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Two New Moves by the UAW

. . . page 2

Democrats Debate Over Paring-Down of Fair Deal

By MARY BELL

The Brass God

"By what authority do ficers, and officers demand your obedience? . . . This long, long chain of command that reaches back to God Himself . . . Knowing that all authority comes from the Supreme Being makes your military obedience easier. Your superior is God's representative, even if he doesn't From the Chaplain's column in The Dolphin, publication of the United States Submarine Base at New London,

Going to press at scarcely midway in the Democratic Convention, at the point where Mrs. Franklin Roosevelt is being given an ovation, we can make only some preliminary obserpetty officers, chief petty of- vations. Introduced by Mrs. India Edwards, Democratie Comitteewoman, Mrs. Roosevelt seems to symbolize her late husband and the "transfusions" of the New Deal into the authority comes to them in a sick body of capitalism, to which Mrs. Edwards referred.

These and other phrases used by the speakers who have thus far spoken at this convention, as well as certain remarks of the "left wing" of the Republicans, seem to indicate at least "20-20 hindsight" on the part of capitalist politicians, which is maturity and consciousness of a sort.

Among the distinctions with a difference that char- Stevenson, Governor Dever acterize the Democratic con- and Senator Paul Douglas, vention are its major speak- all of whom have delivered ers. In contrast to the Taftsponsored General MacArthur, Senator McCarthy and Herbert Hoover, the Democrats have put up Governor

middle-of-the-road Fair Deal addresses. Of course, the impress of the Republican keynoters was undercut by the victory of the opposition candidate, Eisenhower.

Storm Center

None of these major speakers for the Democratic Party has sounded such a militant, uncompromising Fair Deal speech as would seem to meet the election strategy of President Truman or precipitate a walkout of the Dixiecrats. As in the Republican convention, however, the civil-rights problem is a major storm center with the disputed delegations, in the committees, in the caucuses and among the candidates. It will be recalled that the Republicans' hope was that their feeble compromise plan on this question would be helped by a possible Democratic compromise on the same question. Yet, given the Eisenhower choice, which must place the emphasis of campaign debate between the two parties largely on domestic problems, the Democrats are hard pressed to at least repeat their 1948 promise.

It is reported that House leader John McCormack will write a civil-rights plank "acceptable" to everyone, including the South. If this occurs, it is anticipated that the labor leaders, or others who are for a forthright plan on civil rights, will bring the fight to the floor. The Lehman anti-filibuster proposal seems most important at the moment in separating the sheep from the goats on this particular issue. It is this measure which would abolish the present two-thirds rule in the Senate on cloture, which is the parliamentary stumbling-block for rassage of various kinds of (Continued on page 3)

Truman's Economic Message Rosy **But Fear of Recession Is Growing** 000,000 persons to an aver- are given to' demonstrate

age of about 61,000,000; and per-capita income, even after adjustment for price changes and computed after taxes, has risen about 40 per cent. The figures are pretty, but

what do they mean?

The year 1939 was the year before America began to rearm prior to World War II, though armaments did not go into production on a big scale till 1951. In 1939 there were still between eleven and thirteen million unemployed, after seven years of the New Deal. After the brief rise in economic activity during 1936-37, the economy of the country had taken another nosedive, and showed little signs of recovery till the armament build-up start-

Comparisons with the figures of that year, therefore, can be made to look very

This is not at all to dis-

these increases, even on a less favorable base of calculations

TRUMAN OPTIMISTIC

The total national output, says the president's report, "measured in 1951 prices, has risen from an annual rate of about \$300,000,000.-000 in the second quarter of 1950 to almost \$340.000.000,-000 in the second quarter of 1952.

"This increase in total output has been greater than the expansion of all our security programs, which during the same period of time have risen from an annual rate of about \$19,000,000,000 to an annual rate of \$50,000,000,-000.'

At another point, the report states that these security programs, under which are included all military expenditures and all foreign aid, are expected to rise to between \$60 and \$65 billions next year. The report adds that it is possible by 1960 to (Turn to last page)

UAW for Exit from Wage Board; Yields on Arbitration at No. Am.

The United Auto Workers (CIO) will appeal to the na- bargaining dispute has been tional CIO for the withdrawal of its representatives from outlawed. The company prothe Wage Stabilization Board. Such was the decision of the auto union's Executive Board and its top Policy Committee.

Just as the labor movement almost two years ago hurled reement between the parties vigorous charges against the Board, the UAW repeats that to allow the president of the the board merely controls wages while prices are free to rise and that labor's dep-

uties serve only as window dressing for an anti-labor policy.

Page Two

Concessions that labor won, those many months ago when it walked off all war boards, have dribbled away. Concessions that it thought it had won proved illusory. between what its workers Labor leaders boasted, in returning to the board, that they had made a big step forward by winning the right ant to cause curtailment of of the wage board to inter- this vital military project," vene in negotiations and force reluctant employers to capitulate to union demands. at least on a sort of compromise basis. This, under the so-called "disputes power" would possess.

But it turned out that the rea. board could make recommendations only, without tion, Inc., producers of power of enforcing them, no the Sabre Jet, has traded matter how politely labor upon this sense of responsleaders agreed to all the ibility on the part of the board's recomendations un- union. It has maintained der the theory of reinforcing such a position of rigidity its authority so that employ- in its resistance to the deers too would have to yield. Along came the steel negotiations and the steel companies thumbed their noses union can legally strike. But at the compromise recom- the union is reluctant to mendations. To add insult to cause the curtailment of this injury, Congress cut away the board's now meaningless power to make recommendations, thus constricting its functions simply to the sphere of holding down wages.

Logjam

This would be enough to justify the action of the UAW. Actually, the auto workers have been especially annoyed by a series of irritating provocations and by a growing logjam of unsettled negotiations. The union, it should be remembered, rejected with contempt, at its last convention, in opposition to the substiany repetition of the wartime no-strike pledge. But in the post-convention period the union leadership, while not adhering to a rigid nostrike line, has been doing everything possible to avoid strikes that could be interpreted as interfering with war production.

It is easy to see what a tion and inaction would ordi- the Defense Production Act narily have to follow a del- "wherein such 'third party' icate and devious path; but involvement in collective-

the example of the solid steel strike makes it almost impossible to adhere to it. The UAW is trying to get

a chain-wide agreement with the North American Aviation Company, to eliminate the big wage differentials get and what auto workers get. But the union negotiates in vain. "The union is reluctreads its official statement:

"Destruction of its collective-bargaining freedom is the last, and only, step which the UAW-CIO will not take in its efforts to maintain the which the board presumably steady flow of Sabre Jet fighters to our forces in Ko-

> "North American Avia- First Step mands of the union that negotiations are already in their fourth month. The vital military project."

Gives In

Naturally the company is overjoyed at this examplary patriotism and responds by rejecting every union demand and dragging out the talks for four months. The company now proposes arbitration and the union accepts on the condition that all of the company's plants be included. But the UAW is not happy about it:

"The proposal [for arbitration] is made by the company in full knowledge of the historic policy of the union tution of arbitration for the collective - bargaining processes which are designed for these matters. The company, by its action, has left the union with a choice between two very negative alternatives — arbitration of contractual wage scales or a strike . . .

"The company's action difficult dilemma it places comes right on the heels of them in. Their course of ac- Congress' crippling blows to

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poses to circumvent congressional intent by mutual ag-United States to establish a special Arbitration Board for this particular case . .

"As a last-resort measure to avert such a strike, and in full contradiction to its historic position in such matters, the union agrees to join the company in its proposal to ask the president of the United States to appoint a fact-finding board to hear the facts in this case and to return a final and binding decision to parties . . .

"The union realizes the extent to which it gives up its collective - bargaining privelges in such action. Its decision is motivated entirely by its desire to effect a settlement which will prevent strike in these plants at this time."

People with a long memory will remember the Borg-Warner strike. A long, long time ago the union agreed to "recess" this strike upon appeal from President Truman. The strike remains "recessed"; the issues remain unsettled. The wage board had intervened in these negotiations in a particularly bungling and irritating fashion. While the company and the union still argue, the wage board loses the power to dabble in such negotiations. But it was because this board originally interested itself in the case that the union recessed the strike. The recess remains; the board vanishes from the scene. Perhaps some union men find this situation somewhat fuzzy and confusing.

The UAW's negotiations with the copper and brass industry belong, too, in the field of current history-old enough to be history and still current. A strike was called September 1951 after fruitless bargaining sessions. Again, the union called off its strike. After waiting patiently these ten months, the UAW, in June, began to shut down brass plants slowly, one at a time. This growing strike continues, so far without result.

Such is the background for the UAW's decision to call for the resignation of all CIO representatives from the wage board. Obviously, however, this could only be the first step. When labor's representatives tire of serving as "window dressing" they have only begun to stir. Strike battles would still lie ahead. Perplexing political problems would arise, as they arose almost two years ago. But as a first step, the UAW appeal is in the right edirection.

ACLU Enters the Case In Smith Act Trial of CP

LABOR ACTION

Judge Mathes. The defense mo-

tion had contended that the gov-

charge, and that its whole case

was weakened by the use of paid

The ACLU presented a differ-

ent reason for acquittal. Attorney

Abraham Gorenfeld presented the

ACLU argument to the court

stating his organization's posi-

tion to be that the Smith Act

"must be overruled by future

court decisions or repealed by

legislative action, in order that

we may live again under the full

protection of the Bill of Rights.'

He noted that the ACLU is cp-

posed to prosecution under the

act because "it inherently, inevit-

ably violates free speech." Then

Gorenfeld concluded, "The sole

concern of the ACLU is to de-

fend fundamental rights guaran-

teed people by the Constitution."

