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Independent Socialist Weekly

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A Warning—and a Program on The China Crisis

U.S. War Line on Formosa Can Lead Only To New Victories for the Stalinist Regime

By Hal Draper

In the atmosphere of war tension that has descended on the U.S. as Eisenhower gets a blank check for preventive war against Stalinist China, one big and even overwhelming fact is being temporarily concealed from the American public in the midst of all the expressions of "patriotic" support for the president's provocative policy. But it cannot be concealed very well and it certainly cannot be glossed over for very long. It is this:

This policy—which has sucked in the support of the yellow liberals as well, or most of them—has already led to significant victories for the Stalinists. It is leading right now to further gains for the Stalinists. It has all the potentialities of leading in the very near future to a first-class disaster for the U.S. camp.

It is a policy which means that only the Stalinists can win, barring unlikely stupidity on their part.

This can already be proved beyond the shadow of a doubt. We submit that in no international situation since the end of the Second World War has there been such a clear case made out by history for the practicality and hard-headed realism, the overwhelming power of the alternative socialist program, against imperialist policy by the West and for the defeat of Stalinism, a policy which can be spelled out in this Formosa crisis.

~~The victories which the Chinese Stalinists are winning and will win are in the actual war that is going on, not in the one that Eisenhower is futilely threatening.~~ That is the *political* war for the sympathy of the uncommitted world and the support of the masses of people.

In this war Peiping, it must be admitted, has conducted a masterly campaign of combined diplomatic and military pressures which has given the U.S. one political body-blow after another.

Just before the Formosa crisis was precipitated, we already saw the spectacle of the UN secretary general flying to negotiate with the government which the U.S. refuses to recognize. The Peiping rulers were proving that the world and its world organization had to talk to *them*, deal with *them*, as the masters of China, even though the U.S. kept its head firmly stuck in the ground. We then saw the spectacle of the UN secretary coming home, hands empty, to put pressure *on the U.S.* to placate the Chinese and soften the U.S. treaty with Chiang.

Dulles could only sit by and bite his fingernails while this charade was going on, a dramatization of the fact that the U.S.'s insistence on excluding the real (though detestable) government of China from the UN was a farce and corresponded to no reality recognized by any other country.

Then Washington added a little extra traction to the Chinese game by its ridiculous shifts on the question of allowing the captive airmen's relatives to visit them in China. When it finally refused them passports (not because they are subversives but because it could not guarantee their safety, it said), over all of Asia there rang out satiric ha-has, as Max Lerner ruefully reports in a column from abroad.

But this was only the opening one-

acter. With the Chinese attack on Yikiang and the Tachens, and Eisenhower's message in reaction, a series of consequences have put the U.S. in one hole after another.

● The U.S. has begun to talk in terms of a deal with Peiping, that is, with the regime whose existence it refuses to recognize. Whether it is a deal for a cease-fire or some wider arrangement on island control, it doesn't matter. Peiping has forced Washington into this position.

● The U.S. which, under Eisenhower, "unleashed" Chiang Kai-shek a couple years ago, has of course acted in the past year to put a halter on him again, but this has been done surreptitiously, not publicly in the eyes

of the world. It was a victory for the Stalinists when this same Eisenhower began shamefacedly to propose publicly a cease-fire around Formosa, that is, the formal "leashing" of Chiang and his forces by agreement with the Stalinists.

● Stalinist China is taking two points, Yikiang and the Tachens, without an all-out fight. The Tachens are being taken, with U.S. consent, right under the guns of the Seventh Fleet.

● The gains for the Stalinist position are such that numerous voices in the U.S., even while supporting Eisenhower on Formosa, are encouraged to rise and demand the recognition of Peiping, as in Justice Douglas's speech in favor of seating "Two Chinas" in the UN. If this is happening just a bit in the U.S., in the rest of the world it is being borne in on everyone that U.S. intransigence against recognition of Peiping creates a No. 1 war danger in the world.

● U.S. stock has sunk. Stalinist Chinese stock has risen. The N.Y. *Times'* main news story (Feb. 1) on the decision by the UN Security Council to invite Peiping to its sessions relates the speeches by the council members and sums up.

"These statements by the representatives of the principal allies of the U.S. strengthened the belief that Communist China had gained considerable prestige since the U.S. raised the question of the prisoners in the General Assembly last December.

"Some delegates, in fact, believe that if the Peiping government adopts anything like a reasonable position in the fighting in the Formosa area it may get its representatives seated in the Assembly next September."

The *Times* story, mind you, is not about the rise in prestige by the Chinese Stalinists among the peoples of the world; it is about their rise in prestige in the eyes of the British and French governments, the closest friends the U.S. has!

The above-mentioned Max Lerner, with many groans, reports from his Asian trip on his "talks with leaders in half a dozen Asian countries." He laments that U.S. is considered responsible for the Formosa crisis. "The fact is that if we get into a war over Formosa we will have to go it alone. Even the SEATO countries do not

feel the pact commits them to help defend Chiang's domain..."

He, and others, are talking about the isolated position of the U.S. in seriously contemplating a war to defend Formosa. But the U.S., as Eisenhower brandishes threats of war, is in danger of driving into an even more isolated position, perhaps day after tomorrow.

In the first place, let us assume, as most people (including Eisenhower) do, that the Chinese will *not* move to attack Formosa, but simply digest the two places already taken. The U.S. is left in its "posture of strength," a war message ringing on the air, posturing with the Seventh Fleet mobilized, with its jet planes and atomic bombs in readiness... a massive display of armed might in the backyard of the Chinese nation, all the way across the world from the borders of the U.S. where the Seventh Fleet came from, fists being shaken all over America, ... and the Chinese Stalinists "peacefully" retire denouncing U.S. intervention....

This in itself would be enough! There are few people in the U.S. who have even tried to imagine what they would think (even if anti-government) if a foreign power from the other side of the world sailed its fleets and unlimbered atom bombs off Long Island or the Golden Gate while claiming that these points were essential to its "security"! For the people of most of the rest of the world, little imagination is needed; for the people of all Asia (and Africa), none.

IS THE WORST STILL AHEAD?

But this is not all. The first-class disaster which looms ahead, and which the catastrophic policy of U.S. imperialism is begging for, will be seen if and when the Chinese Stalinists decide to call Eisenhower's bluff on Quemoy and the Matsu Islands, the islands which clog up the Chinese harbors of Amoy and Foochow.

Eisenhower's message implied, but left open, defense of these islands from Stalinist attack. He would decide at the time, the president said. But he wanted the power to bomb and attack the Chinese *mainland* in case of military concentrations for invasion of any of these places held by the Chiang forces.

If the Stalinists move to attack Quemoy, the choice
(Turn to last page)



CHIANG KAI-SHEK



MAO TSE-TUNG

'Labor-Statesmen' and the Class Struggle

THE STUDEBAKER BUBBLE HAS BURST

By PETER JARMS

The Studebaker bubble has burst.

The much-heralded labor-management peace plan of last August has burst into so many fragments of a balloon.

The South Bend Studebaker workers voted almost unanimously to strike Studebaker unless their demands on fair production standards are met.

For the background of the event, readers should recall the press, radio and television coverage of a vote by Local 5 of the United Auto Workers (CIO) to take a wage cut and give up contract gains they had won in the past. After the first vote was defeated a second vote was called for and after a blitz campaign the contract was accepted.

The workers voted for the new contract with its wage cut because they were told they had to do it to keep Studebaker in business, to keep it "competitive." They were told that this would bring back workers who had been laid off (guess how the laid off workers voted), and that actually they would be making as much as the rest of the auto workers anyway.

The leader of the UAW, by silence, gave consent to the project. But the leaders were not happy. When confronted with a question on the matter they flew into a rage, or said that they personally had nothing to do with it. One vice-president said at a national conference that he didn't even know about it, except what he read in the papers.

Louis Horvath, president of Local 5, became a national hero. Eisenhower himself mentioned him in one of his speeches, and by name too. Editorial after editorial lauded the statesmanship of this leader: *That's being sensible. Cut your night bonus. Put crimps in your job-posting upgrading procedure. Cut your pay when you work on holidays. Revise your layoff procedure to eliminate the workers' choice of more desirable jobs. Become "competitive."*

Crackdown on the Good Boys

Then what happened? The workers who had been laid off were not recalled. A layoff lasting four weeks, for alleged "changes," took place. The Studebaker-Packard alliance started to crack down on production standards.

At the UAW Economic Conference the first signs that things were not so good at Studebaker were reared. Local 5 itself had a resolution for the conference. Local 5 itself had a resolution for the conference. Important sections read as follows:

"Whereas: The creed of American labor to give a fair day's pay is one of the greatest supports of the free enterprise system. If fairly conducted everyone concerned—worker, employer and consumer can get their fair share of benefits, but when it becomes too much unbalanced the whole system is endangered; and

"Whereas: A majority of the workers civered by the UAW-CIO in the plants of the Independents and the suppliers are already under tremendous pressure to give up many of their hard-won gains in wages, fringe benefits and working conditions because their employers contend that these are in excess of the gains won in the plants of their big competitors. They say that unless they are granted such relief, their share of the business will soon be in the hands of the Big Three; and

"Whereas: The first foundation of our union was built on overcoming the unfair working conditions that existed in most of the plants in the early 30's and the drive for wages and other fringe benefits came much later, we are of the opinion that if we are to continue to grow in strength we dare not abandon this principle of a fair day's work; and

"Whereas: The strength of our union and its ability to lead the way for the rest of labor depends upon the ability of our small unions to continue to remain in existence so that they may provide the necessary support for the larger unions, we must make every effort to protect the gains that they won so that they may continue to exist; and be it therefore

"Resolved: That we include in our economic demands for 1955 a strong demand for better work standards in all plants—spelling out in detail the methods by which these standards are to be set and how they are to be protected, and that these demands be given priority equal to our demands for guaranteed full employment. . . ."

