

LABOR ACTION

JULY 14, 1958

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SPOTLIGHT

The Right To Travel Under Attack Again

The Eisenhower administration is now seeking to turn the clock back on the rights of Americans to travel abroad. The president and Secretary of State Dulles are urging Congress to pass a law which would re-introduce all of the State Department's old restrictive practices with regard to passports which have been struck down as unconstitutional by court decisions in the past few years.

The arguments presented by the president in his special message to Congress on this matter have no greater weight than the arguments the Passport Division of the State Department used to give before. And in addition, the president's message seeks to give an impression of great urgency, of imminent peril unless the right of Americans to travel abroad is immediately made once again subject to the whims of the government bureaucracy. "Each day and week that

passes," says the president's message, "without it exposes us to great danger." [The "it" is the right to apply a political means test to passport applicants].

The draft bill transmitted to Congress by Secretary Dulles for speedy action seems to lay stress on "communist activity" rather than membership or belief as a basis for denying passports. This, of course, is just a shabby legal trick by which the State Department hopes to circumvent the Supreme Court's clear hint that to deprive people of their right to travel merely because of their beliefs is unconstitutional. Actually, what kind of "activity" can the State Department possibly have in mind. Attending meetings; signing petitions; subscribing to or writing for publications etc. All of these are the ordinary "activities" of a political movement, perfectly legal in themselves, and protected by the Bill of Rights to boot. They are simply the expressions of active rather than passive "belief and association." Thus this "test" would change nothing from State's old criteria, and since the burden of disproof would still be on the applicant for a passport, nothing would change in the procedure either.

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NAACP Alabama Case: High Court Strikes A Blow For Freedom

By LARRY O'CONNOR

The Supreme Court's unanimous decision backing up the refusal of the National Association for the Advancement of Colored People to turn over its membership list to the State of Alabama strikes a real blow for freedom. Though every form of legal and illegal harassment and persecution of the courageous members of the NAACP in Alabama and throughout the South will continue, this attempt by a State government to illegalize the organization by means of a trick has been struck down.

Alabama had claimed that since the NAACP is incorporated, it must comply with a state law covering registration of corporations. As part of such registration, Alabama demanded that the NAACP turn over its financial records and membership lists. The NAACP turned over the names of its state officers and employees and

its financial records, but refused to divulge the names of its members on the ground that this would subject them to public and private terrorism. A state court then ruled them in contempt, fined them \$100,000 and barred them from registering as a corporation.

ASSOCIATION

The Supreme Court decision written by Justice John Marshall Harlan preserves, in the first instance, the legal right of the NAACP to function in Alabama. But it goes much further than this. It reaffirms and strengthens the recognition that freedom of association for any legal purpose is an indispensable condition for effective freedom of speech and of the press. It places this right of organized activity on the same level as the other constitutional freedoms, and emphasizes its immunity from government intervention, restriction or harassment except on such clearly stated grounds of public interest as could also justify governmental restriction of the other freedoms.

Further, the Supreme Court ruling specifically points to a demand of disclosure of membership as one of the ways in which the right of free association may be rendered impractical in real life; and it strikes down the State's contention that it has no responsibility for the acts of private reprisal, terrorism or discrimination against members of an organization whose names have been made public on government demand.

The NAACP is, of course, the first immediate beneficiary of this ruling. But as in the case of all real victories for civil liberties, all citizens will in time benefit from the extension of freedom involved. One immediate area of applicability of this decision which comes to mind is that of the federal government's "List of Subversive Organizations."

SUBVERSIVE LIST

As readers of LABOR ACTION know, the Independent Socialist League is about to go to court to contest its inclusion on the "Subversive List," after a decade of exhausting its administrative remedies with the Department of Justice. Two actions by the Department of Justice seem to be directly affected by this Supreme Court decision: one was the demand that the ISL produce its membership list; and the other was its claim that the govern-

(Turn to last page)

The Worst Post-War Slump Bumps Along the Bottom With Over Five Million Still Unemployed

ONE YEAR OF THE RECESSION

By HERMAN G. ROSEMAN

The recession is now a year old and is clearly the most severe of the postwar downturns. In March, unemployment hit a postwar peak of 5.2 million. This was 11 per cent greater than the previous peak of 4.7 million reached in February, 1950, and 40 per cent greater than the 3.7 million mark of March, 1954. Also, the industrial production index—another excellent indicator for these purposes—has fallen 13 per cent, which is already a slightly greater decline than that of 1949.