Gorenfeld was accompanied by

other attorney members on the

local board of the ACLU: Ed-

mund Cooke, Robert Morris, Clore

Loren Miller (NAACP attorney

and California Eagle publisher)

A. L. Wirin, general counsel of

the ACLU, has represented three

defendants as their private

lawyer but not as a representa-

29 if the present schedule is not

altered. The verdict, in view of the

in the government's drive, will have

an important bearing on future

government trials. The Supreme

Court upheld the conviction of the

New York, thus recognizing the

legitimacy of the Smith Act. This

California case is the most import-

If the defense appeals a ver-

dict of guilty, and the highest

court reaffirms its earlier stand.

the Smith Act will stand as "con-

stitutional" and encourage fur-

ther prosecutions based on stool-

nigeon evidence and garbled quo-

tations from Marxist works. But

most of all, the Smith Act will

stand as a monument to this cold-

war period's state-inspired as-

sault on civil liberties and democ

racy, whose limitations are not

national Stalinist leaders in

mportance of the California CP

It is expected that the case will

submitted to the jury on July

tive of the ACLU.

ant one since then.

yet in sight.

11

Warne, Richard Richards, and

KEY CASE

stool-pigeons as witnesses.

ernment had failed to prove its

By DAVE BERN

LOS ANGELES, July 18-The 26th week of the trial of 14 California Stalinists began with both sides preparing their final arguments before the jury. U. S. Attorney Walter S. Binns opened the government argument by urging the jurors to convict the CP leaders under the Smith Act on the charge of "conspiracy to advocate the violent overthrow of the government." Binns began his speech, ironically, with the reading of the preamble to the Constitution, that famous document under which, one recalls, the first great Sedition Law was found to illegal. Following the preamble, Binns argued that it is the jury's duty to convict the defendants as a means of insuring the domestic tranquility"!

Binns, reported the News here, 'turned against the defendants one of Lenin's own dicta: 'Never play with insurrection,' as an argument for their conviction." Then the U. S. attorney read excerpts from the Marxist and Leninist (as well Stalinist) books on which much the government's case rests. Marxism as an explanation of the objective social processes which give rise to class conflict has been used liberally by the prosecution to prove that Marxism CAUSES class conflict and even revolution. To add confusion to ignorance, as far as the jury is concerned, Stalinism is identified exclusively as genuine "Marxism" and vice

ASK ACQUITTAL

The defense will take about a week for its argument after which the government will make a closing speech to the jury before the verdict is taken. Experts in the S. Attorney's office estimate that the trial has cost the government more than \$400,000 so far. This sum includes payments to the 12 jurors and four alternates, transportation costs of witnesses, salaries for the witnesses who served as undercover FBI agents and salaries for the prosecution's staff.

The Southland California Chapter of the American Civil Liberties Union entered the case officially for the first time by asking for a directed verdict of acquittal.

similar motion on the part defense attorneys several weeks ago was denied by Federal

Labor Action FORUM • New York THURSDAY EVENINGS at 8:30 p.m. **ALBERT GATES on** July 31 The Democratic Party Convention ANNE RUSSELL on August 7 Peronism in Argentina BEN HALL on August 14 "The God That Failed" Auspices: N. Y. Independent Socialist League LABOR ACTION HALL, 114 West 14 Street, N. Y. For living Marxism — read THE NEW INTERNATIONAL

July 28, 1952

LONDON LETTER

LONDON,-July 15-Dr. Joseph Goldstein, an American research student, has just created a sensation in England. What he has actually said has been known for

a long time, but he has adduced facts and figures to prove it. The Transport and General Workers Union is one of the biggest single trade unions in the world, with 1,317,000 members representing nearly a fifth of all the organized labor in the United Kingdom. Arthur Deakin, its general secretary, has very courageously written a foreword to Dr. Goldstein's book, The Government of British Trade Unions, which is

a study of his union. What this book says is simply that these British trade-unionists -and there is no reason to believe they are untypical—are not politically conscious, that they are so apathetic that the vast machinery of democracy upon which the union is founded goes rusty from disuse. Dr. Goldstein cites many examples to prove this: between 1937 and 1947 approximately four-fifths of the electorate for the General Executive Committee did not vote for the winning candidate. In 1945 when Deakin was elected, although he received nearly three-fifths of the vote placed, less than one-fifth of those entitled to vote cast their ballots for him. CAUSES

Dr. Goldstein even brings up a perfectly genuine case where a dates, not even bothering to give the cards to the rank and file. In 74 meetings of a single branch of



drown in Dixie oratory in the

Senate. However, it is also true that many of the bills on this question which have passed the House, to be killed in the Senate, would not pass the House in the first place if the cloture rule did not exist. The Southerners are thus not too fearful, it is reported, of a strong civil rights plank in the platform. It was a favorite saw of FDR's that the platform is only for getting onto the train,

PLEDGE DILUTED

Murray Kempton reported in the New York Post that James Carey and Walter Reuther of the CIO worried Senator Mcormack on the matter of platform and the fact that Democrats who are against the typical Fair Deal platform run cause (like McCormack) "they are seniors in the club." Reuther, according to Kempton, said that labor in 1948 voted not for a party label but for a platform. "And the

The so-called "loyalty oath" procedure invoked by the large majority of the Democratic delegates against the unreconstructed York Times that the uncompropease the South.

Democrats could still stand on So far, the Democrats' fire has their 1948 platform; they hadn't been mostly directed against the used any of it," he said. Republicans. They are supported by the "lords of the press" "the oil tycoons of Houston," "Wall Street," etc. We are reminded of Southern delegations has solved the day "when there was no nothing at this reading. James chicken and there was no pot." Reston reports in the New Main Street is supposed to be pitted against Wall Street. The Democrats are presented as the "party mising "left wing" - Lehman, of the masses" against the Repub-Humphries, etc.-will insist on a lican "party of privilege." Plenty strong program even if it means of wealth and privilege is reprethe defection of the Dixiecrats sented at the Democratic convenand the loss of the election. They tion. Yet the Democrats do have are reputed to put principle a hundred-odd labor leaders as ahead of party victory. There is delegates who are representives little indication anywhere else of organized labor. And this is of such sentiments. And, as we also a distinction with a difference. go to press, the liberals have already put a knife to their own As reported in LABOR ACTION "loyalty pledge" in order to aplast week, the labor leaders, now that Truman is presumably out of the running, seek another coat-tail. The civil-rights issue is an ex-At this writing, they apparently plosive question for both parties. One claims to be the inheritor have not yet found it.

Page Three

Apathy vs. Democracy in a Union

By DAVID ALEXANDER

group of shop stewards filled in ballot cards for different candi-

the union, 60 were attended by less than 3.5 per cent of the membership.

These few examples extracted from a whole learned tome are enough to give us cause for real apprehension. Not only are the unions run by people elected fractions of the voters but what is more serious is that those elected place bloc votes at the Trade Union Congress on behalf of all its members.

Dr. Goldstein suggests some reasons for the situation. Many branches have up to 1000 members, ond not enough accommodations for them if they came. They cannot feel a part of union life in such a large group. Those who are interested in the running of the union have the organizing work piled on them. He cites the example of one branch of 1.083 members which has 19 of them occupying 63 administrative posts or offices. The fact that these small jobs are unpaid in no way contributes to their lack of popularity. It is just a case of the willing horse.

FOUR BARRIERS

This situation is resistant to change. Despite all that has been said to the contrary, no Stalinist can keep real control over a union. Infiltration tactics seem to cause an allergic reaction which prevents their getting anywhere. Unfortunately there is the same reaction to Marxists in the trade unions at present.

This apparent lack of interest in trade-union administration should not be confused with lack of political consciousness. In the 1952 election 84 per cent of the electorate of Britain exercised

their right to vote. The disinterest in union affairs' seems to have its crigin in the belief that nothing can be changed by the unions.

If a resolution is carried by a branch union, it must go to the area branch, then to the national union concerned; if the Executive agrees it is put on the agenda of the Trade Union Congress. Supposing this body supports the idea passes a resolution and preents it to the government as being the trade union's views. We thus see that a rank-and-filer must push a resolution through four administrative barriers before it can even be heard by anyone who can give it effect.

BALANCING THE PICTURE

Dr. Goldstein's study would have been more properly balanced if he had pointed out also that, on the whole, the 9 million organized workers of England are still much better off than at any time in the historical past. Any sharp economic lowering of the standard of living will produce a consciousness to supercede the apathy. I think he has the wrong end of the stick when he suggests that the reasons for the apathy are stale administration organizational relationships. Any mass consciousness would bypass these anyway.

The task of British socialists is to increase the consciousness of the masses, especially when economic actualities march with us. Our job in the trade unions is not only to capture administrative posts but also to interest the rank and file in preventing any stagnation of the bureaucracy. After all, the price of liberty is eternal vigilance.

Wall Street 'Internationalism' And the General

Thomas L. Stokes, the nationally syndicated Washington columnist, was moved by Eisenhower's victory at the Republican convention to recall the case of that other "liberal Republican" who was going to give the GOP a face-lifting. Comparing the forces behind the general with those behind Wendell Willkie, he wrote in his July 14 column:

"As to origins, there is a common identity in one powerful group among promoters. That is the financial and industrial hegemony largely concentrated in the East, which is international-minded and low-tariff inclined because of international finance and international trade interests that conduce to a world outlook rather than a strictly national outlook . . .

"The industrial-financial pronoters who furnished some of the brains, propaganda-wise, and a good deal of the money for the Eisenhower nomination triumph were much more open in their operations here than in Philadelhia in 1940.

"Officials and gents of the automobile industry were active about Eisenhower headquarters. Business pressure upon delegates was used effectively in some cases.