Beginning to Worry

Analyzing the resolution one can see that the leadership of the local still believe they were right in voting the wage cut, but they are beginning to worry that their work standards are becoming tight. They end up by calling for a struggle for fair work standards.

Then the tone of the *Studebaker Weekly News*, the organ of the local, changed. It started to print articles which differed from the past. In the past the Studebaker local paper had printed articles about the Studebaker employees' picnic (run exclusively by the company) and other such matters. But now articles about the change in management's attitude started to appear. This was capped by some sly innuendos in the December 29 issue.

The headline read "NEW YEAR—NEW MANAGEMENT," and after extending its best wishes to the new management, they point out that this new management's policy is unknown, and then they go on to say: "We have heard no expression from top management as to the desires of the corporation for the same kind of friendly understanding that existed before the merger, and since they are the only ones who can make any statements in this regard, we have no way of knowing what their feelings are . . . Any concept that leaves the workers out will certainly mark a radical change from that of the company that survived for more than a century because it recognized the importance of all of its employees. It was under this concept that we agreed last summer to sacrifice a part of our gains to keep the company in a position to compete and thus make more secure the position of the 'team' and the entire community."

The article concludes with a warning to management that the UAW is still a militant union.

This Lesson Must Not Be Forgotten

In the same issue President Horvath goes into the question of day work and time-study procedure. Obviously the heat in the shop motivates the article. After explaining to the workers that they have to fight to get an adequate (fair) rate, he complains:

"The company's present 'hard to reach' attitude is a far cry from their attitude last summer, and their interest in our welfare which was stated so emphatically through the public press and television seems to have cooled off considerably, but their obligation to live up to their agreements remains the same and the union's position at that time also remains unchanged. Our position then briefly was as follows: We would reserve, and if necessary use, the right to strike on any unfair allowance, if we could not get a 'square deal' through negotiations."

The negotiations to settle the production-standards dispute got nowhere. The local voted authorization to take a strike vote and on Thursday, January 20, a vote was taken that produced a majority of 7,188 to 806 in favor of striking.

Even if the issues are resolved as they probably will be—just as Chrysler settled their office workers' contract when faced with a strike—at this time the meaning is clear. The leadership made a horrible mistake in recommending the contract package last August. Only the little Studebaker local in California refused to go along. They have been proven right.

The workers gave everything, the company nothing. Instead of hiring back the laid-off workers, more layoffs took place. Instead of the old production rates, the standards department went wild. The Studebaker workers have learned a lesson they will not soon forget.

But the damage was done. Dozens of other companies demanded the same treatment as Studebaker, claiming, "We got to get competitive." If the locals retreated one by one under such pressure, unity behind a strong UAW program would be lost.

But many locals are fighting this concept. The Nash workers in Kenosha rejected the concept and refused to make concessions. American Motors had to settle. Borg Warner workers in Detroit refused to go along, and the company had to back down. On the other hand, the Continental Motors local in Muskegon gave up their annual improvement factor for three months, and International Harvester has still not met the 1953 pattern.

The forthcoming UAW convention must take a strong stand against the "my company first" philosophy. Otherwise the union contracts will reflect the worst contracts, not the best that is obtainable.

On the Jim Crow Front

The Chicago branch of the National Association for the Advancement of Colored People has announced the organization of a council of representatives of organizations to support a six-point program to combat segregation and discrimination in Illinois.

The six-point legislative program calls for FEPC—equal job opportunities; banning of discrimination in hospitals; issuance of insurance, in public, public-aided and assisted housing and to ban banks and loan institutions from discriminating in the areas of home purchase, building and repair.

In addition, the program calls for strengthening the civil-rights laws, which ban discrimination in places of public accommodation and banning segregation and discrimination in education.

Plans are already under way to organize community action groups, and all indications are that the NAACP plans to push a large-scale anti-bus drive in Chicago this year.

Perhaps the most hopeful single feature to date is the response of Chicago's unions. Many Chicago area union leaders, both AFL and CIO, are already actively involved and others can be expected to give at least token support.

"FOR SALE"

When two Negro families recently moved into the fashionable Westminster Place residential section of St. Louis, about a dozen white families immediately put up "For Sale" signs.

One white couple, however, put up a sign reading, "This house is not for sale. We like our neighbors. Your race, religion and politics are not our concern."

The result was removal of most of the "For Sale" signs within a short period of time.

SPOTLIGHT ON 4-H

The national youth agricultural organization, the 4-H Clubs, are planning to hold their annual summer encampment in Washington, D. C. If present plans go through, there will be two separate encampments in the "show place of democracy"—one for white, one for Negroes.

This will be the first time Negro 4-Hers will hold a Washington encampment. Previous camps were usually in southern states, and this fact may bring the "gentlemen's agreement" (by which two separate 4-H Club structures exist) into the national spotlight.

PROTEST BY SUICIDE

Chicago's ghetto has claimed another life. The city's Negro population, forced for the most part into one small area of the city, is constantly faced with the problem of finding decent places to live. Unbelievably high rents for slum-level dwelling units are the rule, and it is not unusual to find several large families crowded together into a tiny kitchenette apartment.

As in New York's Harlem this situation usually only comes to the eye of general public when a tenement fire claims the lives of a number of Negro Americans.

This week it took, in the words of one of Chicago's leading Negro weeklies, the *Defender*, a tragedy in Gary, Ind. to focus public attention on the shameful housing shortage in Chicago.

The victim was Allen Shelby, the 31-year-old father of eight children (his wife expecting her ninth), who threw himself beneath the wheels of a truck in Gary.

Investigation revealed that Shelby and his family—ten in all—lived in a two-room apartment on Chicago's South Side. He had repeatedly attempted to find decent living quarters for his family. The Chicago Housing Authority turned him down because he had "too many children." He, as a last resort, wrote a letter directly to Chicago's mayor beseeching him to use his influence to help him find a decent sanitary home where ten people could live like human beings. He received no answer from the mayor and with all the resources at his command completely exhausted Shelby took what the police describe as "the easiest way out."

The response of the Negro community and press is one of shock, combined with a bitter resentment against the conditions that killed this man.

Democrats' Gov. Leader in Pennsylvania Gives His Labor Backers the Knife

By GERRY McDERMOTT

Pittsburgh, Jan. 30—Pennsylvania's much-publicized new Democratic governor, George Leader, the first Democrat to hold the office in twenty years, has launched his administration by publicly repudiating his united labor support.

The CIO, AFL, UMW and Railroad Brotherhoods all knocked themselves out electing Leader, the hand-picked candidate of the Philadelphia and Pittsburgh big-city Democratic machines. But—

(1) When the same labor leaders united behind a candidate for the post of Secretary of Labor and Industry in the governor's cabinet, they were turned down and the job given to a party hack.

(2) This hack then took office with a warning to labor that they must not put the state's industry in a poor competitive position by "excessive" demands. This thinly veiled reference to the run-away

shop problem echoes the cries of employers throughout the north-eastern United States.

(3) The Democratic machine followed up this slap with a maneuver aimed at one of the few labor representatives high in Democratic Party circles.

State Senator Samuel Neff, a Steelworker Union official, has been the leading party stalwart in

the industrial area west of Pittsburgh. Having worked hard for the party for many years, he could normally expect one of the many plush patronage jobs which have now fallen to the Democrats. (In this state, as in many others, a great many jobs are not covered by civil service, and, unlike the situation at the federal level, patronage is a real consideration.) The job offered to Neff was really a trap—it was a state job, but one paid for by federal funds, which would have put Neff under the Hatch Act and forced him to get out of politics. Therefore, he turned down the job—which is what the Democrats planned, of course.

The primary value of patronage jobs, from the point of view of political organizations, is that they provide the holder with an income but with very few duties. This makes it possible for him to devote almost all his time to serving the political machine. A second asset is, of course, that the officeholder can direct the policy of the office he holds so as to benefit friends of the organization.

BOSSSES' PARTY

Therefore the Democrats avoid putting labor people either in jobs where they can devote their time to building labor's political machine, or where they can direct policy in a way that would be beneficial to labor. They will accept labor's votes, they will make labor promises, they will pay labor tribute in holiday orations or after-dinner speeches, and they will even appoint a labor leader to window-dressing jobs on "advisory committees," "development commissions," Kentucky Colonel posts, and the like. But the Democrats will not let representatives of labor close to actual positions of political power.

These most recent events in Pennsylvania Democratic circles simply follow the pattern of the Lawrence-Kane machine in Pittsburgh and the Dilworth-Clark force of Philadelphia. In selecting their nominee for governor last year—a year when the Democratic nominee was almost sure to win—the party pros rejected the candidate put forward by labor and named instead the relatively unknown George Leader.

A few years before, in a cynical maneuver, Pittsburgh's boss Lawrence eased Elmer Holland, a Steelworker Union official, out of a sure seat in Congress.

Real control of the Democratic Party in Pennsylvania lies with the two big-city machines, Pittsburgh and Philadelphia. And control of these machines, in turn, lies with two elements: Irish Catholic professional politicians and blue-blooded aristocrats.

In Pittsburgh, a Mayor and National Committeeman Dave Lawrence is primarily a front for Richard K. Mellon, director of the vast Mellon interests, which include Gulf Oil, Aluminum Company of America, Koppers, Mellon National Bank, and much more. Tip-off to this, if one is needed, is the fact that Lawrence is always supported for re-election by the three Republican newspapers in town.

LONDON LETTER

Malayan Guerrillas Holding Out

By DAVID ALEXANDER

LONDON, Jan. 26—The visit of General Phao Syriannonh, chief of militia of the Thai government, to Singapore, to consult with the British General Officer commanding in Malaya, marks a new step in the war of over 140,000 British troops and policemen against 3000 "Communists" in the Malayan jungles.