Not only has the recession been unprecedentedly severe (for the postwar period), but the spring "recovery" has been unexpectedly weak. Manufacturing employment continued to fall in April and May; total non-agricultural employment rose 115,000 in May mainly because of an increase in construction activity. (In April and May of 1957, non-agricultural employment rose 150,000, while in 1958 it fell by 19,000.) The industrial production index rose one full point in May but was still lower than in March. And a much-heralded six weeks rise in steel production was reversed in late June after U.S. Steel announced that it might not raise its prices after all.

Actually, the only reason to expect a significant spring upturn was the hope that the inventory contraction might cease. As of April this had not yet occurred. At best, a "bottom" was reached. This has been variously interpreted, but by far the wisest words on the "bottom question" have been those of Joseph Slevin, writing in the *New York Herald Tribune* (June 9): "There are two ways to move from a plateau that looks like a bottom. One is up. But the other is down." We cannot rely on a crude theory of turning points to get an idea of which way the economy will turn next. The best we can do at present is to analyze closely the key sectors of the economy and then try to summarize the various results.

The key factor in the recession has been the large and continuing decline in business investment (purchase of new buildings and equipment). Be-

tween the 3rd quarter of 1957 and the 2nd quarter of 1958, investment fell from \$37.8 billion to \$31.4 billion (at annual rates), a cut of 17 per cent. Furthermore, government surveys indicate that businessmen are planning to continue reducing investment until the end of the year and perhaps beyond. By the end of 1958, they will be spending at the rate of \$29 billion, 23 per cent and almost \$9 billion below the 1957 rate. Judging by the extent to which order backlogs have been cut in such industries as structural steel, machine tools, railroad equipment, it seems most likely that the decline in investment will continue well into 1959. The same conclusion emerges from consideration of the huge drops in new capital appropriations and unspent capital backlogs of manufacturing corporations (*Newsweek*, June 2, 1958).

Thus far consumption expenditures have held up pretty well. In the first quarter of 1958, total consumption was only \$2.4 billion less than at the earlier peak in the third quarter, 1957. This was a drop of less than 1

(Continued on page 6)

LONDON LETTER

Despite Attempts at Obstruction by the National Executive

The British Labor Party Left Wing Has Bright Prospects

"Victory For Socialism" Forges Ahead

By OWEN ROBERTS

London July 1

For the past four months readers of LABOR ACTION who rely on this London Letter for news of what is happening in the British Labor Party have been left like viewers of a television serial—with the hero hanging over a cliff by a fingernail, a raging torrent below and the villain above chopping at the hero's fingernails while pouring hot lead down his neck. That is a description of the situation which reached London today in a letter from the editor of LABOR ACTION which urged this column to put readers out of their agony and continue with the next installment.

The editor's description was fair comment, and by way of apology an endeavor will be made to trace events since March 10, when this column last made its appearance.

VFS REVITALIZED

By way of recapitulation, it will be remembered that four months ago the big news from Britain was that a group of left-wing members of the Labor Party, (including members of Parliament such as Ian Mikardo, Fred Messer and Stephen Swingle, and Tribune editor Michael Foot) had given Victory For Socialism—a 14 year old grouping of left-wingers—a new lease of life by taking it over and announcing their intention of forming it into a new left force within the Labor Party. The real reasons for this move, though unannounced, undoubtedly stemmed in part from the rightward turn of the BLP at its annual conference last October and Nye Bevan's complicity in that turn. The fact that the leaders of this take-over of the old VFS were all, one-time supporters of Bevan was sufficient indication that the remnants of Bevanism had decided the time had come to leave Bevan to his own devices and to do something which many left-wingers had been urging for many years—begin to build an organized and thinking broad left wing within the ranks of the Labor Party and to do this from rank and file level upwards.

The Mikardo-Foot move to make the VFS into such a left force was immediately welcomed by left wing rank and file members of the Party with an enthusiasm which was matched only by the coldness of the reception it got from the National Executive Committee of the Party. Particularly worrying to the Party leadership was the declaration of the new VFS leaders that: "We intend to recruit thousands of active Labor Party members, form branches, stimulate fresh discussion about the application of socialist principles, and, above all, inspire renewed faith in the power of democratic action."