"The new chairman of the Republican National Committee approved by General Eisenhower -Arthur E. Summerfield of Flint, Mich.—is a Chevrolet dealer and has one of the largest retail automobile agencies in the country. There was never any doubt that he would take the bulk of his Michigan delegation



(Continued from page 1) FEPC and civil-rights bills which have passed the House, only to

of the ideals of the party of Lincoln and the Civil War. The other claims responsibility for the leadership of the country which is attempting to lead the world. Over a tenth of its citizens are colored and most of them have second-class citizenship and are not even protected from lynching, let alone possessed of equal rights with other citizens. And the majority of the world's peoples-among most of whom the Stalinists make such headwayare colored. It is perfectly fitting that the civil-rights isue should rack both parties.

Such are the contradictions of these coalition parties, that it is reported that an embittered Taft claque stayed on in Chicago to plump for Senator Russell of Georgia who seemed to be closer to their hearts than Eisenhower. Russell, on the other hand, so at tractive was office, came out against Taft-Hartley, for which he originally voted, pledged his ovalty to the party regardless of its civil-rights stand, and consequently lost many of his former supporters.

DIFFERENCE

The "smorgasbord" of Democratic hopefuls, as the Alsops of the Tribune described the potential nominees who confronted Truman for his blessing, has been reduced and only a few seem outstanding contenders now. Averell Harriman, among these, called by his detractors "a chronic millionaire," is the most Fair Dealish, despite his being the wealthiest. Estes Kefauver, reported unacceptable to the President because of his exposure of the tie-ups between the city machines and the gangsters, hedges on the matter of FEPC. Senator Kerr, infamous for his naturalgas bill and definitely not for civil-rights legislation, and the aforementioned Russell, are not likely possibilities. Governor Stevenson, who has said the uncategoric "no" a thousand times, exhibits all the traditional symptoms of the coyness which characterizes traditional serious office sekers, and seems to be the strong, same one which afflicted the Re-

present It isn't sure whether labor will

S. F. Bay Area

get the platform it wants. And if does, it is guaranteed to get candidates who will not abide by the platform anyway. This is the fate of its alliance with a capitalist party. Meanwhile, the PAC dollars roll into elect the "friends of labor." What they might do if they were used for a positive good, to elect labor men themselves!

The Democratic Party, with the addition of the labor leaders, continues to be the coalition of divergent groups - bourbons, liberals, city machines, millionaires, etc. It is the more "liberal" of the two major parties in the sense that it has had a more far-sighted program for patching up and preserving capitalism. The Democratic and Republican Parties overlap in their decisive social goals. The Democrats have schisms as deep-going as those of the Republicans. Their most troublesome issue thus far is the e-of-the-road best bet at publicans. The smoke-filled caucus rooms are of similar importance in deciding issues and candidates.

with him to General Eisenhower "New York banking interests were represented by Winthrop W. Aldrich, chairman of the board of the Rockefeller Chase National Bank."

Anti-Franco Fight — —

(Continued from page 1) for military bases, and to pass Franco off as a "soft" dictator. Franco began his drive against the Basque Catholics, the CNT; and CGT unions and the POUM as well as thousands of workers and peasants. The wave of persecutions and prosecutions against the anti-fascists in Spain was the reason for the Committee's formation.

The committee has assumed the task of speaking out boldly against Franco and acquainting masses of people with the truth about Spain. Under the chairmanship of Norman Thomas and the secretaryship of Rowland Watts of the Workers Defense League, the committee has prepared the ground for the establishment of a national movement along the lines of the New York committee.

Endorsements for its work have come from the AFL and CIO, from Matthew Woll, Jacob Potofsky, and James B. Carey, the last having joined, the Committee. Gates read a letter from Potofsky stating his regrets that he could not be present at the meeting, but once against emphasizing the necessity of keeping up the fight against Franco.

LOOKING AHEAD

Samuel Friedman, vice-presidential candidate of the Socialist Party, spoke in behalf of his organization. He emphasized the necessity of keeping up the fight no matter how difficult the conditions for such a struggle became. He too regretted that the labor movement did not take a more active part in this struggle, cautioning against their alliance with an administration which first placed an embargo against aid to the Loyalist government in its war against Franco, and is now preparing even greater assistance to the tyrant.

The two remaining speakers were A. J. Muste, of the Fellowship of Reconciliation and General Jose Asencio of the Loyalist Army. Muste, speaking for pacifists and those believing in nonviolence, closed his remarks by saying that the struggle for freedom and democracy could not be separated from the struggle against war. He warned against those who talk about freedom and democracy while they stand behind atomic bombs preparing for a new war, in which freedom and democracy become the first vic tims.

General Asencio spoke in Spanish and reviewed the results of the Franco dictatorship. He quoted from a New York Times article on the anniversary of Franco's rule, which spoke of the achievements of the regime. But in Spain, he pointed out, living conditions are intolerable, the jails are filled with thousands of workers, and the persecution of the people goes on endlessly. That is why the fight against

Franco must go on. A spirited collection speech

made by Chairman Wiener netted \$29.50 for the committee's work.

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AUGUST 1

A Socialist Looks at the **Republican and Democratic Conventions**

Norway Hall, 3829 Piedmont Avenue (rear entrance) OAKLAND

Admission free. Refreshments served

Page Four

The ISL Program in Brief

The Independent Socialist League stands for socialist democracy and against the two systems of exploitation which now divide the world: capitalism and Stalinism.

Capitalism cannot be reformed or liberalized, by any Fair Deal or other deal, so as to give the people freedom, abundance, security or peace. It must be abolished and replaced by a new social system, in which the people own and control the basic sectors of the economy, democratically controlling their own economic and political destinies.

Stalinism, in Russia and wherever it holds power, is a brutal totalitarianism—a new form of exploitation. Its agents in every country, the Communist Parties, are unrelenting enemies of socialism and have nothing in common with socialism—which cannot exist without effective democratic control by the people.

These two camps of capitalism and Stalinism are today at each other's throats in a worldwide imperialist rivalry for domination. This struggle can only lead to the most frightful war in history so long as the people leave the capitalist and Stalinist rulers in power. Independent Socialism stands for building and strengthening the Third Camp of the people against both war blocs.

The ISL, as a Marxist movement, looks to the working class and its ever-present struggle as the basic progressive force in society. The ISL is organized to spread the ideas of socialism in the labor movement and among all other sections of the people."

At the same time, Independent Socialists participate actively in every struggle to better the people's lot now—such as the fight for higher living standards, against Jim Crow and anti-Semitism, in defense of civil liberties and the trade-union movement. We seek to join together with all other militants in the labor movement as a left force working for the formation of an independent labor party and other progressive policies.

The fight for democracy and the fight for socialism are inseparable. There can be no lasting and genuine democracy without socialism, and there can be no socialism without democracy. To enroll under this banner, join the Independent Socialist League!







THE SCIENCE AND POLITICS OF HUNGER

By CARL DARTON In sharp contrast with the miracles of science today is the unsolved problem of real and hidden hunger among the

majority of the earth's people. The sad part of this, one of the most shameful but little discussed crimes of capitalist society, is that there is little technical excuse for its existence. The situation is well expressed by Josue de Castro in The Geography of Hunger (Little Brown, 1952): "Western science and technique, brilliantly victorious over the forces of nature, failed almost entirely to do battle with hunger. The scientists kept a pointed silence about the living conditions of the world's hungry masses; consciously or unconsciously, they became accomplices in the conspiracy. The social reality of hunger stayed outside their laboratory walls."

However, science and scientists alone are not to be condemned, but rather the forces which have failed to use their potentialities properly. further quote De Castro: "Governments, institutions, and employers

have been excessively absorbed in problems of economic exploitation and have, in general, shown no great interest in human problems as such." He predicts that it is "possible to carry out a veritable revolution in the field of food production . . . except for the opposition of certain economic and political forces which stand in the way of large-scale application of scientific knowledge."

The above quotations summarize De Castro's excellent study of widespread hunger in the world today. This hunger is of two types. First, there is actual hunger, as commonly understood, when the energy of the food intake fails to balance the energy needs of the individual for his daily activities. The geography of this type, primarily starvation, shows that it exists not only in the famines of the past but is widespread even today.

More common, however, is the insidious hidden hunger of malnutrition, the lack of the vital food elements, vitamins, minerals and proteins so necessary for healthful living. While it is true that very few people actually die of starvation, or even officially of-malnutrition, millions today succumb from diseases directly or indirectly induced by an inadequate diet.

Many of the facts and figures of De Castro's book are startling. even to one with some background in nutrition. In South America, for instance, before the last war, studies show the Brazilian worker with a daily intake of only 1700 calories, the Bolivians with an average of 1200, and Chile with 50 per cent of the population consuming less than 2400 calories daily. It is estimated the workers in this area require 2800 to 3000 calories daily.

Moving further north, a recent study of 10,000 poor children in Mexico City showed 5000 with dietary deficiencies. In 1943 studies in Cuba indicated that more than a third of the population did not have funds for an adequate diet.

Inequality at the World's Table

In the "good old U. S. A." the National Research Council bulletin of 1943 shows 73 per cent of the people of the Southern states have an improper diet. As De Castro puts it, this is "another typical example of hunger as a man-made plague since the region is eminently suited by nature to the production of adequate food supplies."

This deplorable state of affairs is repeated throughout the world. A League of Nations study of 1928 states that two-thirds of humanity live in a permanent state of hunger. Other studies prove that undernutrition prejudices the health of at least 85 per cent of the world's people. Unfortunately, De Castro feels he has insufficient data for an objective study of hunger in the Soviet Union and the European countries behind the Iron Curtain. However, there is little doubt that the forcible division of Europe into two camps with the restraint of trade and normal economic activity, let alone its actual exploitation for the war machine, lowers its already inadequate food supply.

What is the solution of this age-old "man-made problem" of hunger? Certainly it is not the Malthusian answer of the restriction of population growth, either by the "natural" means of war and famine nor by birth control alone. Rather, De Castro directly disputes the Malthusian theory that starvation in backward countries is due to over-population. He offers data to prove that excessive reproduction and overpopulation is the result of malnutrition and semi-starvation. The real solution is the industrialization and development of colonial countries and areas so that they can use the technology of industry and agriculture to produce sufficient food for all.