Three years ago an official estimate put the number of Malayan "terrorists" at 2,500. They were organized in cadres, with a unified command and derived their income partly from taxes imposed upon the populations in which they lived, partly from ransoms extracted from traders, and partly from aid given by members of the 1½ million Chinese minority of Malaya. Their arms and their training were obtained mostly under the Japanese during the last war, and their propaganda came through China.

When the Japanese surrendered in 1945, they parted with most of their arms to Malayan volunteers. This was inevitable, as the British Commander in Chief of Southeast Asia—Lord Mountbatten,

In Philadelphia the Main Line aristocrats, Dilworth and Clark, provide a respectable front for the same crew of Tammany-type Irish Catholic professional officeholders. The two elements do not always get along, but they get along well enough to keep labor from getting much influence in the party. This is the party for whom Dave McDonald and Jim Carey and other Pennsylvania labor leaders marshal the workers' votes.

The new administration is being watched with considerable interest, if only because of the demagogic campaign which the Democrats waged. The identical nature of the two old capitalist parties was clearly shown as the Democrats in Pennsylvania put on a campaign every bit as irresponsible as that of Eisenhower in 1952 or Nixon last year.

LAB SPECIMEN

The Democrats promised to end unemployment in a state where unemployment is primarily due to the decline of the coal industry and the related railroad industry. To make good on this promise, the Democrats would have to revive the coal industry while at the same time halting the mechanization which is causing much of the unemployment—an impossible task. The Democrats further promised to repeal the sales tax, while at the same time providing new state services which will cost a half-billion dollars a year. At the same time, they promise to halt the flight of industry from the state—which means that they can hardly shift the tax burden onto corporations. Since an income tax in Pennsylvania is unconstitutional, the sales tax will have to be replaced by some other thinly veiled tax on consumers.

Another feature of the new administration is the creation of a brain trust. To counteract somewhat the party hacks who have been installed in the cabinet, the state administration has been loaded with professors—political science professors, law professors, finance professors, and the like.

Many "good government" advocates have always cried that capitalist government would "work"—by which they mean, avoid corruption, debt and poor service—if only "good people" were in office. The "good people" who for years have been telling graduate students how government "should be run" are now in office. The results will be interesting and instructive.

At any rate, they can hardly do a worse job than the outgoing Republican gang. Under their long rule, state government was so incredibly bad that there was not even a central accounting system. To this day, no one knows how Pennsylvania tax moneys have been spent for the last half-century.

This will provide the one "out" for the Democrats. Their one hope of getting people to forget their promises is to dig out and parade across the headlines the Republican scandals which everyone knows have existed for years in every nook and cranny of state government. And in the meantime, they can begin stealing on their own, to provide some future Republican demagogue with ammunition to cover his failure to make good on promises.

Here we have a laboratory specimen of the two-party system within which Walter Reuther wants the labor movement to work.

LABOR SCOPE

MIKE QUILL HAD TO SPEAK UP ALONE

By DEN HALL

When Walter Reuther, at the CIO convention, rejected the formation of a labor party, the trade-union press commented at length on his speech and quoted copiously from it. Mike Quill was all but ignored. Yet it was Quill, president of the Transport Workers Union, who prodded Reuther into an outspoken repudiation of his own past.

Quill came out foursquare for a labor party—with its independence somewhat qualified, but for a labor party. The full text of his speech and a page of later comment by him were published in the December issue of his union's paper, the *TWU Express*.

"I believe serious consideration should be given to building in America a really and truly independent political party of CIO so that the workers will have the choice of expressing themselves separate and apart from any of the existing parties." And he ended his convention speech with, "I believe we should give serious consideration to building up a third party, a political party, a labor party, a trade-union party—call it what you will but a party of labor. When we do this, our resolution on political action will have real meaning for the workers of this country."

Answering in advance the stock argument that it is impossible to create a national party overnight, he said, "I believe that a national party of labor could be formed that would bring people by the hundreds of thousands to our banner, but if the time is not ripe for that now, at least it should be done in states where it is not possible for CIO to work side by side with the Democratic bosses."

EXPLAINS WHY

To the convention delegates he gave a hint of what goads him to demand an organizational break with the Democratic party. In New York, he told them, the party was controlled by a ring of "Tammany racketeers" who nominated a liberal like Harriman only under CIO pressure but who "performed a major [knifing] operation on Franklin Roosevelt."

"I'll tell you why we can't get financial support for PAC in New York City. The average worker in New York says, 'Listen, I am not going to give a dollar to you for PAC so that you will give it to Tammany racketeers. . . . We have to apologize for the Democrats in the states where the Dixiecrats are running wild with their anti-union 'right to work' laws and where every form of segregation and denial of civil liberties to racial minorities is the official policy of Democratic state administrations.'"

And in his newspaper article he added, "I cannot ask Negro TWU members to give their dollars to PAC when those dollars may wind up supporting city, state

or congressional candidates who stand for the denial of every basic civil and human right for the Negro people."

If the CIO carried out Quill's line, it would be a big step forward for the labor movement. Of that, there is no question. We say this even though he carefully tries to limit in advance the independence of his hypothetical labor party.

As he sees it, a labor party must be formed to break with the conservative, machine elements in the Democratic Party, but somehow he would like it to preserve its ties with the so-called liberals within it. For example, "I am not talking about a political party which would nominate its own candidate for president of the United States," he explained to the convention, "I am talking about a party that would be strong enough to have something to say about the choice of a nominee for that office."

In his *Express* article he elaborates on this thought: "I also want to make clear that an independent political party of labor does not mean that it must, on any and every occasion, run candidates of its own in opposition to the candidates of the existing parties."

"AHEAD OF THE PARADE"

Quill is still captivated by the visions of his old American Labor Party, which, like the Liberal Party of today, confined its role essentially to pressuring the Democratic Party to run liberals. "After we have exhausted every avenue of discussion with those who pick candidates for high office, and if their final choices are still repugnant to labor, then I say: Let us run our own candidates."

But these reservations and qualifications, which weaken the consistency of Quill's position, do not alter one simple fact: if the labor movement started out along Quill's road the very momentum of living politics would quickly push it toward greater independence.

" . . . if we are not to consider setting up a labor party in states where the Democratic Party is not progressive, liberal, New Deal-Fair Deal and decent—then are we not just a tail to the Democratic party kite?" So writes Quill.

But if a new party were formed everywhere where the Democratic Party was in the hands of conservative machines, it wouldn't leave much territory for the old line. And what of the so-called liberals? Quill has an accurate impression of their sorry state. The "liberal progressive forces in this country," he concedes, "are already confused, divided, and largely apathetic." He doesn't leave much room for working effectively with or within the Democratic Party.

Sad to relate, Mike Quill had to speak up alone and unaided. Once, Reuther feared to get "too far ahead of the parade." Now he's back in line. In fact, he's falling to the rear.

PRO AND CON: DISCUSSION

Chinese Stalinism and Formosa

To the Editor:

Much though all sane persons must deplore any talk which indicates that a general war could serve any worthwhile purpose it is important to be able to distinguish a merely vocal threat of war from an actual danger.

Roughly a week after the president's resolution was rushed through Congress with disgusting near-unanimity, it is transparently obvious that its actual content is far from warlike. The actual effect of the resolution is to evacuate the Chiang forces from most of the offshore islands, and to cede them to the Chinese Stalinist regime. There is no question that this concession is being forced upon Chiang—although the U. S. Seventh Fleet will prevent the Communists from attacking the evacuating troops, it also has the function of enforcing the evacuation upon the unwilling Nationalists.

That the Mao regime has won a significant victory at no expense to itself is apparent. The actual value of that victory, both for the Mao bureaucracy and for the Chinese workers and peasants, is much greater than is immediately obvious. But first it is instructive to see how the interaction of U. S. imperialist foreign policy with domestic American politics forces the U. S. into the same trap over and over again.

Had America phrased its declaration in the form of a move to mutually isolate the Chiang and Mao forces, in order to effect a reduction of tension in the area, it would have realized diplomatic gains, and could have posed to some extent as a responsible power acting in the interests of peace. The domestic agitation of the "China Lobby," and of the whole Knowland-Nixon-McCarthy wing of American politics, completely ruled out any such confession of the real purpose (or effect) of the declaration, as far as American domestic consumption was concerned. Thus domestic political considerations, completely determined the face put upon the strategic retreat which was in fact being ordered—this at inestimable cost to the general foreign policy of "Free World" unity. A very likely decisive issue has been handed the Labor Party, and the Bevanites within the party, in the forthcoming British elections. An even greater impetus has undoubtedly been given to the opposition to West German armament, both in Germany itself and in Western Europe. In short, the carefully and painstakingly built structure of Western alliances has again been seriously shaken, and thus the diplomatic and propaganda position of the U. S. vis-à-vis the USSR has been weakened. A principle can be deduced quite easily: U. S. pronouncements on foreign policy are always subordinated to the placating of the most extreme jingo imperialism in America.

Geographically and diplomatically, the Chinese Stalinists have won, and have had conceded to them by the U. S., the maximum victory which the situation offered. Any attempt to actually attack Chiang on Formosa would, of course, be suicidal in view of the massive strength of the Seventh Fleet—an army in motorized junks would, needless to say never reach Formosa. In addition, such an adventure would throw away the major diplomatic and propagandistic achievements now in hand. We can say with

assurance that no actual increase of the war threat is involved, despite the carloads of phony belligerency with which the U. S. leaders have clouded the situation.

The goals and timing of the Chinese coup are not difficult to elucidate, and are quite rewarding to an understanding of the whole complex problem of China's political present and future. It can safely be said that internal economic difficulties and preponderant American force have ruled the elimination of Chiang off the Chinese Stalinist timetable. The wresting, away of the offshore islands, however, is by itself of great real value to China, in drastically reducing the effect of the Nationalist blockade of the China coast. Faced as it is with the overwhelming problem of accumulation, on an almost purely agricultural base, in order to push a program of industrialization of however modest proportions, the regime desperately requires the reopening of the Asian market. The recent sharp turn of the Kremlin toward renewed forced industrialization at home merely re-emphasizes the unavailability of real capital aid from that quarter. It must be overwhelmingly clear to the Chinese Stalinist leaders that China cannot begin to raise itself out of backwardness without Asian trade, in the paramount instance trade with industrial Japan, now becoming a real possibility from the Japanese end.

