggeration, since Wall Street is interested indeed. However, it does give details for one side of the question of U.S. policy, which we have analyzed more fully in previous issues of LA.—ED.

#### By JACQUES ARMEL

American passivity about the nationalization of the canal is considered astonishing [here in France]. This "lack of solidarity" has been called scandalous.

And yet the Americans' attitude of cautious reserve is only a natural reflection of one aspect of the deep-going changes that have taken place in the last 15 years in U.S.-European relations. The distribution of international investments is no longer the same: the old capitalisms of London and Paris are fading, and the young American capitalism emerges. This means at the same time that the foci of interest and the methods change too.

Before the war the world map of international finance looked as follows. Foreign investments rose to \$53 billion—43 per cent for Britain, 22 per cent for the U. S., 9 per cent for the Netherlands, and 7 per cent for France. London was indisputably the center. Half the investments were placed in the underdeveloped continents. The four colonial powers (Britain, France, Netherlands, and Belgium) held 80 per cent of the 19 billion invested in Africa-Asia and 60 per cent of the 10 billion in Latin America.

While the between-wars period saw the slowing down of European capitalism's expansion, World War II brought about a considerable downward movement. Physical destruction, money difficulties, loss of central Europe, explosions in colonial relations—everything made for a steady and deep decline. Suez is only one step among others in this process; its financial impact is small, but it has been more dramatic because it has been done more roughly.

In the absence of precise statistics, we can figure that as against 1938 Britain lost 50 per cent of its foreign investments (out of a total of about 3700 billion pounds). In India and Pakistan, the loss was over 80 per cent, in Canada 60, in Argentina 90, in Brazil 50, and in the U.S. 50 per cent.

For France the tendency has been the same but it has been partially retarded by an investment drive in Africa. The graph shows that there is no doubt about the direction of development: a massive contraction of European capital and a rapid extension in that of America.

But it is not quite true that the U.S. purely and simply took the place of the European corporations. In many cases, their place remains empty or was partially filled by native capital.

In the last analysis, American capital is not very much interested in Asia and Africa, which are distant and uncertain lands. Its principal field is indubitably Canada on the one hand (25 per cent), and South America on the other (nearly 40 per cent). What's \$40 million invested in Egypt alongside \$600 million in Chile, 700 in Cuba, or 400 in Panama? One must keep in mind, for example, that in 1950 the total of direct American investments for the whole European continent was less than for Venezuela, and that the rate of profit is regularly higher in the Western Hemisphere.

Clearly there is one exception to all this: oil. "As a whole," the UN reports, "the direct investments of the U.S. since the war—in underdeveloped countries outside Latin America—have been made almost solely in the oil industry."

The only factor—on the economic plane that might impel the U.S. to rescue European capitalism would be, then, its concern to protect American capital invested in Middle East oil.

But this protection does not have the same pressure behind it as in the case of the English and French corporations. The American corporations have gone in for big super-tankers (80-100,000 tons) which in any case cannot pass through the canal. Imports from the Middle East represent only a tiny part of American consumption.

Finally, and above all, the American oil companies ca nafford to keep calm: they are well aware that, given their hold over Latin America and the wide prospects there, any upsets in oil exploitation in the Middle East could only cut down the supply and increase the price of oil, and hence reinforce their position to the detriment of their European competitors. To push this argument to an absurd extreme we could say: The day all the Middle East wells are closed, that day the American companies would gain a world quasimonopoly over the oil market.

Add to all this the fact that the Amer-

ican companies have acquired wide experience in South America in how to manipulate "sovereign" countries, and one can better understand the financial calm of Wall Street and the diplomatic caution of Washington as compared with the panic of "colonial" capitalism in North Africa.

As you cross the Atlantic, the perspective changes; thus the limits of "Atlantic solidarity" are measured.

### READERS TAKE THE FLOOR

To the Editor:

I read your 4-page report on the Suez Crisis [LA, Aug. 20]. It was good. But it missed emphasizing one essential point, namely, that the Arab nationalists need the friendship and support of Israel to achieve the quickest and best victory for their just aspirations.

It is with open glee that the imperialists now show their concern for Israel's rights to ship through the Suez Canal. Now they point with justification to the Arab war threats against Israel, to make their intervention palatable to the people.

The intra-regional strife between the Arabs and Israel hinders not only their economic development, but the Arab nationalists are giving the imperialists a tool with which they themselves are beaten.

The weak awakening Arab states need

the support of Israel. They cannot afford to push the Israelis into the hands of their enemies' enemy—the West.

Israel was born in violent struggle against the West. No country was ever more hated than England was among the Israelis. Egypt's struggle against Britain could awaken a deep emotional support if it were not for the hostile acts of the Nassers, Ibn Sauds, etc.

"Hands off Egypt," a call to Ben-Gurion to "line up with the rights of small nations against the imperialists, is correct." But a call to Nasser and the Arab nationalists to open the Suez to Israel is timely and a dramatic need of the moment.

Such a declaration by Egypt would cut the ground from under the imperialists, would consolidate regional support for Egypt and would open the road for the political liberation of the whole area.

AL FINDLEY