We again quote De Castro: "the problem is not one of hunger limited by the coercion of natural forces. Essentially, it is not a problem of production at all, but of distribution. . . . The fundamental truth can no longer be concealed from mankind; the world has at its disposal enough resources to provide an adequate diet for everybody, everywhere. And if many of the guests of this earth have not yet been called to the table, it is because all civilization, including our own, have been organized on a basis of economic inequality."

De Castro, a native of Brazil and chairman of the Executive Council, Food & Agricuture Organization, United Nations, places his hopes for the solution of the many ills of hunger in the activities of the UN, mainly in the form of technical aid to underdeveloped countries. However, we have seen that such technical aid is used to serve the industrial and military needs of the backward areas and that it is the native ruling classes that absorb its benefits, not the masses of

It should be apparent to readers of this column that the remedies for hunger, as for many of the problems of today, are of a political rather than a technical nature. Political malnutrition is just as widespread as physical undernourishment. What the world needs is a sustained diet of socialist democracy-a vitamin of vitamins to revitalize mankind.

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LABOR ACTION

MICROSCOPE ON THE ASSEMBLY LINE .- Ammunifion (UAW), July.

The UAW-CIO's magazine reviews a new book we haven't seen (The Man on the Assembly Line, by C. R. Walker & R. H. Guest, Harvard Univ. Press) and comes up with some interesting sidelights from it. It isn't startling, but it's one of those cases where you can now Quote Authority.

The study was made in 1949 by the two men from the Yale University Institute of Human Relations, in a GM assembly plant organized by the UAW. Here's a rundown, condensed from Ammunition:

By about 14 to 1, the men dislike their jobs (But they like the pay, which is set by UAW scales.)

They disliked the work because they couldn't set their own pace; the job was physically tiring; it wasn't interesting; they did the same thing over and over; they couldn't use their brains on the job.

The more complicated the job, the more it required of a man, the better he liked it.

Workers in mass-production industries quit their jobs more often than other workers. Among the workers in this study, those workers who were on the most repetitive mass-production jobs were sick more often, absent more often and were more likely to quit. The men came from jobs they liked better.

except for the pay which kept them on.

Another feature of their jobs, as compared with former ones, was that they earned about the same amount of money as the people they worked with.

None out of ten wanted another job in the plant, not for more money or more prestige but simply to get off a job they disliked. More of them wanted to be repair-utility men (which was more interesting) than wanted to go into supervision.

The more education a man had, the more

The following article, translated from the Paris periodical Masses-Informations (June 1952), presents an interesting theory, worth bringing to our readers' attention-Ed.

By DANIEL SIMON

The wave of speculations about Mao Tse-tung's "Titoism" which cnce swept over the world press has given way to the conviction that the relations between Stalinist Russia and Maoist China are particularly idyllic, since the hoped-for split did not take place. It may be said in passing that the same attitude has been adopted by the majority of observers with regard to the present crisis in Prague: either Gottwald is a Titoist, a Czechoslovak patriot, indeed even a nationalist, or else he is purging his regime on orders from the Kremlin, they claim.

In both cases this way of aproaching the problem excludes in advance any possibility of understanding it. And in both cases the relations with Moscow still raise problems which are important and difficult to resolve. But these problems are of a different order than they are habitually conceived.

relations between Moscow and Pekin, Franz Borkenau recently revealed the stubborn struggle between the two capitals, each one seeking to seize control of the different Communist Parties of Asia. (Die Sonderart des Chinesischen Kommunismus." Aussenpolitik. Stuttgart, 1952. No. 6.) Notably he cited the case of the CP of India, which changed its leadership four times in two years; the gangs obedient to Mao and those fiercely hestile to hinry succeeded each other in turn.

In a remarkable article on the

Now indications of the same rivalry have peeped out even in the non-Asia countries. Thus it was that a split recently took place in the leadership of the CP of Brazil, with the victorious group proclaiming the necessity of being inspired by the Chinese example. The famed Luis Carlos Prestes himself declared, in the May-June issue of the magazine Problemas: "Without drawing any analogy between the historical formation of Brazil and that of China, nor forgetting the specific features of the formation process of our party, the Chinese example calls our attention to the task we are now fulfilling which has



he disliked his job. But another positive feature of the work was the opportunity for fellowship, talking, kidding-where that was possible. But about half were in such a position that they couldn't talk freely with other workers.

Only about one in 10 thought the company was doing all it could for its employees. Over half said the company wasn't doing much of anything for its employees. Walker and Guest report that the workers were more or less balanced and restrained about everything they talked about on their jobs except the company. When they talked about the company their hostility tended to be unqualified. The men were overwhelmingly for the union. About one in 10 was critical, but not from a pro-company viewpoint, usually from a more militant standpoint

Write Walker and Guest: ... the average worker was unable to iden-

tify himself either with the work he did with his hands or with those responsible for managing it . . . we suggest that the union meet in part the psychological and social needs which work in the plant had created . . . these needs sprang directly from the particular characteristics of a mass-production work environment ... the union appeared as a kind of psychological bulwark against pace and boredom and against the bigness and impersonality of management."

The Ammunition review adds, among "Questions to Think About"

"Don't many of the basic grievances described by Walker and Guest arise out of the operation an industrial plant under the pressure of a cost compulsion in a profit economy?"

We might add also that the psychological consequences described by the study were long ago anticipated by Karl Marx's study of capitalism. summarized in the phrase by Marx about the "alienation" of labor in the capitalist production process.

basically a similar nature." (Cf. the interesting article by Madeira, entitled "Brazil Stalinist Party Split Over China-Type Plan for "Revolution," in Labor Action, New York, May 12, 1952.) The same influences are felt at Prague. DIFFERENT FORMULA

Mao's China is not looked on by the Prague leaders as a simple satellite of the USSR, like Poland, Hungary or Rumania. To be convinced of that we have only to examine the formulas in the official language devoted to defining the relations between Moscow and the popular democracies on one side, and between Moscow and China on the other. On the subject of the satellite countries one always reads that they are building socialism "following the example and with the assistance" of the Soviet Union: as far as China is concerned, on the other hand, it is

"Long live the heroic Chinese people who, under the leadership of Mao Tse-tung, have won their freedom and who are successfully building a new life at the side of the Soviet Union! Long live the Communist Party in China!"

July 28, 1952



Teague Socialist Touth League Socialist Youth League Socialist Youth

Education in Los Angeles Hit by School Board and University

By GERALD CARR

LOS ANGELES, July 20-Two recent cases point up the need for spirited democratic action to combat the reactionary bid for thought control in the schools. The groups which wish to convert students into uncritical automatons and teachers into intellectual apologists are feeling their strength as they venture into new

fields because of the lack of an organized, vigorous chal- tive committees. lenge to their anti-democratic campaign.

is becoming old-hat and the press merely takes note of it on a back page in routine fashion. Los Angeles County Counsel Harold W. Kennedy, in a 25-page opinion, told the Board of Education that the city's schools can legally fire **Communist Party teachers** and other employees, or any school employee who belongs to an organization listed as subversive, or even those good American patriots who believe they are standing on the Bill of Rights and other democratic traditions by refusing to tell whether they earlier had given a private

agnizations before legisla-

Kennedy's statement was given on July 9 to the board The first case in question in response to the request of School Superintendent Alexander J. Stoddard and board members who have repeatedly indicated that they desired power to fire "red" teachers, News). asking if they may make "strong anti-red" rules governing school employees. Kennedy said they could make such rules, including that of requiring, as a teacher's duty, that he or she give full data on present or past membership in organizations "advocating the forceful overthrow of the government." (L. A. Mirror.)

The county counsel, who belong to "subversive" or- gathering in the Biltmore

Hotel substantially the same view, said in his wordy opinion to the school board that: "The board may promulgate a rule which would prevent a member of the Communist Party from obtaining or retaining employment in the school district. We are of the further opinion that the board may adopt a rule requiring a person presently employed to indicate under oath whether he is now or has been during any reasonuble prior period a member of the Communist Party." (Daily

USC LINES UP

Thus, even an ex-CPer may be punished for refusing to tell about his past, including, perhaps, answering questions about his former fellow members. Also, those who refuse to perform "satisfactorily" before legislative committees of any sort may be fired by the board.

The second case involves the University of Southern California, ne of the nation's largest private institutions. The financial editor of the Daily News waxed eloquent as he heralded the significance of a new "cooperative venture" between USC and the Sante Fe Railroad. "Thirty-four carefully chosen executives in varied jobs from all over the country are now studying on campus." Of course, this "cooperative venture" is paid for by Sante Fe.

"What Santa Fe and SC are ioneering is an attempt to explain our over-all economic system, how to preserve it, and how to extend it, so that railroad executives will be in a position to interpret American enterprise to fellow employees and those with whom they come in contact in the busines world." The writer adds that "never before has such a plan between business and education been attempted." Previousy, private corporations sent executives to school but only as individuals. Now the contract is on a group basis, with special new (mostly non-academic) classes devised.

INDOCTRINATION

"Instructors freed from other duties to meet this new chalenge . . . have made great strides in putting over their subjects with facts and a minimum of wordy academic double-talk. Only a third of the Sante Fe men are college men." The Santa Fe does not expect any improvement in railroad skills but feels that all executives "will be better citizens for it." All of the new "students" are classified 'as "potential top management material."

What the corporatioon really wants, it is apparent, is indoctrination in the ideology of capitalism in order to ensure the loyalty of the executives, to strengthen their ties with the organization. This attempt is reminiscent of the straightiacketing of corporation wives so that their whole lives may be lived in the atmosphere of the business.