The conditions of entrenchment of the bureaucratic class as the exploiters of China do not, however, permit the Mao regime to explain the move against the offshore islands in any such light, particularly because of automatically raising the question of international alliance with the Kremlin, not to speak of initiating all sorts of discussion as to the role of the toiling classes in the national revolution. In the absence of such honesty, the most backward characteristics of the Chinese masses are exploited with stupendous cynicism. Asian racism, chauvinism, anti-foreignism and crude nationalist braggadocio serve the purpose of the Mao clique for agitational concepts. This demagoguery will cost the regime some difficulties, no doubt, when the reconquest of Formosa does not occur! A revolution in China, while naturally fully supporting any move which weakens the blockade, should be able to use the resulting disillusionment to alienate the confidence of the best elements of the toilers from the regime that so shabbily plays upon their aspirations. At the same time, such revolutionists should fully exploit the opportunity inherent in the much-publicized heavy industry (armament!) turn in Russian economic planning to weaken the prestige of the USSR and direct the hopes of those committed to the national revolution away from Russia and toward a Socialist Japan and an eventual Asian Socialist Federation.

As to demagogic threats to attack Formosa, Chinese socialists should counterpose the achievement of UN membership by responsibility and maintenance of peaceful attitudes by the Chinese Peoples' Republic, as the most effective road to the elimination of Chiang. The slogan of self-determination for Formosa can be effectively employed, and illustrates a principled socialist position, but of course only if the Chiang troops are excluded from participation in any such determination, and correctly defined as foreign occupiers. Such a demand, which would be worthy of support by socialists the world over, would also gain China great prestige as willing to sacrifice aggrandizement in the cause of peace.

The proposal for a UN cease-fire is also worthy of world socialist support, and a useful opportunity for denouncing the demagogic belligerency of the Stalinist rulers, if it is raised as a genuine cease-fire. Such a genuine cease-fire would, of course, involve the cessation of the Chiang blockade (even a reduced blockade based on Formosa alone), since the blockade is, of course, the sole remaining cause and context of active military operations. The slogan of such a genuine cease-fire is, of course, in the best interests of the Chinese national revolution, and affords another priceless opportunity for counterposing principled defense of Chinese interests to the demagogic opportunism of the Stalinist regime.

Readers have noticed that the questions of socialist policy for China have assumed the continuing aegis of the Mao regime over the next period Chinese development. It is the view of the writer

that in countries which world capitalist imperialism has kept for so long in such great backwardness as China, the proletariat had, so to speak, but a single chance to assume clear leadership of the national revolution. Betrayed by the Stalinist Comintern in the twenties to the executioners of the imperialist agent Chiang the Chinese proletariat will require the experience and development of the economy of another generation to acquire sufficient social weight and self-confidence to take the political stage again and assume its role of leadership in the national struggle, in accordance with the theory of Permanent Revolution.

In the meantime, the tasks of the national revolution remain no less pressing, and it is the role of the Stalinist bureaucracy to begin the attack upon these tasks, under the economic forms of state capitalism. By constantly counterposing the real interests of the national revolution, and the political rights of the workers and peasants, to the requirements of the national and foreign Stalinist bureaucracy, the revolutionary socialist can best prepare the most advanced of the Chinese toilers for working-class intervention on the political stage. This orientation demands at the same time: (a) loyal defense of the national revolution against the threat of imperialist intervention; (b) constant counterposition of the real interests of that revolution to the opportunistic adventures demanded by Kremlin-bloc power politics and the necessity of the Mao clique to conceal their real role in Chinese society—i.e., to entrench themselves as a distinct exploiting class on the backs of the masses; and (c) steady agitation for political recognition of the sacrifices which the needs of that revolution demand from the toiling masses. This last should culminate in the slogan advanced by Comrade Wang of a "Workers', Soldiers' and Peasants' Congress."

Note: General reference should be made to the article "China's Stalinist State," by M. Y. Wang, in the *New Internationalist*, March-April 1951.

Jake BARNES

Comment

Comrade Barnes' discussion of the current Formosa situation is useful in its emphasis on the fact that the Stalinists have won victories out of U. S. policy; this line of analysis is developed in more detail in our leading article this week.

Comrade Barnes proceeds from this subject to outline his more theoretical views on the nature of the Chinese Stalinist regime, and, while he has no doubt not been able to do justice to his views in short compass, the following comments are necessary to point up what seems to us the peculiarly contradictory and confused nature of his line of thought, as we gather it from his letter.

(1) What is the social and class nature of the Chinese regime under the Stalinists? What social system is being "entrenched" by the Mao bureaucracy? Barnes does not make his view clear, and naturally it is basic.

He refers to the ruling "bureaucratic class," which he later calls a "distinct exploiting class" (though the latter term is used for the "Mao clique," and it is a little disconcerting to think of a mere clique as entrenching itself as a ruling class); in any case he also refers to it as the "Stalinist bureaucracy"; and all of this would ordinarily indicate that its social nature is basically the same as that in Russian bureaucratic-collectivist society, except that the latter is already "entrenched" and the Chinese are only in the process of "entrenching."

But as against this, which could lead

La. Court Sets Precedent for Ban on Strikes

Jan. 20 (NAWU News Service)—It was revealed in Washington today that one of the most far reaching decisions affecting organized labor in decades was handed down by the Supreme Court of Louisiana on January 10.

H. L. Mitchell, president of the National Agricultural Workers Union (AFL), announced that an appeal is being prepared by union attorneys to the U. S. Supreme Court. The appeal will request the Supreme Court to set aside a permanent injunction denying sugarcane plantation workers their constitutional rights to form a union, to strike and to picket for union recognition at a time of their own choosing.

The anti-labor injunctions were secured by huge corporations, the Godchaux Sugars and South Coast Corporation, engaged in producing and processing sugar, to break a strike of Louisiana sugarcane plantation workers in October 1953. The injunction granted by District Court Judge J. Louis Watkins is based on a new legal theory that workers employed in an industry of primary importance to a community or state may not engage in a work stoppage or picket for union recognition during an emergency period of production. The Louisiana Supreme Court held that the strike of sugarcane plantation workers during the harvest season of 1953 constituted such an emergency and could not be permitted because of damage to the employers' property.

The Louisiana Supreme Court said in its decision, "The guarantee of freedom of speech, even if picketing and speech are held to be identical, cannot be maintained in the face of irreparable injury to property and we are compelled to hold, therefore, that the picketing of the mills of the defendants under the circumstances established here is contrary to public policy and that the trial judge was justified in issuing the injunctions."

The president of the AFL Agricultural Workers Union pointed out in his statement that if such a decision is permitted to stand by the U. S. Supreme Court, workers employed in any industry that is of vital concern to a community or state may be enjoined from striking or picketing an employer on the basis that such strikes are contrary to public policy.

to a consistent Marxist view of the Chinese form of Stalinism, we also read a reference to "the economic forms of state capitalism" in China. This could be consistent, if only "economic forms" are really meant, and Barnes does not say that the social system which the Stalinist bureaucracy is building is "state capitalism," as many confused people claim to believe. He is therefore not faced with the obvious difficulty (among others) of inventing a "capitalism" without any capitalist class whatsoever.

Therefore, Barnes does not say that the Mao regime represents a progressive bourgeois-nationalist regime which deserves support, etc., as do some who hold the state-capitalist theory.

Yet, somehow, Barnes comes out with the conclusion that this Stalinist regime in China represents "the national revolution" which is to be "loyally defended" against Western imperialism. He will have to get himself a different underpinning in basic analysis before he even has the right to make this mistake!

The immediate argument which Barnes gives for this conclusion is utterly revealing: There is no hope from the Chinese proletariat for another generation. Therefore? Socialist revolution and power in China is out of the question; all hope for this third way is abandoned for our time; therefore the only thing Barnes can think of doing is to support—the new exploiters of the working class against the old.

Barnes' letter is interesting, then, if only because it states in so many words that its author can start thinking along lines of support to Chinese Stalinism only after abandoning faith and hope in the forces of socialist revolution in the world today. This is the precondition for pro-Stalinism of every sort, from Isaac Deutscher and Sartre to Pablo and William Z. Foster.

For some reason, Comrade Barnes writes the words "in accordance with the theory of Permanent Revolution" in precisely the same sentence in which he blandly explains that all hope must be given up for the working class for another generation! Some things just go too far. . . .—Ed.



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Continuing a Discussion:

Fascists and Civil Liberties

This article by Comrade Walker, which represents a continuation of the discussion on Fascists and Civil Liberties, was discussed and approved by the Berkeley unit of the YSL.—Ed.

By JACK WALKER

Following the discussion on the rights of fascists to organize, which the Berkeley unit of the YSL touched off (*Challenge*, Dec. 13) some additional clarifying remarks might be in order.

The first observation is that the question of fascism is not answered by simply being against it. Its defeat calls for different tactics at different periods. These tactics, in turn, flow from the social analysis of fascism held by revolutionary socialists.

We have described a fully developed fascist movement as a mobilization of sections of the middle class and declassed elements in society as an instrument used by leading sections of the capitalist class in order to smash the labor movement in an immediate physical sense, and thereby maintain an authoritarian form of capitalism when a social crisis and a consequent social polarization threaten the continuance of capitalism. At this point the only alternatives seen by the working class and its political parties are socialism or fascism.

Relying both on experience and theory, socialists have drawn up certain axioms for the fight against fascism:

(1) It is necessary to alert the working class so that it may physically defend itself.

(2) It is impossible to rely upon the capitalist state for protection, since the capitalist class is sympathetic, neutral, or at least unwilling to take decisive action against fascism in such a crisis.