CONSTITUTION

It would, of course, have been hard for the leaders of the Party to attack the VFS leaders on the parts of this statement which refer to the stimulation of discussion, socialist principles and democratic action. So they lined up for attack the idea of forming branches—and pointed out with a great deal of vigor, that this was contrary to the spirit of the constitution of the BLP. It must be said that in making this point the NEC was, constitutionally, quite correct. Clause four of the BLP constitution states that persons who

belong to organizations ineligible for affiliation to the Party shall not be individual members of the Party; and any political organization which organises branches in the Parliamentary Constituencies is ineligible for affiliation. Thus, implied the NEC, it was a case of members choosing between the VFS and the Labor Party.

But, as much as it may have wished, the NEC was not in the position to put the matter quite so bluntly—for VFS had already gathered too wide support for the expulsion threat to be used. Instead the NEC invited representatives of the VFS leadership to a round-table conference; "just to find out what this VFS crowd think they are up to," explained Party leaders who were embarrassed by the fact that in asking the VFS to talk they had acknowledged its existence.

PUBLICITY

All of this huff and puff had not escaped notice in the national daily newspapers, which carried stories of threatened splits and other bloody consequences. The net result was that VFS, for a few days, got more publicity in the Press and on radio and television than the Prime Minister and Hugh Gaitskell, the leader of the Parliamentary LP, put together. And this all occurred just a couple of days before VFS held its first public meeting in London to launch the organization on a nationwide basis.

Originally the VFS organisers had not planned for a large meeting, and the hall they had booked could hold less than 300 people. But when it became evident that this hall would be too small to accommodate the large numbers of people who had shown an interest in VFS because of all the publicity it had received, another hall of similar size was booked to house an overflow meeting. In the event, both halls were packed tight and several hundred people were left outside, unable to gain admission. (Incidentally, the only condition of admission to the meetings was the possession of a current Labor Party membership ticket—a novel departure for a left grouping in Britain but one welcomed by those on the left who have always insisted that the efforts of the left should be directed inwards to the LP membership instead of frittering away energies on the assorted collections of cranks who hover around the fringes of the organized Labor Movement).

At the meetings the audience was told something of the discussions which had been held with the NEC. In face of the obvious widespread support for VFS at rank and file levels the Party leadership had apparently decided to take no direct action against it, so long as it made no moves to organize branches within the constituencies. To this the VFS leadership had agreed, and it soon became obvious why. For although it could not organize branches around a central committee the VFS leadership made it quite clear to the audience that there was nothing to stop members in the localities coming together, forming groups and electing their own officers; in fact from behaving in every way as a branch except that they could not be expressly recognized as such (at least in no formal fashion) by the VFS organization itself. This, explained the VFS speakers, would be something of a handicap when it came to calling conferences, because members could not attend as delegates from branches but only as individuals—but on the other hand there would be nothing to stop individual members in the provinces, who could not all attend a conference in London, getting together and making one of their number a spokesman for their point of view.

FACE SAVING

Thus, all the fuss made by the NEC came to exactly nothing. And since these initial meetings were held the VFS has scored another point by realising that

the NEC will find it difficult to invoke the constitution if branches are not organized on a constituency basis. So now VFS has again reverted to its practice of calling its local groups "branches" and has taken the precaution to see that they do not organise merely within a constituency but on the basis of any convenient geographical unit! If this all sounds rather like a comic opera it just shows how widespread the practice of face-saving has become, because now that its face has been saved the NEC has not made another peep about VFS.

PAMPHLETS S

This must not be taken to indicate that VFS has gone out of its way to restrict its activities for fear of offending the Party leadership. On the contrary, it has done the very things which one might have expected to provoke protest from the NEC. All over the country branches of VFS are springing up and staging conferences and regular meetings on subjects of the moment. Week-end schools, on an area and national basis, have been organized. And, perhaps the most deadly "crime" of all, VFS has taken to issuing policy documents to coincide with the issue of documents on the same subjects by the NEC.

Thus a few weeks ago the NEC published *Learning to Live*, a policy document on education which will be discussed by the delegates to the Party annual conference in three months' time. A few days ago VFS published *Equality in Education*, a "discussion pamphlet" on education. The major point likely to provoke controversy at the conference in the NEC pamphlet is the statement that the public schools (which in Britain are the high-class fee-paying schools confined to the children of the ruling class and remnants of the aristocracy) should be left as they are because to interfere with them at present would be a difficult task. Says the VFS pamphlet, all "public" schools should become public schools by being taken over by local education authorities and the minister of education. The complete VFS pamphlet puts forward an entire programme for education which, while identical to the Party policy statement in some points, carries many of the arguments stages forward and will serve as the starting point for discussions among left wingers.