Page Five

The News editor continues: 'Already a dozen large corporations have inquired whether a similar course could be given for groups of their executives. What SC President Fagg envisions [since Fagg is given chief credit for this "educational pioneering"] is the development of free enterprise as a regular credit course for undergraduates in their senior year. He sees this as a 'must' for students in the schools of commerce, education, and religion. that, the university Beyond (USC), already equipped with television, may one day be beaming such information to the general public."

NEW SHACKLES

The significance of this latter development requires noting. It is significant chiefly because it refiects the maner in which our culture is oriented, the way in which education is becoming a weapon for reaction and its imperialist ideology. The schools are to be a medium for indoctrinating the corporation executives as well as the reservoir for new, young managers and political servants of big business. Education as the "transmission of culture and values" to posterity, the old view, and education as a means of "recreating experience, sharpening critical faculties, and preparing the student for life," the modern view, are alike in danger of extinction in favor of education as propaganda for loyalty to the capitalist system.

The fact that such courses can be introduced into our higher institutions without arousing derisive laughter or a counterattcak by real democrats of all political persuasions is a commentary on the state of thinking and of the pall of fear that has been thrown over this generation. The witchhunt tactics of the government, the cold-war imperialist considerations, and the private attacks on democracy give encouragement to these developments and contribute to the new psychology. The attempt to shackle teachers and to make it impossible for 'subversives" to hold jobs is a part of the same ideological struggle which finds the corporations anxious to make sure their own executives are "loyal to private enterprise principles." All these gestures are symptomatic of fear as well as strength. They are trying to make education safe against democracy.

Is It Mao vs. Stalin in the Stalinist Empire?

pursuing this objective "at the side" of the land of Stalin.

For example, here is the wording of the official May Day slogans in Czechoslovakia this year:

ON CHINA

ON THE SATELLITES:

"May the countries of popular democracy be strengthened and flourish, marching forward to socialism following the example and with the assistance of the Soviet Union! We salute the working people of Poland, led by the Polish United Workers Party, Comrade Bierut at its head! [The same formula is then repeated for the other satellites as part of this slogan-Translator."]

The formula "at the side of" is sacred and never varies. It is found in the slogans of a year ago as well as today. But that does not mean that the rank assigned by the Czechs to Ching in the hierarchy of the Stalinist

veal very important changes. A year ago China was offered

the "peoples of Viet-Nam and Indonesia, as well as the people of the other colonial countries" as satellites, by the Prague leaders; the slogan devoted to these peoples on May Day 1951 greeted them, in fact, by declaring that they "struggle after the example of the Chinese people for the abolition of imperialist domination." The corresponding slogan this year, while greeting the struggle of these peoples, is silent about the previously claimed "Chinese example." Have the peoples in question ceased to be inspired by that example, in the meantime? Or rather has the Gottwald regime ceased to grant Pekin the right to lead the Communist Parties of the countries in question?

TUG-OF-WAR

Along these lines, we should note that on the occasion of the 7th anniversary of the liberation of Czechoslovakia, celebrated May 9, 1952, China did not send a special delegation, being represented simply by its ambassador, Tan Chin-In. On this occasion, on the other hand, Moscow sent to Prague Marshal Konev and the vice-minister of foreign affairs, Valerian Alexandrovich Zorin. No one can tell us it was the geographic distance between Prague and Pekin, and the consequent expense of the trip, which prevented the Chinese from sending a fitting delegation to Prague. Last fall, when Army Day was celebrated in Prague, on October 6, 1951, it was China which sent an important delegation, headed by Admiral Lui Tao-chin, and it was the USSR which was represented by the charge d'affaires on its Prague embassy, P. G. Krekoten. Decidedly these comings and goings are due to something other than geographic facts.

Must we conclude from the preceding that some months ago Mao's influence in Prague surpassed Stalin's? And that the balance swung the other way between October 6, 1951 and May 1, 1952? It does not seem that the world is invariable. In this con- facts so far known justify so bold

be satisfied with noting that the two colossi are disputing over the little satellite.

OUT OF BOUNDS

For the rest, there are some facts which point in a direction different from what we have indicated above. If Pekin was represented in Prague last May only by its ambassador, it is no less true that a very important delegation, led by a member of the Czech CP Politburo, Vaclav Kopecky, at the same time sojourned in China, under the pretext of signing a cultural agreement between the two countries. Can one believe that a Politburo member picked himself up to make the distance between the two capitals just to take care of this banal affair? In any case, the Chinese comrades do not seem to be willing to abandon Czechoslovakia to Comrade Stalin without resistance. In this regard it cannot escape us that, in his speech in Prague on the eve of the 7th anniversary of the arrival of the Red Army, Ambasador Tan Chinlin went out of bounds by recalling the Prague insurrection which liberated the Czech capital a little before the arrival of Stalin's armies . . . as if he were unaware that it is taboo to talk about this insurrection. [The whole quotation from Tan Chin-lin's speech is given-Trans.]

The allusion to this event, which is irritating from the Kremlin's point of view, was surely not a lapse. Gottwald himself was a victim of the same "lapse" on the occasion of his recent visit to Berlin, when he gave the date May 5, 1945, the date of the Prague insurrection, as the date of the country's liberation from the Nazi occupation, instead of May 9, the day of the Russian's arrival (Cf. Masses-Information, March 1952). One gets the impression we are hearing a password.

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The Atomic Energy Industry—II: The A.E.C. and the Corporations

By V. H. DOVE

5. Patent Dilemma

Since the atomic industry is a completely new branch of the economy, its scientific and technological developments required many completely new inventions and improvements. Obviously patent rights were involved to a great extent. But as in the case of the other aspects we have discussed, here too the specific features of atomicenergy production-government monopoly, military security and secrecy-have caused a series of new problems in patent legislation.

James R. Newman put the patent problem as follows:

"In the patent section of the [Atomic Energy] Act (Section 11) two basic concepts, each regarded as fundamental to our system, collided head-on. These concepts were security, as we had with some dismay begun to understand the term in the beginning of the atomic age, and the institution of private property, as expressed here in the hallowed forms of the patent system. The conflict between these irreconcilables was reflected in the debate over most of the major provisions of the Act . . . but nowhere was it so clearly defined and so bitter as in the struggle over the subject of patent provisions." (J. R. Newman & Byron S. Miller, The Control of Atomic Energy, McGraw-Hill, N. Y., 1948, p. 142.)

This conflict—better, this contradiction—is quite analogous to the contradiction which we have already described between the individual worker's rights and the system of justice. The roots of the contradiction lie in the conflict between the changing economy and the unchanged patent system. The very nature of the patent system reguired the detailed disclosure of the device or process to be patented; the patent would be published and all information contained in it would be public. This naturally had to collide with the provisions for secrecy and security in the case of atomic-energy production.

As a matter of fact, the atomic bomb itself was "covered by applications for patents," as was disclosed in the hearings before the Senate committee. All this provided an issue which could not be compromised. In Newman's words, "Congress had to decide whether to protect property rights embodied in patents at the expense of national security or to protect national security at the expense of patent rights."

In the end Congress accepted patent provisions for the Atomic Energy Act which are unprecedented in American history. The official explanation has been given as follows:

> "Progress of science and useful arts was almost wholly in the hands of private persons because the facilities for the production of goods and the facilities for research and development of new processes, devices and products were likewise almost wholly in private hands . . .

> "When the proposal to pursue the development of atomic energy by nuclear fission was entertained, a new situation was presented. It was shortly realized that the potentialities of this new development were so great that the project must be completely under the control of the government . . .

> "The development shortly indicated that every phase of the project so far as possible must be owned by the government and must be carried out with complete secrecy . . .

"The necessities of the situation compelled the kind of patent provisions which Congress embodied in the act . . .

"Utilization of atomic energy by private parties was prohibited except upon license by the AEC. uture developments in non-military fi lds of any importance in industrial or commercial nature are to be brought to the attention of the president for his recommendation to Congress." (U. S. AEC: Report on Patent Problems of Atomic Energy Act, Sept. 17, 1947, mimeo., pages 1-12.)

EFFICIENT-FOR MONOPOLY

This explanation was given, of course, after the fact. It may be doubted whether Congress, in voting for the act, had as philosophical a view about the new-born necessity for the state to control "the propress of science and useful arts" together with the "facilities of production," etc.anguage which might well remind them of the economic setup of the Stalinist system.

The act itself declared, in Section 11, that "No patent shall hereafter be granted for any invention or discovery which is useful solely in the production of fissionable material or in the utilization of fissionable material or atomic energy for military weapons," that to the extent an invention is partially useful for this purpose it too cannot enjoy patent rights; and that the Atomic Energy Commission is authorized to "purchase, or to take, requisition or condemn" any invention or discovery useful to'it.

All the relevant patents were revoked in full and became the secret property of the AEC. Manufacturing and even research were allowed on license or permission from the AEC. Full nationalization was applied to all technical and scientific development in the field and to the brains of atomic scientists and technicians.

This is the second and concluding installment, continued from last week.-Ed.

The act provided that "just compensation" should be given in all the cases envisaged, and the size of a "reasonable royalty fee" was to be agreed on by the owner and the licensee. But in case of no agreement the royalty rate shall be fixed by the AEC. This sufficiently expresses its monopolistic position; in addition, it should be remembered that the AEC is the only buyer of such patents. The inventor really has no choice in any case. To sell the patent abroad would be treason.

In view of these facts, one has a right to raise an eyebrow at J. R. Newman's conclusions in his chapter on patents, where he admires "the simple and efficient way in which it [the act] eliminated from a whole vast area of enormous potential economic significance all possibility of manipulating patents as an instrument for achieving privileged position and monopoly control." (Op. cit., page 169.) There can be no question of the simplicity and efficiency of the method; but to represent it as an elimination of monopoly is like yelling "Stop, thief!" while running away with the stolen loot.