(3) It is necessary for the working class and its political organizations to mobilize their forces immediately toward a struggle for state power, and by their bold actions to show the middle classes that there is a way out of the crisis other than fascism.

DIFFERENT SITUATIONS

In the course of a developing fascist movement, which will engage in violent encounters with the working class and political and national minorities, it is of the utmost importance to hurl back fascist terrorism by counter-violence of workers, else the fascists will paralyze the working class and those other strata who would rally to its defense.

In such a struggle with a clearly de-

lined fascist movement the niceties between defensive and offensive tactics will not always be clear or meaningful. For example, if known fascist bands attack workers organizations five days a week; and workers organizations attack fascist bands two days a week, this does not make the workers' organizations violators of civil liberties during the two days that they are counter-attacking.

However, we also recognize that the situation today is not as depicted above and our problems vis-a-vis fascism are different.

In the first case, the basic political battle today is occurring not in connection with street fights but over the question of the right to organize and propagandize for a dissident political point of view. The danger comes from the bourgeois state's suppression of civil liberties. We do not accord the government nor ourselves the right or duty to use juridical or physical violence to restrict minority political groups of all shades in political, non-violent activities.

At the same time we can and do call upon the government and cops to prevent the bombing of a Negro's home, or to arrest a fascist or policeman guilty of practicing violence on Negroes, Mexicans, Puerto Ricans, etc. If the prevention and punishment of such acts of violence were undertaken by the state, we would applaud. At the same time, experience has shown that even here—where the fate of the capitalist system is not involved—there is a delicate reticence on the part of the police, FBI, state guard and other agencies to prevent or punish such acts of violence. We therefore urge minority groups, even today, to rely upon their own efforts to defend themselves, as well as calling upon the law to carry out its nominal functions. Such experience and occasions will expose the disinterest of the police for their welfare.

QUESTION OF TACTICS

There are several other situations which might throw light on these problems. For instance socialists may have to defend their public meetings or leaflet distributions from fascists, Stalinists, or reactionaries. In this case local defense groups might have to be set up (e.g.; SFA in Los Angeles, the Stalinists in front of the Jefferson school a few years ago).

An additional case is the need for socialists to combat politically nascent fascist regroupments or ultra-reactionary formations. So far as a fascist group like G. L. K. Smith's is concerned; we picket his meetings today. Tomorrow we might be urging defense squads to combat his thugs and/or prevent the march of fascist goon squads into New York's Jewish neighborhoods by lining up milk bottles on the rooftops. The tactics vary with the inclination toward violence showed by Smith's group and with the social composition which he is able to organize to support his politics (the latter influenced by the former).

Our discussion of Smith should make it evident that we do not call for physical interference with sedate fascist-minded discussion groups which limit their activities to petitions and proclamations of their racial superiority or Aryan-ness, or to sympathy for Hitler and Mussolini. We would attack them politically.

To carry the question of tactics further, we felt that the YSL in New York should have seriously investigated the possibility of organizing a picket line of several hundred people against the McCarthy mass meeting in Madison Square Garden last year.

The purposes of such a picket line would have been: (1) to mobilize political opposition to this ultra-reactionary grouping—which probably would have been good for national publicity; (2) to encourage further counter-demonstrations if additional meetings are called

(Continued on page 7)

It Was Quite a Shock to Stalinoid Rally at Berkeley

By JACK WALKER

BERKELEY, Jan. 12—When the Stalinist-dominated "Californians for the Bill of Rights" held a meeting on armed services' loyalty oaths tonight, at which former Congressman Robert Condon was the featured speaker, they asked for a Student Civil Liberties Union speaker on the ROTC loyalty oath at the University of California. What they hoped for was some "innocent" who would give a mild presentation of the SCLU viewpoint and thereby tie in the pro-civil-liberties SCLU with the pro-civil-liberties-sometimes-on-this-side-of-the-iron-curtain Stalinist front organization. The CFBR was disappointed.

First, SCLU did not send down an official spokesman because it did not wish to share the same platform with the CFBR. And second, the unofficial spokesman who presented the SCLU viewpoint turned out to be Berkeley YSL Organizer Charles Shain. In the course of describing the ROTC oath events and SCLU's activities Shain emphasized SCLU's repudiation of the Stalinists' and their front groups' phony struggle for "civil liberties," while simultaneously defending the Stalinists' right to civil liberties.

As it became more than obvious that

an alien, "anti-progressive" element was on their platform the temperature crawled further and further down the mercury bulb in the 200-person audience. The main source of aggravation, for this turnout of mostly old and hardened Stalinists and Stalinoids, was probably this defense of civil liberties for Stalinists, while blasting them for endorsing the Smith Act against the SWP and having political tests on Iron Curtain campuses.

At the conclusion of the meeting, a resolution to endorse SCLU's position (one of the many that were proposed and voted upon) as the most active campaigner against the ROTC oath was squashed in favor of an independent resolution by CFBR! No wonder!

The YSL also distributed about a hundred copies of the issue of LABOR ACTION featuring extensive coverage of the McCarthy mass meeting in Madison Square Garden.

A typical Stalinist postscript to the incident was a report in the Stalinist West Coast daily *The Peoples' World* which completely neglected the critical content of the speech outlining SCLU's position with reference to Stalinism, but attempted to link SCLU with the CFBR. Naturally this was repudiated by SCLU.

READERS TAKE THE FLOOR

Raising Some Questions On Civil-Liberties Line

To the Editor:

Bravo! for your official viewpoint in the discussion of whether fascists have the right to organize (*Challenge*, December 13). It is heartening to find that your love of civil liberties includes a clear-cut theory of reciprocity. It is heartening, too, to find that the old stereotyped, authoritarian Trotskyite line on this subject has been definitively rejected by your organization, and that the type of dogmatist who would presume to lay down what line is "correct" is in a minority in the YSL. Democratic socialists welcome this evolution in the YSL, and declare their solidarity with those advanced elements within the organization who are responsible for it.

However, I cannot help but raise a couple of questions, the answers to which are left unclear by your otherwise excellent discussion.

(1) Do you advocate (or apologize for) governmental action against fascist organizations which commit overt acts of violence? Or do you mean action against fascist individuals who commit such acts, and perhaps against those guilty of direct exhortation towards the specific overt acts in question? The former seems to me to be implied at several points in your discussion, but the latter strikes me as a more democratic formulation. (Indeed, it was upon just this issue, and the spelling out of the former view in your "Democracy and Socialism" pamphlet-issue of May 4, 1953, that a YPSL motion to accept the ISL-SYL as a democratic socialist organization failed to receive even the single vote that might have been expected at the SP NEC meeting of July 18, 1953.)

If you do mean that organizations *per se* should be outlawed for overt acts of violence, unto what generation of pseudonyms do you propose to pursue the offending parties? If the Students for America today is found guilty of such acts and made illegal, and if tomorrow a new organization of the same personnel and advocating the same policies mysteriously springs into being, naming itself the Socialists for Democratic Democracy, is the new organization proscribed, too? If not, where is the force of the proscription? If so, how do you propose to iden-

tify it through its successive changes of name, if not by the personnel and ideology involved? And how does this differ from outlawing opinions? After what period does the organization get a new chance to prove itself peaceful? What is the procedure for becoming a new chance to prove itself peaceful? What is the procedure for becoming legal again?

Perhaps you mean only that organizations should be punished (i.e., fined, or the leaders imprisoned) for specific acts of violence for which the organizations are responsible as they occur. This is somewhat less obnoxious, as it does not prevent reversion to peaceful advocacy. If it is what you mean, you are at any rate in good, conservative company: a judge upon a well-known occasion similarly punished the United Mine Workers. However, it involves a doctrine of collective responsibility for crime to which I don't think a socialist ought to subscribe.

(2) You state, "We are against denial of civil liberties to fascists and Stalinists, not because we feel concerned with their rights but because of the political consequences of granting that they lack such rights, consequences which can and do redound to the harm of the progressive forces in the country and to the state of democracy in general." It is fortunate that you add, "and to the state of democracy in general," for this precludes the crudest possible interpretation of your statement: namely, that "the struggle for democratic rights is... just a clever device for embarrassing the undemocratic bourgeoisie." As it stands, your statement smacks rather of the notion that democratic rights must be allowed even to those who would deny them to others, because as soon as we deny them to anyone on any pretext, we establish in the minds of many the precept that they are deniable; because, moreover, the identification of "those who would deny them to others" is largely a matter of interpretation.

Now, this is a perfectly good reason for supporting democratic rights, and in it you are once again in good, reputable company (this time the utilitarian John Stuart Mill). However, it seems to me that a socialist, filled with the love of humanity, should be concerned with the rights of fascists and Stalinists even

(Continued on page 7)

NEW YORK YSL FORUM

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Some Political Notes On the German Scene

Reaction in the Two Germanies

By A. STEIN

The Bonn correspondent of the *Manchester Guardian*, a source of information not given to sensationalism, reports in the January 27 issue that a serious drive to expand the para-military "People's Police Force" in East Germany is about to begin. The East German puppet regime plans to increase the number of the People's Police from 110, to 135,000 in the next three months. The goal set for the East German armed forces is a total of 300,000 men under arms by the end of 1956.

The core of this army exists in the form of the People's Police "in barracks," which is distinct from the civil police, and numbers about 90,000 men. The *Manchester Guardian* correspondent writes that "The addition of 25,000 men means that the force can be kept up to its present effective strength of seven divisions, while 25,000 experienced officers and men can be detached in order to train the first recruits."

Should the Bonn Parliament approve the Paris Treaty and the Adenauer government begin rearming in earnest, the East German regime will start calling up its conscripts. The machinery for this purpose was set up last September when special registration officers were appointed by the Ministry of the Interior on the district (*Kreis*) level. These officers have drawn up lists of all men born between 1910 and 1938 and all women between 1914 and 1920.