CENTRAL POINT

VFS states that it intends to continue this practice, and the results of it should be felt immediately both at the local levels within constituency Labor Parties and at the national level at the Party conference. In the past the left of the Labor Party has been considerably weakened by the fact that it has had no central point around which to pivot (except when Bevan tried to play this role, often with awkward consequences). But now, just the existence of the VFS pamphlets, will help to concentrate the attention of the left wing instead of allowing it to wander and thus become diluted.

Of course, there are weak points within VFS itself—as there must inevitably be in an organization which seeks to encompass the broad left of the Labor Party. Some of these weaknesses will be discussed in a future London Letter which will examine the policy declarations which VFS has made up to now—particularly in the field of foreign affairs. But despite these weaknesses the outstanding fact remains that the left wing of the British Labor Party is looking healthier than it has for a long time.

First, it is now being drawn together on an organized basis which is broad enough to accommodate the best elements of the Labor left and so avoid the narrow sectarianism which has shattered many earlier left groupings or else restricted their activities to people who play at revolutions just inside the boundaries of the Labor Party. But at the same time

VFS has not got the disadvantage of the old Bevanite left-wing, which while broad was completely unorganized and was dependent upon the whims and fancies of Nye Bevan.

CHAIN EFFECT

Second, the emergence of VFS has tended to have a chain reaction effect. The weekly newspaper *Tribune* has now become almost the official organ of VFS—and is much improved. The *Universities and Left Review* Group, composed mainly of students and young intellectuals, is revitalised and has been holding bumper discussion meetings in London. The anti-H-bomb campaign, managed by a variety of individuals opposed to nuclear weapons, has had more of a political content infused into it through the VFSers who are playing a leading role in its ranks.

All round there are signs of movement on the left of a kind which many pessimists considered impossible after the rightward turn at the LP conference last fall. Given a year or two of continued growth, and bearing in mind that a general election must be held not later than May 1960, there is every chance that VFS can be the midwife to some big changes in British politics.

Chi. Blacklist Agency Uncovered By "Post"

The existence of a well-financed private agency in Chicago which serves as a central black-list clearing house for industry was revealed in an exclusive article in the *New York Post* for July 9. The *Post* story begins: "A well-financed private agency flourishes today supplying industry with information on subversives, would-be subversives and could-be subversives who are looking for jobs."

The agency purports to have a file of one million names which is growing at the rate of 20,000 per month. Its budget is reported at \$100,000 per year. Among its clients are such industrial giants in the Mid West as the Illinois Central Railroad, Sears Roebuck, Motorola, Marshall Field & Co., Kraft Foods, Federated Department Stores, and Quaker Oats.

The agency, which calls itself the American Security Council has a board headed by prominent industrialists. The backbone of its material was bought for \$35,000 from the estate of the notorious Chicago purveyor of anti-Semitic propaganda during the 30s, Harry Jung.

According to John M. Fisher, ASC any individual may have made on the president, his Council "collects comment" Smith Act, the McCarran Act, the Taft-Hartley security provisions, the Rosenberg case or on the House or Senate un-American Activities Committees. "We reserve the right to clip anything that strikes our fancy," Fisher told the *Post* reporter. "This 'fancy' then winds up in the individual's dossier, and a prospective employer gets it," the reporter adds.

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A Good Time To Test The Theory Of Labor-Management Harmony

By H. W. BENSON

A convenient moment to test theories of labor-management harmony comes when one side can forego a momentary tactical advantage to advance some great common goal. Every big company has that opportunity now; they can join with unions to soften depression suffering, even at the expense of profit or reserves; or, they can gleefully squeeze hard, knowing that labor is in a bad bargaining position. Even from the standpoint alone of a long-range shrewd selfishness, they might become reasonable. But never accuse our employers of subtlety; when they are out for grabs, it is crude and crass. They prudently reserve the quality of self-restraint for times when the union is in a strong position and then they unhesitatingly recommend it to all.