6. The Twelve Giants

We have seen thus far, in our first five sections, that, the government monopoly created in the atomic-energy industry has the essential features of an independent economic institution. The appearance of this kind of unlimited economic control contradicts the very foundations of the "free enterprise" economy. It eliminates competition, challenges the law of supply and demand as a determinant of prices, restricts the factor of the market, attacks and destroys the "sacred rights of private property." and challenges the system of justice in economic public life. Its existence demands and initiates and significant changes and reforms in traditional capitalism.

Now we have to analyze the interrelations between the AEC monopoly and its private contractors, and their mutual impact upon each other.

A background fact about the character of the atomicenergy industry should be made clear first.

"In the vast operations of the Atomic Energy Commission the most important phase is the production of fissionable material for military purposes for the reason that about 90 per cent of both the appropriations and human effort goes into this field." (St. John's University, The Implications of Atomic Energy. Essays. Brooklyn, 1950, page 103.)

"The fact is that around 80 per cent of AEC's money and effort is directly aimed at maintaining and increasing the production of bombs." (Business Week, April 10, 1948.)

The two figures differ somewhat, perhaps because the 90 per cent figure is a later one, perhaps because the two sources are considering different breakdowns. But whether 80 or 90 per cent, undoubtedly the overwhelming bulk of AEC's production is for military purposes. The atomicenergy industry is a WAR INDUSTRY, par excellence. The characteristics of war industry in general completely coincide with those features of the AEC's industry which we have already examined.

AEC's only real production for civilian purposes at the present time are the radioisotopes, by-products of fissionable uranium: "To the AEC, radioisotopes are at present its only source of atomic income-this year some \$250,000; not much return on the investment." (Fortune, Jan. 1949.)

Besides this, there are paper projects and even some research and experimentation on atomic energy for civil industry, but it is not beyond this stage. We shall see why later.

The militarization of atomic energy has a silver lining for the businessman, however: "military influence . . . imposes a distasteful kind of secrecy but at the same time it provides all but unlimited funds." (Power Generation, June 1948.)

The all-but-unlimited funds are channeled into private industry as I have already pointed out. The resulting relation between the government monopoly and the private enterprisers has already been touched upon in Section 2 and 3. But there is much more to this problem.

ROLLCALL OF U. S. FINANCE

With whom does the AEC deal? Fortune magazine answers:

"The Atomic Energy Commission today, like the Manhattan District before it, deals largely with the biggest of big industry." (Jan. 1949.) This is quite understandable. The big industries have everything that the atomic industry needs: means of production, technical cadres, skilled labor, production experience.

Here is an almost complete list of the big businesses which are, or were, engaged under contract in atomicenergy production:

(1) E. I. de Pont de Nemours.

Du Pont entered the atomic-energy industry in 1943.

During the war it built the Hanford Works and operated it for the production of plutonium. In 1946 it got out, turning everything over to General Electric.

Fortune explained this step as follows: "Presumably, Du Pont got out because its policy makers had developed an industrial psychosis over the "merchants of death" accusations after World War I; also, perhaps, because Du Pont and the U.S. Department of Justice are in such an entanglement over anti-trust contentions." (Jan. 1949.) Be that as it may, in 1948 Du Pont returned to the industry. In September 1950 it received a contract from the AEC to produce the hydrogen bomb.

(2) Allied Chemical & Dye Corporation.

Entered the industry in 1946. "This huge enterprise is a wild cat that walks by its wild lone, and doesn't even like to fraternize with its own chemical-company brethren. It never had a contract in the atomic program during the war." (Fortune, loc.cit.)

(3) Dow Chemical Corporation.

Entered the industry in 1948, assigned to important new chemical-separation problems. In 1951 it received a contract to operate a new atomic-production plant in Colorado. In 1951 it pioneered in signing an agreement with AEC under which, together with three other private . companies, it will build a privately owned atomic-energy plant for the production of electricity.

(4) Tennessee Eastman Corporation.

A subsidiary of the Eastman Kodak Company, in the industry during 1942-47, operating a section of the Y-12 plant at Oak Ridge.

(5) American Cyanamid Company.

In the business during 1943-45.

(6) Monsanto Chemical Corporation.

Entered the industry in 1945; now operates the AEC's Mound Laboratory. Together with Dow Chemical it wants to enter privately into the atomic-energy business.

(7) Westinghouse Electric Company.

Entered in 1948; now working on the construction of atomic motors for submarines.

(8) Fairchild Engine & Aircraft Corporation.

Entered in 1948; now working at Oak Ridge on the construction of atomic motors for airplanes.

(9) Western Electric' Company.

Together with Bell Telephone Laboratories, entered in 1949 to operate the AEC's Sandia Laboratory in New Mexico.

(10) Kellex Corporation.

Subsidiary of M. W. Kellog Company, which in turn is wholly owned by Pullman; it entered in 1943, building and operating the K-25 plant at Oak Ridge, the first atomic plant in America. It is now responsible to General Electric and Dow Chemical for process designs. In addition, the M. W. Kellog Company has two other standby corporations, the Atomic Energy Corporation and the Nuclear Energy Corporation. Their activity is not known. but they are the first private corporations with such sonorous names.

(11) Carbide & Carbon Chemical Corporation. Entered in 1943; operated all the plants at Oak Ridge; and deeply involved in the atomic-energy industry.

(12) General Electric. The largest single contractor for atomic research;

operates the Hanford Works producing plutonium. The Hanford personnel of GE now comprises 10 per cent of GE's technical staff and 5 per cent of its labor force. GE's atomic laboratory is now working on a marine engine.

POOLS AND PROFITS

The last three named are the most important of the AEC's contractors. Kellog and other subsidiaries of M. W. Kellog were even created for the purpose of going into business with the AEC, and in addition certain new industrial pools were organized too.

One of these is the so-called Associated Universities, Inc., which is composed of Columbia, Cornell, Harvard, Johns Honkins. Massachusetts Institute of Technology, Pennsylvania, Princeton, Rochester and Yale.

Besides, as Fortune says, the AEC does not object if "private companies pool their resources" in order to enter the industry. The AEC even consciously exercises the policy of granting privileges to specially favored groups of private businessmen.

Business Week testified, for instance:

"After months of deliberation, the AEC has decided to let four industry groups in on reactor development projects. One group made up of Pacific Gas & Electric Company and Bechtel Corporation of San Francisco has just signed up with the AEC, and another made up of Monsanto Chemical Company and its associate Union Electric Company is expected to join any day now. AEC has already signed agreements with two other groups: (1) Detroit Edison Company and Dow Chemical Company; and (2) Commonwealth Edison Company and Public Service Company of Northern Illinois-both in Chicago. For the present, only these four groups will be considered." (May 19, 1951.)

Atomic Age.

of risk.

10

"Over 90 per cent of its [AEC's] 1949 expenditures will go to 'contractor operations.' For example, Carbide & Carbon Chemical Corporation will get \$60 million for its operation as a prime contractor at Oak Ridge; Monsanto Chemical will get \$7 million for basic research in Mound Laboratory in Ohio. Far and away the biggest of the AEC's business relationships is with its major prime contractor, the General Electric Company, which will receive from the commission this year something like \$208 million for its vast plutonium work at Hanford, Washington, and more diverse affairs at Schenectady, New York. Out of this, GE will immediately subcontract a sum of perhaps \$116 million, mostly to big construction companies, and itself will expend the balance of \$92 million. To its seven biggest industrial prime contractors, the AEC will pay out \$313 million, so that over 50 per cent of the commission's whole 1949 spending will go directly and immediately to business and industry. But three other prime contractors make up the AEC's 'big ten' for 1949. The University of Chicago will get \$35 million for running the Argonne National Laboratory as a business; the University of California will get \$37 million for running the Alamos Scientific Laboratory and its own Radiation Laboratry as a business; and Associated Universities, Inc. will get \$27 million for running the Brookhaven National Laboratory at Patchogue, L. I., New York, as a business . . .

The bait of these enormous fixed profits keeps the private enterprises in business bound to the atom, in spite of its radical impact on their economy.



industry.

There are many different reasons for this. Among them are: (1) constant fear that atomic energy will become a victorious competitor to coal, oil and other fuels: (2) dissatisfaction with AEC's policies of favoring special groups of businessmen: (3) most of all, discontent with the AEC's policy of control over its contractors. (Cf. W. Well's article "Atomic Energy May Become a Rival of Coal," in Barron's National Business and Finance Review, June 24, 1946, Business Week, June 30, 1951 stated that th tric power industry s manded for itself "the same crack at the atom that was given to four groups of companies last month by AEC."

This last reason is also quite understandable. The businessmen obviously appreciate the important changes in their "free enterprise" economy which the atomic industry stimulates. Conservative-minded business circles look at it with very cautious, if not hostile, eyes.

One manifestation of this attitude has been, that, up to recent times, none of the private corporations participating in AEC's program has been willing to invest a single privately owned penny in the atomic industry. David Lilienthal, the former chairman of AEC, officially scored this "passivity of business," emphasizing not only that none of them want to invest its own money and help the government in this way, but also that there are really "very few of them" who collaborate with AEC even without investing money. Even such big enterprises as GE or Carbide & Carbon, which are very active in the atomic industry, unhesitatingly have said that they do not want to enter on private investments in the same field.

Evidently the AEC pursues the policy of grouping together the private corporations which enter its industry. The creation of pools is also indirectly furthered. A new pool was proposed and accepted by private insurance companies "to share A-bomb risks," as it was officially put (Business Week, Dec. 16, 1950.) The insurance companies now advertise the horrors of atomic destruction and kindly offer their services to insure human lives and possessions. Business is business, adapted to the

What attracts private business to the atomic-energy industry and stimulates the formation of these pools is obvicus enough: it is the same drive as that behind the struggle of the big corporations to get other government contracts for war production, fixed profits and absence

The profits are indeed there:

"Carbide & Carbon's present contracts are on an acknowledged profit-making basis; this year it is receiving a fee of about \$1,900,000 on' contracts involving \$60 million. It's a 3.2 per cent return . . .