The conscription program is to be supplemented by a recruiting drive. The East German regime has no illusions about the difficulties it faces in creating an armed force to match the future 12 (or more) West German divisions. For one thing, the East German authorities must draw on a much smaller manpower pool than West Germany for additions to the armed forces.

East Germany has a total population of about 19 million, and West Germany about 48 million. As it is, the creation of the existing armed force of 110,000 men—75 per cent of them under 30 years of age—has already put a heavy strain on the East German economy. A further expansion will intensify the strain. (And if there is a corresponding swing back to emphasis on heavy industry, the difficulties faced by the Grotewohl-Ulbricht regime will be very great indeed.)

The recruiting drive may very well accelerate the flight of refugees to West Germany. The overwhelming proportion of the people fleeing East Germany in the last few years have been young men under 30, and the major reason they have given for leaving East Germany has been their desire to avoid being drafted into the People's Police.

The recruiting program for "volunteers" now getting under way is composed in unequal parts of propaganda, compulsion and genuine inducements.

GOOSESTEP UP-TO-DATE

The regime has made certain that certain obstacles to drawing on manpower will be eliminated. All state-owned factories have been ordered to furnish lists of employees of military age and not to resist their transfer to the armed forces. Recruiting groups are being sent to secondary schools to find applicants for officers commissions in the People's Police.

The most powerful weapon the East German government wields in its recruiting drive is the application of pressure on the members of the ruling Socialist Unity Party (SED) and the Free German Youth (FDJ). In these two organizations are to be found approximately 65 per cent of young people of military age.

All local units of the SED have been told to

apply pressure on their members. They may post the names of those who refuse to volunteer in local newspapers and party publications. The regime, however, is not resting on the effects of "patriotism" and public opinion.

All district committees of the FDJ have been instructed to encourage members to "volunteer" for the army. And if they don't likely candidates will be threatened with the loss of "privileges" such as the right to attend a university, the right to training for an industrial post or to qualify for any good position.

On the side of inducements, "volunteers" may choose their branch of service and even their unit. Technical personnel are being offered considerable financial lures. Medical officers are to receive 2,500 marks a month and medical orderlies 520 marks. The basic pay of other ranks is only 300 marks a month.

West Germans who decide to come to live in the Russian zone will receive special consideration. They will not be conscripted into the East German armed forces. They have been told by the East German minister of information, Norden, that they are wanted to fill in the gaps of the labor force. If the East German government honors this promise, it may soon swell the tide of West Germans going East, particularly those who want to avoid being conscripted into the West Germany army!

Another inducement for joining the East German armed forces is the promise of rapid mass promotions. There are now about 8,000 officers and 12,000 non-commissioned officers. A minimum of 3,000 officers and 6,000 non-commissioned officer will be needed. Pay, privileges and prestige are being increased.

TWO-WAY STREET

It was not so long ago that the "West" was basking in the smug, moral self-satisfaction and righteousness of Western superiority over the difference between conditions in the "free" West and the Russian satellite countries of Eastern Europe.

The flight of Dr. Otto John, head of the Bonn secret service, to East Germany created a sensation. The confusion in West Germany and in the United States was considerable. In fact, some American journalists and radio commentators ascribed Dr. John's flight east to the fact that he was an "idealists" who could not stand the moral rotteness of West Germany!

Not so sensational but infinitely more embarrassing to the Adenauer government is the undeniable fact of a steady flow of Germans from west to east. According to figures issued by the East German regime, more than 40,000 Germans left the Federal Republic and went East in the period between October 1953 and September 1954.

Attempting to explain this surprising phenomenon, the German Social-Democratic English-language bulletin *News From Germany* declares that a large number of those going to East Germany are refugees from the Russian-occupied zone who, having established themselves in Western Germany, return and bring their families back with them to their new homes.

This may be so, but it does not provide the whole explanation for this steady stream back to East Germany.

Many go to East Germany for jobs, and others who hail originally from the Russian zone go back because they fear the division of Germany will not be healed in the foreseeable future. They do not relish the permanent exile from their homes.

The main attraction, however, for the flight eastward is neither economic nor the homesickness of those who originally lived in East Germany, according to Paul Wohl, the *Christian Science Monitor* reporter in Germany. Writing in the *New Leader* back in September 1954, Wohl wrote that the principal attraction East Germany holds for those in the Federal Republic is political in character. These West Germans, he declared, have the conviction that without a war, "German unity can come only through a reconciliation with the East."

The net effect of all this is that it is no longer possible for the American propagandists of the State Department to paint the differences between "East" and "West" in white and black. Life in the "free" West, in this case Germany, has lost some of its charms. State Department propagandists might start trying to explain why.

GHOSTS ARE WALKING

As the fateful moment approaches when the Bonn parliament must vote on the Paris Treaty, the divisions in the ranks of the German bourgeoisie on the question of Adenauer's pro-American policies deepen. In the past year no less than four former German chancellors—Franz von Papen, Dr. Heinrich Bruening, Hans Luther and Joseph Wirth—raised their voices in protest against the program of rearmament which they considered would seal the division of the country.

In the case of Dr. Bruening, there was no doubt that he was not engaged in an isolated adventure to recoup his political fortunes. The occasion for his remarks was an address he delivered before the Rhein-Ruhr Club in Duesseldorf, the seat of the West German industrial barons. When he spoke last June, Dr. Bruening advocated a return to the policy represented by the "Locarno Treaty." That is, Germany should play the role of go-between between East and West.

Now another political ghost out of the past has taken his place in this growing chorus of German bourgeois neutralism.

Dr. Herman Rauschning, an early supporter of Hitler, who later turned against the Nazis and took refuge in the United States, has joined the attack on Bonn's rearmament program. After 19 years of residence in the United States, Rauschning went back to Western Germany last year.

In the last few weeks, Rauschning has been writing in a new Duesseldorf periodical, the *Rhein-Westphalian News*. In its first issue of January 15, 1955, Dr. Rauschning wrote: "The rearmament of West Germany is not the road to national unity." And in a book which is due to appear soon called *German Unity and World Peace*, Rauschning expands on the same theme.

A question which has been puzzling everyone is: who is supplying the funds for the *Rhein-Westphalian News*? The Bonn government, understandably enough, is interested in the question, and has been making inquiries, but nothing has come to light so far.

Is it too much to hazard that the same West German industrialists who gave Dr. Bruening his chance to advocate a policy of neutralism last June are also backing the *Rhein-Westphalian News* and Dr. Rauschning?

HONEST HAHN

In its last two issues, our contemporary, the *New Leader* has been featuring articles on Germany. In its issue of January 17, it carried an article by Peter Meyer, which was nothing more than a sustained lament about the policies of the German Social-Democratic Party. With Meyer's complaint that the Ollenhauer leadership has no thought-out positive policy to bring about German unity, we have no disagreement.

Nevertheless, as Meyer notes, the SDP in practice is resisting rearmament and in effect that puts it in the forefront of the struggle for German reunification. What is important is Meyer's declaration that the unification of Germany is desirable and he adds "all the German parties and all the Western allies agree on that."

Of course, Meyer makes clear under what

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Malayan Guerrillas — —

(Continued from page 3)

throwers, jet fighters, and even the poisoning of food supplies have been used against the nationalists since 1948. Whole villages have been punished by curfews, food shortages and travel restrictions. 75,000 unrooted Malayan "squatters" have been transported to different parts of the country. A state of emergency has existed in many districts and the commander in chief has assumed full control.

Why is it that the Malayan nationalists have been able to hold out against such fantastic odds? Certainly the density of the jungle is an important factor. Many parts of it have never been explored by Europeans.

Recently, however, there has been evidence of much greater direct Chinese aid. Much of the arms are alleged to have arrived a different way. Chinese officials in Thailand have been buying medical supplies and taking them across the frontier into Malaya.

Recently a batch of German-made hypodermic syringes was found in an abandoned camp. Such a type are not sold in Malaya, and have not been exported to China. There is also evidence of continual smuggling of Chinese-made arms through Thailand.

HIDEOUT IN THAILAND

British military intelligence has recently discovered that just inside the Thai border is to be found not only the headquarters but also the training establishment of the Malayan "terrorists." Through here, a staff of 300 supervises the passage of arms across the border, gives medical treatment to casualties, and acts as a base establishment.

This information was little comfort to the Thais. They sent out a reconnaissance force, and discovered that the Malayan emplacements were too strong and too mobile. Furthermore the latter were receiving help from a local group of mixed Malays, Thais and Chinese known as "Sam-Sams."

It will be remembered that Thailand,

the Philippines and Pakistan were the only three genuinely Asian countries to join SEATO at Manila recently. It was then that British and American strategists invoked their aid to destroy the Malayan nationalists. At first Thailand was cagey, but the aid she has received from America, and her fear for her own security on her Northern border, decided her; if she was throwing her hand in with the West, she must play wholeheartedly.

The present visit of General Phao, corresponding to the visits of Commonwealth leaders to Singapore, marks a stage in the war of extermination being carried out by the British imperialists. Many Malayan "terrorists" are starving, many have surrendered and more would if they did not fear the judicial consequences of surrender. Their casualties have been great, and their withdrawal into Thailand, though only partial, is a severe setback.

While they are able to obtain aid through Thailand from China they can continue the battle. They can never win, and must live as rats until some indiscretion puts them at the mercy of the government. There is little doubt that the government is winning substantially. It can never completely destroy them, because they have too much support among the Chinese (including some rich Chinese) in Malaya itself. Most Malays are disinterested in the war, regarding it as a score between the Chinese minority and the British imperialists.

The "respectable" nationalists under Dato Onn say that the government cannot expect the support of Malays in this battle, unless it gives them some control of the government. The government says it cannot proffer advancement until the war is over. However, economic and strategic pundits in Whitehall have made it clear that Britain has no intention of leaving its most lucrative investment, or abandoning its most important strategic outpost in the East. With Suez in Egyptian hands, and Singapore under Stalinist control the empire would become just a collection of postage stamps.