When everything is going nicely, harmony makes a popular subject for lectures. There are customers for anything; no one wants an hour's work lost; certainly not employers. Chairman of the board of the corporation and union president visit together from plant to plant, each with a photogenic smile. They descend, even, to the foundry and visit Old Luke, been there 23 years and soon gets a pension if he lives. Chairman holds out pallid palm to Old Luke. Luke demurs, "Aw, my hands are full of oil and sand." Chairman waves aside all objections with democratic magnanimity. Luke wipes hands on rag waste. They clasp. Cameras click. (Chairman thinks: must get this suit out to the cleaners tomorrow).

Such little things once made big headlines. Only last month the Hatters Union invested \$3,000,000 of welfare reserves in two big loft buildings in the center of New York City's millinery industry. The union wants to be sure that no grasping real estate combine will force the hat manufacturers to move and so they become the union's tenants. Not long ago, a whole theory of harmony could be composed out of this one incident. But now, no one bothers. The union is simply anxious to keep its jobs here. On other fronts, cooperation is not what it once seemed to be.

Time for Responsibility

Times are bad and nowhere worse than in the auto industry. If ever there was a moment for social responsibility, this is it. What each side may preach is of some interest. What is noteworthy is that the Big Three auto magnates practice the class struggle. Ford, General Motors, and Chrysler present a united front against the UAW. Before auto contracts expired, the union told Senator Kefauver on May

11, "... to date, the giant corporations that dominate such vital sectors of the American economy as the automotive industry, have been unwilling to meet their obligations, but instead continue to pound the propaganda drums and to carry on the cold war against the union... all at the expense of the consumers and the economic welfare of the whole nation." Reuther announced that their attitude was, "Take it or leave it."

On April 28, Leonard Woodcock, the UAW's GM director, called the company's position "short-sighted and self-centered" and pointed to its "selfish hope of securing a tactical advantage over its employees." When GM terminated the contract the next day, he charged that it "is a signal it hopes to force industrial strife." When in May, GM announced plans permanently to shut down the die room of its Fisher Body Division in Pontiac throwing 500 men with long seniority on the streets, the union denounced the plan, "it will be more than a callous and inhuman disregard of people whose hard work and loyalty year after year helped build GM's success."

When the union compelled the Ford Motor Co. three years ago to grant a small piece of its demand for a Guaranteed Annual Wage, Walter Reuther was kind enough to praise Henry Ford's "social responsibility" and the New York Post extolled his "social engineering" as a final American refutation of the class struggle.

Now Ford works hand in glove with General Motors to resist even the slightest aid to hundreds of thousands of unemployed auto workers. It is like something out of an old-fashioned melodrama. Take one simple example. GM has paid \$97 million into the fund for supplementary unemployment benefits. Only \$7 million has been paid out. Of this, more than \$4 million has been covered by interest and appreciation on the monies in the fund. The union demands—it is incredible that this must be a "demand"—"give more money and for a longer period to the unemployed." Mind you, this will cost GM nothing; yet it refuses! And so do Ford and Chrysler. Where is Ford's social engineering now that the union's bargaining position is weak

Companies Say "No"

Contracts all expired by June 1, and workers went into the shops without a contract. The UAW had done everything possible to reach an agreement. It withdrew the short week as a key slogan. It scaled down its demands. It proposed to extend contracts for a few months and to waive an annual productivity wage increase due under the terms of the old contract. If offered to submit its claims to impartial public review and proposed arbitration. To all this, at every stage, the companies replied monotonously and unanimously, No; with never a proposal of their own except one: The Big Three will agree only to extend the old contracts unchanged for two more years; Chrysler wants in addition to cut down on the union's power by restricting its steward system.

But the union cannot agree for it is getting down to rock-bottom. The UAW is fighting now not for further advantages and greater progress but to alleviate genuine suffering, and in some cases, tragedy. A big part of its members are out of work. Plants have been abandoned;

many have been moved; the industry is being reorganized, transformed, decentralized, turned upside down. The human costs are staggering. Men, no longer young, with long seniority, have lost jobs, future and security; and their families too. They cannot pay rent; foreclosures increase. The social benefits won by the union disappear for the unemployed: health and hospital insurance are gone; pension rights, where not lost, stop accumulating.

The UAW wants help for those who are stricken; the companies turn their eyes and demand a simple contract renewal. What has happened to social responsibility, the common interests of labor and capital, cooperation, harmony? General Motors is willing to "cooperate" with a powerful union which is ready to shut down its plants when it needs production. Right now, however, it disdains even to make a gesture of pity for its unemployed. They can't strike!