"The General Electric contracted profit is \$2,-400,000 yearly." (Fortune, loc. cit.)

7. Capitalist Hostility

Yet, in spite of these obvious attractions, there are indications that private business is hostile to the atomic

Another outbreak of conflict between the AEC and private industry took place on the occasion of the joint attack of the uranium mining firms against the price schedule for uranium. (See Section 3, last week, for the background.) This happened in 1949-50. The uranium mining firms evidently were not satisfied with the AEC's monopoly prices, and in 1951 they forced the AEC to triple prices for uranium ore in Colorado. They did this through their connections with Congress.

Business Week described it:

"A year ago, Colorado miners appeared to be satisfied with the prices they were getting for their ore. . . . But when costs began to rise and available manpower fell off 'as a result of the Korean war. miners started grumbling. The sound of discontent reached the ears of Western senators, some of whom are members of the joint Congressional Atomic Energy Committee. Now all is quiet again." (March 10, 1951.)

The "miners"—that is, the mine owners—had to appeal government channels to achieve their aim, rather than to the traditional force of pressure through the market. The latter, as we have explained, virtually does not exist in the field of the atomic-energy industry.

"UNASHAMED," BUT CONFUSED

But the larger problem is the long-term interrelationship between private industry and the atomic-energy industry.

Here are some valuable comments from Fortune:

"The trouble with the atom is, to the businessman, that its future is dazzlingly bright, but hopelessly vague . . .

"If David Lilienthal and his commissioners can not bring him [the businessman] down, that is only for the same reason that Thomas Newcomen, around 1710, could not define much use for his steam engine beyond unwatering English coal mines.

"The complexities that surround the atom and the businessman are, further, the insistence on secrecy in the name of security, the uranium and fissile-materials monopoly vested in the commission, and the patent restrictions of the McMahon Act, which in effect assign to the commission the control of what comes of atomic research. All this makes some U. S. businessmen just plain mad . . .

"The act never says how the strengthening of free competition in private enterprise is to be squared with its numerous injunctions against what used to be normal business process in the pre-Atomic Age . . .

"What the businessman seems to enter, once he is fully admitted to the atomic circle, is an economy of limited profit and no risk. What he seems to lose is what he has enjoyed in the past as he sees it: his prime entrepreneurial function. He is the servant, not the boss . . .

"Since in 'working for the government' on the atom the ordinary profit-and-loss system is suspended and there are no open markets to buy or reject a product, it can only be the AEC itself that decides how much profit this or that company is to make." ("The Atom and the Businessman," Jan. 1949.)

Since the profit provisions in AEC contracts are very vague and limited, Fortune suggests to those businessmen who have already entered the industry that "future industrial contracts should include them [the profits]," "they must be subject to negotiation and renegotiation," and the businessman must demand "his wages," the "frank, open, fair, unashamed profit." Like Congress, Fortune has to accept the conditions of the atomic-energy industry, however reluctantly, since the greater evil is the threat of Russia, but it demands the "unashamed profit" as a "Moral Equivalent for War; something that will really bind diverse men's conflicting interests together while there is still even limited peace on earth.'

The capitalist class does not like the trends which emerge from the Atomic Age, it looks on them with fear, but it has no alternative to them, and its own political interests drive it to accept what it feels as an economic straitjacket.

8. Atomic Contradictions

Behind these capitalist fears are some basic questions. We know that potentially atomic energy is a tremendous and seemingly unlimited source of power, which can also presumably be used in industry, and that the atomicenergy industry is still very, very young.

The questions arise: Can atomic energy compete with and win over the other sources of power-coal, oil, etc.in an evolutionary process under the conditions of the capitalist system? To what extent is it possible to retain the contemporary forms of capitalist economy while utilizing atomic power in industry? Is it possible for capitalism to destroy the new trends which are changing its economy, or is the further and indefinite development of these trends immanent in atomic industry? In sum, is the reprivatization of the atom possible?

As we have already mentioned, the application of atomic power to industry has not yet gone beyond the stage of research and experimentation; but there is already a great deal of discussion on the possibilities of such application. It can be said that the majority of the opinions we have read on this problem are on the pessimistic side-afraid of, if not positively hostile to, the application of atomic power to industry.

But there are other views, especially from the side of those who feel that they would be the first to exploit the

atom. Here is an example of such views from the electrical industry:

> "There are, in fact, highly respected scientists who predict privately that within 20 years substantially all central station power will be drawn from nuclear sources. . . . An idea of a uranium pile as a power source may be obtained by comparing the bulk of a pound of uranium with that of 1500 tons of coal, which gives, when burned, about the same energy as the pound of uranium or plutonium does when consumed in the pile. Similarly 250,000 gallons of fuel oil or 40 million cubic feet of gas are also approximately equivalent to a pound of uranium, One pound of uranium or plutonium is capable.of yielding almost 12 million kilowatt hours of energy, enough to supply the total power consumption of the country for a quarter of an hour. An atomic power plant operating at a million kilowatt level thus needs only about two pounds of uranium or plutonium a day. A million kilowatt power plant therefore, would require an annual fuel supply of only some 700 pounds of uranium. Compare this with more than a million tons of coal required for the same size plant and you will have some idea of what effect the use of nuclear power would have to transport this immense quantity of fuel . . . by a small airplane in one flight or by parcel post." (Power Plant Engineering, editorial, May 1947.)

It may also be that the airplane carrying the year's supply to the power plant may be propelled by the same fuel, if we can rely on the Fairchild Engine & Aircraft Corporation, which is now working toward constructing bombers with atom-propelled motors.

POTENTIALITY IS THERE

The chemical engineer explains:

"Plants far from traditional sources of fuel may turn much sooner to uranium and thorium as concentrated heat sources, that may easily be transported even to remote corners of the earth. Atomic power, in forms now known, is impractical for automobiles and small airplanes, because of the large initial investment in uranium and the need to carry 50 tons of shielding to protect riders and pedestrians against deadly radioactivity accompanying nuclear fission. . . . But in five or ten years uranium piles will be driving a few experimental ships and submarines. In 20 or 30 years uranium may begin to compete widely with coal as a fuel for suitably situated large central heating and power plants." (Chemical and Metallurgical Engineering, July 1946.)

In this field there is no very insuperable gap between imagination and reality. In 1946 the Carnegie Endowment Committee on Atomic Energy published a very interesting estimate of comparative costs in two plants for the production of electricity, of equal capacity (100,000 kw), one operating on coal and the other on plutonium (Chemical Engineering, Oct. 1946). Here is a summary of the estimate:

Total capital cost: Coal plant \$13,200,000. Plutonium plant \$11.100.000. Total operating cost per year: Coal plant \$3,340,000.

Plutonium plant \$2,970,000.

Besides, the number of employees estimated is 60 and 40 respectively. The estimated excess of income over operating costs equals 5 to 15 per cent. The study concludes: "Atomic units of what is considered a 'reasonable' expense would tend to displace many coal-fueled units."

In 1948, at Patchogue, N. Y., a small electricity plant awas built, atom-fueled. Evidently the experiment was not economically successful. At any rate the Wall Street Journal wrote an editorial about the "enormous costs," adding maliciously: "Some day . . . it [the atomic electricity plant] will be expected to go out and earn its living in the hurly-burly of the commercial world. This may take 10 years, or 20 years. The men who make and sell electricity from old-fashioned coal or oil aren't much worried." (Apr. 13, 1948.)

"QUESTION OF SURVIVAL"

But obviously they are worried. They all know the story of how the steam engine went out and earned its living. They not only worry about it but discuss what to do about it. They discuss the possibility of the reprivatization of the atom—like this, for example:

Elements in the electrical industry even call it a "question of survival" that they go privately into the atomic-energy industry (cf. Power Generation, Dec. 1948). We have mentioned that some electric companies demanded permission from the government and the AEC to build their own atomic piles for electricity production. Alas, this was the answer:

"The Atomic Energy Commission announced yesterday that it will uncover its atomic pile program for study by selected industrial groups wanting to develop electrical power from atomic sources with private capital . . .

"It was learned at the AEC in Washington that the same secrecy and personnel clearance procedures used on the government's atomic reservations would apply to any privately controlled plant. Furthermore, under the Atomic Energy Act, any patents developed pertaining to uranium, plutonium or

(Turn to last page)

Page Eight The Atomic Energy Industry: the AEC and the Corporations — —

In other words, such private enterprisers would have the same degree of "laissez -- faire" as exists for AEC's contractors today! It is, then, reasonable to believe that atomic energy

in the present stage of capitalism.

energy industry?

(Continued from page 1) output in the United States to \$440,000,000,000.

it is quite easy to get lost among them. Without a breakdown of how the increased per-capita income is divided among the various income and occupational groups in the country, it is impossible to establish just what the figures mean in real social terms. FLOOD OF CASH

But one thing is quite clear from the president's report: The expenditures of the government for armament and for the support of the economies of other countries, both military and civil, is a tremendous prop to our own economy. The federal government's deficit will run between six and ten billion dollars for this fiscal year, which means that this is the extent to which the government will prime the pump of the economy directly through borrowing. Indirectly, in is priming the pump to the tune of between 55 and 65 billion dollars per year, though much of this is achieved by means of redirecting the flow of the national income via

taxation. Actually, to speak of government spending at these levels as "pump priming" is to use the world loosely. It would be more accurate to speak of it as a governmental flood of cash which is keeping thme economy afloat at its present high level.

In an election year it is quite understandable that the president would refrain from emphasizing any of the economic dangers which lie in the country's path. The only ones he speaks of in the report are the dangers of inflation, for these can be pinned onto the coalition in Congress which wrecked most of the controls the administration sought during the closng days of the last session. But cthers, looking at the period ahead, are not so optimistic as is Truman.