Two Germanies — —

(Continued from page 6)

conditions the Western allies are in favor of German unity: if the Russians permit free elections and if a unified Germany is free to join the Western alliance.

However, the next issue of the *New Leader* (January 24) carries a much franker, more honest and simultaneously more cynical article on this very question by one Walter F. Hahn, entitled "Will Germany Ever Be Unified?"

Says author Hahn:

"But what if, by some miraculous quid pro quo, the Soviet Union did agree to set Germany free, independent, fully armed and no strings attached? Would this tally with our interests?"

"Facing the issue honestly, the answer is again in the negative. We might have to swallow, but the taste would be bitter. We have labored for nearly half a decade to extend the Western defense wall to the Elbe river. Now, within sight of at least limited success, it would be more than 'agonizing' to abandon a carefully entrenched position for the dangerous unknown. A reunified Germany, left to her own devices, would not only revolutionize the power relationship of Europe, but would also introduce that one extra variable capable of detonating the entire dialectic. In simple terms: One German in the hands is worth two in the bush. The sum of these parts means that German reunification is neither desired nor desirable under present circumstances."

The rest of this pitiful exercise in *Machtpolitik* is devoted to some never-never-land of history where the Germans have never been a nation and really don't want to be one. Or in Hahn's winged words, "In short, today's geographic reality of the Elbe boundary has been a

cultural reality since the beginnings of modern times." American policy therefore in perpetuating the division of Germany is truer to Germany's historical destiny than the millions of Germans who want the unification of their country!

WHAT DO THEY SAY?

We know that the editors of the *New Leader* are not responsible for the opinions expressed by all the writers who fill the pages of the magazine. But surely some clarification is necessary here. Which point of view does the *New Leader* endorse, that of Meyer or that of Hahn? Or perhaps the editors of the *New Leader* don't have any opinions on this question and are away on vacation.

Of course, there is nothing fundamental to choose from as between Meyer's point of view and that of Hahn. Meyer is for a unified Germany, a free Germany, if it exercises this freedom in only one way: to join the American camp. Hahn doesn't even want them to have this abstract freedom. And as an expression of American policy, Hahn is closer to the truth.

In both articles there is contained a profound distrust and pessimism concerning the German working class and the German people. They believe that the Germans cannot resist the Russian power (Meyer) or else that an independent Germany will pursue its own imperial and national interests (Hahn). Both authors agree that only American military power can contain Russian totalitarianism.

Do the editors of the *New Leader* share these beliefs? We think the readers of the *New Leader* deserve some editorial clarification on these questions.

Young Socialist CHALLENGE

Readers Take the Floor — —

(Continued from page 5)

apart from the question of political utility. Fascists and Stalinists are human beings, too; the creation and espousal of ideas is a joy and satisfaction to them as well as to anyone else, and as long as they can enjoy this right without its actually being denied to others, we should be glad to see them receiving satisfaction. It goes without saying, of course, that at the same time we ourselves must argue and work like hell to keep their ideas from prevailing.

Dick FREDERICKSEN

Comrade Frederickson's remarks require several comments:

(1) His hearty congratulations to the YSL for its point of view on the rights of fascists is, while gratifying, slightly overdone. For the point of view spelled out in our December 13 issue is one which is not exactly new to the YSL; it is one which was held by both of the constituent organizations, YPSL and SYL, for at least some time. It is of course true that in previous years many liberals and socialists, including Trotskyists, held incorrect views on this question, but these have long since been revised.

(2) We are puzzled by the reference to those in the YSL who may disagree with our viewpoint on this question as "the type of dogmatist who would presume to lay down what line is 'correct.'" We also think that our line is correct (without quotation marks), and might even be said to be dogmatic in this belief if by "dogmatic" one means not its perjorative connotations, but rather, believing in something, in this idea for example, strongly. (Though we do not consider ourselves to be "advanced elements" therefore.) We hope that Comrade Frederickson also believes that the line that fascists are entitled to civil liberties is a correct one.

(3) As Comrade Frederickson points out, the article of December 13 made clear that our defense of civil liberties is not just "a clever device for embarrassing the undemocratic bourgeoisie." Humanitarians though we are, we do not, however, share one of his reasons for that defense, namely that Stalinists and fascists receive "joy and satisfaction" from their political work. Indeed, we are quite pleased when they suffer a political defeat, when people reject their views, even though this may cause them great anguish. The point which we tried to indicate on this score was that our concern with the rights of totalitarians results from our concern with democracy, and not with the well-being of the reactionary despots. As a matter of fact we are for their political ill-being.

(4) And finally, as to the major point which Frederickson raises, one which involves problematic considerations: In our view, there would be no violation of civil liberties in government action against a group whose nature and *raison d'être* was one of acts of violence against workers, radicals, etc. which was a military organization for performing such actions, and which the government acted against because of their having wreaked violence, etc. Action by the Weimer republic against the Nazi S.S. would have been a case in point. Socialists therefore might not condemn such attacks by a bourgeois state, might indeed even call for them, pointing out at the same time that the workers could not rely upon the capitalist government to defend them against fascist terror, and urging the workers to defend themselves.

The question which Frederickson poses about such groups changing their names, or becoming peaceful, are clearly irrelevant to such a situation. There is a problem, of course, in regard to the political organizations of which the above referred-to groups are the military arms, the Nazi party, for example. For this problem, there can be no "magic formula." Whether one would act, or urge or defend the action of the government, against a political movement whose military forces were engaged in violence against the workers would depend upon a whole variety of circumstances, such as the degree to which the political organization and the forces committing violence were intertwined, the degree of danger facing a workers' government from such counter-revolutionary groups, if that were the situation, or the danger confronting democracy and the labor

movement from fascists, if that were the case.

It is impossible to foresee or spell out all of the details which socialists would have to consider at that time. One must add, however, that above all, the consideration of one's devotion to democracy would have to be present to guide the thinking of socialist when they would deal with these problems.

The heart of the question of civil liberties does not lie in the problem whether or not a government has the right to act against violence and terror or against espionage. It is to be found in regard to one's attitude towards the right of all, including those whose views are obnoxious, reactionary, and totalitarian, to advocate those views. The witchhunt in this country today is aimed at the advocacy of views which are unpopular, which disagree with those of the regime. Principled civil-libertarians defend the right of all to spread their ideas through organization, meetings, press, etc. This is the essential question.

For the Editors of *Challenge*
Max MARTIN

Comrade Frederickson's letter refers to the *Labor Action* pamphlet-issue on "Democracy and Socialism" in language which may imply that it contained a view on Fascists and Civil Liberty different from that recently expressed in *Challenge*. In case this is a correct interpretation of his sentence, we wish to point out:

(1) The "Democracy and Socialism" issue specifically presented and explained what has been *Labor Action's* position for many years: civil liberties for all, including the right of expression of opinion for the most reactionary viewpoints. (2) Articles in *Labor Action* have for years polemized in favor of this viewpoint and against the position of denying civil liberties to fascists or alleged fascists, as well as Stalinists. We are of course glad to see that the YSL adopts this position too.—Ed., *Labor Action*.

Fascists — —

(Continued from page 5)

(offer leadership), and if called off to push our role as a contributing cause; (3) to gather enough forces outside of ourselves to defend such a political gesture from the possible violence of the senator's more enthusiastic supporters. (See Hal Draper's "The Face of the Crowd..." LABOR ACTION, Dec. 6, 1954.)

A hindsight view of how we could have functioned in New York would include appeals to liberal and radical organizations to form the core of the picket line; the distribution of leaflets at high school and college campuses urging student participation; setting up a picket committee to plan tactics and assignments both before and during the McCarthy meeting; a YSL committee to prepare picket signs, literature, etc. Such a campaign would give us a chance to put our banner before the youth in the New York area and embarrass the reticent leadership of other organizations. We could move their more active members to participate with us and get them better acquainted with our politics and organization.

The national chairman of the YSL said that he did not feel that it would have been possible to organize such a picket line from SPers, SDAers, Young Liberals, etc. It should be realized that on such an issue we might appeal to pacifists, SWPers and other radical youth to man the line. However, even if we were unsuccessful in getting a picket line together this time, the preliminary negotiations might have done some good for future more successful demonstrations. *The important thing, however, is to realize that we have become so frozen in our posture in this area—a crucial one—that such a political demonstration was not even considered at the time!*

It is to this calcification, partly a product of our limited external activities and partly a product of narrow routinism ("We defend the rights of political dissidents" is our entire thought on the matter), that we are directing our remarks. Precisely when events begin to spill out of the traditional framework is it necessary for socialists to prepare their own thinking and members to offer leadership to youth we could not normally reach.

N.Y. YSL Class on

"Toward the Understanding of Marxism"

The second session of this class, on the Marxist Theory of History, will meet Tuesday, Feb. 8 at 7:30 p. m. To accommodate other students, another section of the same class will meet on Wednesday, Feb. 9, also at 7:30.

Classes held at 114 West 14 Street, N. Y. C.

U.S. War Line on Formosa — —

(Continued from page 1)

before the bluffers in Washington will be one which faces rout on every side.

(1) If the U.S. decides to "pass," and let the Stalinists take Quemoy without intervention, after all this shouting in Washington, then little need be said!

(2) But if, on the other hand, the U.S. gets involved in war action not even in defense of Formosa but in order to keep the Chinese off an island right off their port, then we predict with utmost confidence that the isolation of the U.S. in the world will be virtually complete. Even Eden in Britain has formally drawn a sharp line of distinction between defending Formosa and defending Quemoy.

More: and here is a picture at which souls in Washington must shudder.

If the Stalinists start a military build-up in Amoy, right across from Quemoy, concentrating their naval power and motorized junks right under the nose of Quemoy, marching in invasion troops, issuing manifestos about the imminent "liberation" of Quemoy, tweaking Eisenhower's nose in every move made after his "tough" words about bombing concentrations on the mainland . . . and all this while not yet taking a move toward the "forbidden" objective. . . .

What will Eisenhower do?

Can any sane person actually imagine that the U.S. will dare to carry out Eisenhower's threat? Yet, perhaps; unfortunately sane people can imagine this in view of the record thus far. *But the first U.S. bomb that falls on the Chinese mainland, in PREVENTIVE bombing of an assumed threat not even to Formosa but to Quemoy, will raise such a storm of world indignation and horror as will sweep around the world!*

The beneficiaries will be the totalitarian rulers who have set up their own despotism in Peiping.

Let Formosa Vote!

These victories for the Stalinists, and any to come, have not been set up by the Stalinists. They have been set up by the disastrous policy which inheres in the outlook of American imperialism.

This policy can lead only from defeat to defeat, to the greater glory of Stalinism.

An alternative now being pushed by some liberal elements, as well as enlightened friends of U.S. imperialism abroad, is better (nothing could be worse) but not much better.

This is the proposal for the "Two Chinas" setup, recently publicized in a

speech by Justice Douglas. Douglas supported Eisenhower on the defense of Formosa, thus proving that he does not depart too radically from what he himself has called the "American Party Line," but he proposes that the UN and the U.S. recognize and seat both Peiping and Chiang, with neither on the UN Security Council.

But not even Douglas puts forward the only democratic proposal, the proposal which, moreover, is the only one that can really put the Stalinists on the spot before the peoples of the world, and expose THEIR imperialist interests in the situation.

This is the proposal on Formosa which we made last week, and which, we now see, has also been launched by Clement Attlee for the British Labor Party.

A plebiscite by which the people of Formosa decide their own disposition and their own fate.

It goes without saying, of course, that this means a genuine plebiscite, that is a free vote, not a fake ja-election held by Chiang with the island still under his power. It goes equally without saying that this vote applies to the Formosans, and not to the members of the imported occupation force which sits on their backs. In a declaration publicized by the *Labor Daily Herald*, Attlee called for the

exile of Chiang so that such a plebiscite can be taken.

The Chinese Stalinists immediately responded by rejecting the idea. "The Communist Hainitua (New China) News Agency said that this idea was 'totally unacceptable to the Chinese people' since it disregarded the fact that Formosa belonged to China." (N.Y. Times, Feb. 1.)

And of course Chiang equally rejects the idea. He has no more doubt than anyone else that a free plebiscite would push him off the island. But annexation by Mao's China is not the only alternative. The third alternative in such a plebiscite must be an independent, democratic Formosa under a government freely elected by the native population. And it is this alternative which we ourselves would support, while recognizing the right of the Formosan people to vote for joining China now or in the future whenever they so determine.

This is the only proposal for solving the Formosa impasse which can ensure peace in the area without appeasement of the Stalinists and without reliance on American belligerency.

It is the first plank in a DEMOCRATIC FOREIGN POLICY such as reflects the meaning of Third Camp politics in the Formosa crisis.

Disarm Peiping!

Plank 2 is the normalization of foreign relations with the Chinese Stalinist regime, so that the political war against it can be established on that basis which deprives Peiping of all of its demagogic weapons in defense of its own despotism.

By all means, let the Maoite dictators enter the talking-shop of the UN—like all the other governments in the world which rule over their own people; like the other police states which clutter up the UN. A U.S. government that pursued a democratic foreign policy would insist that this Stalinist dictatorship take its place on the spot in the UN, which is of significance only as an arena for political warfare.

By all means, the U.S. should recognize the Peiping regime. *That regime cannot be fought effectively until it is first recognized*, given the established fact that it does in reality control the Chinese nation.

For Political Attack!

Plank 3 is the withdrawal of all U.S. troops, ships and other engines of war from Chinese waters, down to the last man and the last rowboat. Every day that the Seventh Fleet remains around, to the provocation of the Chinese people and all of Asia, is another small-victory for Stalinism, or rather the raw material from which their victories are made, as we have explained.

Such a program on the immediate Formosa crisis is, of course, only a first step for a democratic foreign policy in the world. An America that has broken with imperialism and capitalism could go on from there to a real attack on Stalinism with invincible political weapons:

Such a program, which spells out the meaning of Third Camp anti-war socialism for realistic politics today, is not only directed against the ruinous policy of American imperialism, but also has nothing whatsoever in common with that common "neutralism" which proposes to save peace by capitulating to and appeasing the Stalinists. We are demonstrating that it is the only program that can really fight Stalinism, as the imperialist war camp can never do without posing the question of world destruction.

The going policy of the U.S. is showing itself to be a calamity. The liberals have nothing essentially different to propose, and have in fact rallied behind the Eisenhower message. The "neutralists" typically know only how to feed Stalinist appetites, not destroy it. Where in the whole world is there a single other practical program put forward that can fight imperialism, maintain the peace, and defeat Stalinism?

Following is the complete text of an AP dispatch, N. Y. Times, Jan. 31—our emphasis:

"CARACAS, Venezuela, Jan. 30 (AP)—Foreign Minister Aureliano Otazueza today pledged Venezuela's petroleum and iron ore to support the United States government in the Formosa crisis."

The Venezuela government clearly believes in the slogan of "Not a man, not a cent" for the U. S.'s imperialist wars. For who owns Venezuela's petroleum and iron ore, anyway?

'Privatization' Means Giveaway

By GORDON HASKELL

One of the most widely-heralded features of the Eisenhower administration has been its devotion to the institution of private ownership of the means of production and exchange. So deep-seated and ingrained is this attitude, that the meanings of words have been changed to reflect it. For instance, it is well known that in U.S. usage "the free world" or "the democratic camp" means that part of the world where society is based on such private ownership, regardless of any other consideration. (For instance, the dictatorships of Latin America, Franco's totalitarian regime, and Chiang Kai-shek's police state become part of the "free" world only by this interpretation.)

As a bluff and simple soldier, who tries hard to practice what he preaches, Eisenhower has set out to squash in the egg the "socialist" operations which have crept into government hands over the years. The first big symbolic act in this program of "privatization" of government operations was turning over the tidelands oil resources to the states from whose feeble grasp it was expected they would quickly slip into the firm hands of private enterprisers.

Since then the government has also succeeded in "selling" (the word must be placed in quotes because without them it usually evokes an image of an exchange of equivalents, while in this case what the government got for some solid assets

was more like the symbolic token dollar which must change hands to give legal validity to a transfer of property among friends) . . . the government has also sold the Inland Waterways Corporation and the synthetic rubber plants built during the war at vast public expense.

"SOCIALISM" EXPOSED

With the best will in the world, however, the government has found it hard to turn over everything it has been doing from which a private capitalist could derive a profit. For one thing, it turns out that no one really knows just how much creeping "socialism" there is. But that will now be cleared up by a directive sent out by the Bureau of the Budget to all government agencies.

By April 15 of this year the dark secret of the extent of the socialist infection will be fully known. By that date all government agencies must prepare an inventory of the activities they carry on which could be handled by private capitalists. By July 15 this inventory is to be followed by an evaluation by each agency of the essentiality of their enterprises, and of any reasons why they cannot or should not be turned over to citizens who could make an honest buck out of them.

There can be little doubt that the list will be considerable. Last year the Chamber of Commerce of the United States issued a study "Government Competition: Problem and Perspective," in which it

charged that the government is, among other things, the largest electric-power producer, in the country, the largest insurer, the largest lender, the largest landlord, the largest tenant, the largest holder of grazing land and timberland, the largest owner of grain, the largest warehouse operator, the largest ship owner and the largest truck fleet operator.

The C. of C. charged, further, that the government competes with airlines, bakeries, coffee roasters, dry cleaners, freight forwarders, motor vehicle repairers, ship builders, ship operators, retail grocers, rope manufacturers, tire retreaders, truckers, tug boat operators, etc., etc.

GOVERNMENT'S ROLE

As this information comes to us second-hand from an article in the January 30 *New York Times*, we have no way of knowing if the C. of C.'s pamphlet also listed the government as the largest debtor, the largest employer, and the largest customer for private enterprise in the country. In addition, we trust that they mercilessly exposed it as the only (monopoly) subsidizer of airlines, ship operators and builders, farmers, and many others.

And there is the rub. There can be no doubt that the government can give away a pile of work to capitalist which could do it more efficiently and economically than itself. But however fanatical its adherence to its dogma of private ownership and production, this will be but the tribute which its virtuous intentions pay to the vice of necessity.

The whole trend of capitalism today is toward greater government intervention in every sphere of the economy. The only reason the government in the United States can even make a show of "privatization" is that its operations have now become so vast that they form a permanent, massive underpinning to the whole capitalist structure. This has produced the prosperity of the Permanent War Economy on which capitalism can continue to thrive only because the government has undertaken to subsidize directly or indirectly a huge and vital section of the whole economy for military purposes.

The roles of debtor and customer are just as vital in a capitalist economy as those of creditor and seller. In fact, they are all functions of each other. It is only because it would be so patently impossible for the system of "private enterprise" to continue for a day if the government ceased to play its role in these respects that none but the real crackpot fringe of free enterprisers can be really serious about "getting government out of business" in the full meaning of the terms.

What is actually being proposed, and what may very well be done, is simply to give certain privileged groups of capitalists a nice chance to further enrich themselves at public expense. A whole series of Dixon-Yates steals are in the making. How convenient it will be to be able to cover these sordid transactions with the pious claim that they are part of the battle against "creeping socialism."

Labor Action FORUM • New York City

Thursday, February 10 at 8:45 p. m.

Gordon Haskell

on

The War Crisis Over Formosa

Feb. 17—Stan Grey reviews "The Vinson Court"

Feb. 24—Max Shachtman on "Peace Through Coexistence?"

Laobr Action Hall, 114 West 14 Street, N. Y. C.

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