EYES ON '53

past few months'

But there is considerable apprehension that sometime during 1953 things may take a turn for the worse.

This is thought to be probable. of course, only if the war in Korea does not spread, and if the cold war does not intensify to the point where another major increase in the rate of armament

(Continued from page 7)

other 'fissionable' material would belong automati-. cally to the government . . . "The atomic plants [would have to operate

only] with government-leased uranium . . . "Any private undertaking must insure that attention to the over-all atomic energy production program would not be lessened . . ." And so on. (N. Y. Herald Tribune, Jan. 28, 1951.)

can compete with and beat coal, oil, gas and other present fuels. And under present conditions any real reprivatization of the atom, the reintroduction of "free enterprise" into the atomic industry, is quite impossible.

We stress "under present conditions." This is under the conditions of war economy, which is itself inherent

But let us imagine for a moment that the war economy, with its limitations, does not exist. Would it then be possible for private capitalism to develop the atomic

We have already given the example of what would happen to such industries as coal, oil and gas, and to the transportation system. A corporation which would produce atomic-produced electricity could win the war of competition and become a mighty monopoly. It would throw out on the street at least 30 per cent of its labor force (according to the estimate of the Carnegie Committee, already given). In fact, this process has been quite evident in the AEC's industry:

"The cutting of costs through mechanical inprovements and reduction in manpower requirements . . . continued: By May 1949, the total number of employees [at Oak Ridge] was 4,700, as compared with 11,400 in 1947. Personnel of the commission was reduced on average of 46 per cent between July 1, 1948 and May 30, 1949." (U. S. AEC: Atomic Energy and Life Sciences, op. cit.,)

"Some businessmen [in oil and chemicals] are beginning to argue: If 'the government's monopoly were eliminated and normal patent incentives restored throughout the atomic field, private money would flow in and development would go forward in a manner more businesslike, faster and cheaper." (Business Week, Apr. 10, 1948.)

Without pursuing other trains of consequences, we can confidently say that the introduction of atomic energy on a big scale in industry under the conditions of "free enterprise" economy would indeed be utopian.

Such are the dialectics of historical developments:

The Atomic Energy Act calls for "strengthening of -free competition" and at the same time creates an "economy of limited profits and no risk." The AEC frankly wants to bring private enterprise into the atomic-energy industry, and at the same time it must exert itself to subjugate and control it. The businessmen seek their shares of the government's "unlimited funds" and at the same time cry about the "question of survival." Congress is afraid of the "new far-reaching economic revolution" which "will change our present way of life" and at the same time it has no other way out than to stimulate it. The war economy has stimulated the one-sided development of atomic energy but at the same time its restrictions and secrecy prevents its full development. Capitalism gives birth to the war economy and at the same time the war economy gives birth to trends which threaten basic features of the system and look in a new direction. That direction may well be the highest stage of state capitalism.

Fear of Recession Is Growing ----

These are a lot of figures, and

No one is predicting an economic recession (not to speak of a depression) during the rest of 1952 or in early 1953. The rate at which arms are now being turned out means too much in wages and profits to permit a major economic decline as long as it is on the increase. The poor business conditions which have beset the textile industry and some others have not shown a tendency to spread as yet, and there are some recent indications that things have been picking up a bit even in these depressed fields during the

expenditures is passed by Conthe prospects for an early war are "good," there will be no reason to fear a recession. But if the prospects for continued "peace" are about the same as they are now, things may get rather difficult on the economic level. You can pay your money and take your choice.

Taking the second alternative, the problem is this: when the level of expenditures on armaments, etc. levels off in 1953, from where will the expansion in the economy come which will be needed, to keep full employment going?

The problem is made even more difficult by the fact that during the past year of constant increases in armament expenditures there has also been an enormous private investment in plant expansion. It is estimated that this will taper off, if indeed it will not come to an almost complete stop, at just about the same time that government expenditures for arms will start declinng.

FEARS VOICED

An article in U. S. News and World Report for June 6 entitled "'52: Boom-'53: Recession?" predicts the following: The annual rate of federal expenditures will drop from a high of \$66.4 billion in late 1952 to \$57.9 billion in late 1953. Over-all spending in the nation will drop from a high of \$350 billion to \$336 billion for the same periods. And at the same time, unemployment will increase from 1.6 million people to 4.7 million, or the most unemployed we have had since before the war.

These are predictions, and it would be unwise for anyone to set too much store by the exact figures. What is interesting, however, is that these are the preanalysts.

That they are not alone in their concern over what may happen once military expenditures begin to drop off is demonstrated by the announcement in Washington on July 17 that Secretary of Commerce Charles Sawyer has ordered u study to be made of potential markets for goods and services next year.

The news dispatch to the New Fork Times states that "Secretary Sawyer said the study would provide an appraisal of potential markets that might be stimulated to keep industry operating at peak capacity after the defense production program begins to level off around the middle of next year." It goes on to state that business executives have said that there is "considerable concern . . . among producers here as to their ability to meet price competition abroad because of the sharp rise in labor and material costs in this country under the defenseproduction program." Nor is the CIO as sanguine about the economic future as President Truman's economic mes-

sage attempts to be. The CIO's unit-as a basic means of bolstergress. That is, if during next year - Economic Outlook says that an ing consumer buying power. And economic recession is even likely in 1953-54.

> Production and employment will fall off, predicts the current issue, if consumer spending does not rise enough to offset the expected leveling-off in military spending and the decline in construction of new plants and equipment.

> "There is no widespread backlog of pent-up consumer demand now as there was after World War II," the CIO said. "Consumers do not have any substantial liquid savings as they did on V-J Day.

"There is no indication that business will change 'its' pricing policies-to reduce prices that produce lower profit margins per Congress has shown a disregard for price control despite the possibility of pressure on prices."

COLD COMFORT

Are we facing, perhaps, another major depression similar to that of the 1930s? It hardly seems likely. Even at the reduced levels of government expenditures for military purposes invisaged for 1953 these expenditures will remain enormous. But the expansion of the economy, to which Truman points with such pride, presents a danger under our economic system which should not be underestimated. Each spurt forward creates not only the possibility but the necessity of further expansion, if the existing equipment is to be kept running at full capacity. And full United States.

capacity is a necessity if the present level of employment is to be maintained.

A return to a real "peacetime level of military spending would no doubt bring economic disaster in its wake. This is the fact about our economy which all the talk about the "new techniques' developed by American capitalism to prevent depression conveniently ignores. There is little prospect of this "peacetime" level being re-established and everyone is entitled to draw what comfort he can from this fact. But even a slackening of the pace of armament production could bring, if not full-fledged disaster, then an economic decline which could stimulate the most profound political reactions throughout the world, not least of all in the

that personal liberty "includes the

right of locomotion, the right to

move from one place to another,

according to his inclination."

While the high court was there

considering the freedom to move

from state to state within the

United States, the decision con-

tinued. "it is difficult to see where.

in principle, freedom to travel

outside the United States is any

less an attribute of personal lib-

erty. Especially is this true to-

day, when modern transportation

has made all the world easily

accessible and when the execu-

tions and free intercourse of our

citizens with those of friendly

countries. Personal liberty to go

abroad is particularly important

to an individual whose livelihood

is dependent upon the right to

travel as it is claimed by the

plaintiff in this case. . . . Free-

dom to travel abroad, like other

regulation and control in the in-

terest of the public welfare. How-

ever, the Constitution requires

due process and equal protection

of the law in the exercise of that

The ruling rejected the govern-

ment's contention that the issu-

ance and rejection of passports

involve the conduct of foreign af-

fairs and are within the province

of the executive and may not be

interfered with by the judiciary.

rights, is subject to reasonable

Federal Court's Passport Ruling Based on 'Due Process' Clause

decision handed down July 9 statute and regulations." which attacked the State Department's passport policy. As partially reported last week in LA-BOR ACTION, a special 3-judge federal court, by a 2-1 vote, ruled in Washington, D. C. that the State Department's failure to provide hearings on the denial of passports was a violation of the guarantees of due process of law accorded citizens under the Constitution.

The decision was handed down by federal district judges Richmond B. Keech and Edward M. Curran in the case of Anne Bauer, free-lance writer residing in Paris, whose passport had been revoked because the State Department said her "activities were contrary to the best interests of the United States." Circuit Court Judge Charles Fahy filed a dissenting opinion on the jurisdictional grounds that the case should not have been heard by the special court, but should have been processed in the routine manner through the federal district court. The ACLU instituted the test case last spring.

In their opinion, Judges Keech and Curran said:

"This court is not willing to subscribe to the view that the executive power includes any absolute discretion which may encroach on the individual's constitutional rights, or that the Congress has the power to confer such absolute discretion. We hold that, like other curtailments of personal liberty for the public good, the regulation of passports must be administered, not arbitrarily or capriciously, but fairly, applying the law equally to all citizens without discrimination and with due process adapted to the exigencies of the situation. We

Further information is now hold further that such administraavailable on the important court tion is possible under the existing

The opinion noted that the executive department of the government "must necessarily be accorded wide discretion in determining when and where the protection of the United States may be extended to an American citizen travelling abroad, and that it should also have discretion to deny such protection to persons whose activities abroad might be in conflict with its foreign pol-

The question, which the court tive and legislative departments answered in the negative is of our government have encourwhether the secretary of state has aged a welding together of naabsolute discretion in passport affairs "without regard to the principles of due process and the equal protection of the law, and whether or not his discretion can be exercised arbitrarily."

The two judges said that due process does not require a judicial hearing, but merely a procedure in which the elements of fair play are accorded. "Essential elements of due process are notice and an opportunity to be heard before the reaching of iudament, but the particular procedures to be adopted may vary as appropriate to the disposition of issues affecting interests widely varying in kind."

In discussing the due-process questions in the case, the court quoted a decision from the Supreme Court which recognized

NOT IN THE HEADLINES . . .

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control."