Provocation Campaign

And so, the UAW went to work on June 2 without a contract; it was without a check off; it was without a recognized grievance procedure and it was biding its time. On June 5, UAW Chrysler Director Norman Matthews charged, "The Chrysler Corporation today launched a deliberate campaign to provoke its workers into striking." None of the Big Three are ready to try to break the union but they hope to slash its power. Chrysler cut down the number of recognized stewards in some plants; it restricted them from 8 to 2 hours a day for bargaining; it insisted that they must work at regular jobs, come what may, the first and last hours of the day and the first hour after lunch. In a few days, Chrysler imposed one-day suspensions on more than 100 stewards and committeemen; when protest walk-outs occurred, it shut down whole plants in retaliation.

It is all very simple: there is a backlog of hundreds of thousands of unsold cars in the lots and the companies would like to close their plants. If they can force the union to strike just now, they can avoid an increase in their unemployment insurance taxes and save millions. This is simple too; there is no social responsibility and even less cooperation.

The auto industry has its first sweeping setback in twenty years; and we learn the mentality of its owners in a time of trouble. They are not unique. In some industries, unions have been up against it for a long while.

"In the last six years," William Pollack, president of the Textile Workers Union, told his union's convention in May, "we have seen more than 1,000 mills close their doors. We have seen more than 300,000 jobs go down the drain." And this was the union's experience with employers. "Too many of them," said Pollock, "are dedicated to the proposition that textile workers should not be allowed to organize and too many are determined to keep their workers second-class citizens." And he denounced them as "un-American and anti-Christian" for their anti-labor and union-busting attitudes.

Unscrupulous Employers

One old union is in a terrible crisis. Only 90 delegates attended the 44th convention of the American Federation of Hosiery Workers last year. A special pamphlet of the Industrial Union Department (AFL-CIO) entitled *A Taff-Hartley Case Study* reports that "Whole local branches were completely wiped out. Membership was down to the lowest level since the great depression." Between September, 1947 and September, 1957 the membership of the union dropped by 76.5 per cent; Pension plans have been lost; holidays have been cut down; welfare benefits, where they exist, are paid in part by low-wage workers themselves. The industry is depressed but the cause is not that alone, for the union has weathered depressions before. "The major difference has been the Taff-Hartley Act," the AFL-CIO reports. "This law has made it possible for the unscrupulous employer to fight the union with all the tricks that were used before the Wagner Act and to do so armed with the immunity of the law."

Unscrupulous employers? Others may not be so unscrupulous. But then, there are millions of workmen organized in unions to keep them that way.

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Stalinism and Anti-Semitism — I Scandal Rocks Canadian CP

By AL FINDLEY

Like the proverbial bad penny, the problem of Jews and anti-Semitism continues to plague the world Communist movement. Stalin's extermination of Jewish culture and the introduction of limitations on Jews in schools, professions and certain ministries has not been changed in the least by Khrushchev. The new boss of world Communism did, however, add something new. That something was open anti-Jewish statements and jibes. He blamed the "October events" in Poland on the fact that there were "too many Abramowitzes" amongst the Polish Communists. In an interview given to the French paper *Figaro* he blamed the Jews for the failure of Biro-Bidjan, claiming that Jews were too individualistic and could not function constructively as a group.

As is usual in the Stalinist movement, the lower ranks were inspired by the leader and go "forward." Madam Furtseva accused the Jews of monopolizing certain ministries and fields of endeavour.

CANADA

Now, Canada becomes the locale of the latest incident. The Canadian Communist Party is, according to some observers, an "orthodox" CP movement. As a result the majority of the leading Jewish Communists have found it impossible to remain in the Party since the revelations about Russian and Communist anti-Semitism.

B. Z. Goldberg, columnist for the *Jewish Day and Morning Journal* of New York reports the following.

A Jewish Communist delivered a speech about Jews and the Jewish problem at the convention of the Canadian Communist Party. The speech was selected and distributed to the local clubs for study and

discussion. Before long, the clubs began to protest that the speech was anti-Semitic. The Central Committee of the Canadian CP disclaimed responsibility.

The speech, by S. Yakin at the CP convention dealt with two problems. First the speaker noted the fact that many Jews were leaving and had left the party and offered to give a "Marxist" interpretation of the facts. The second thesis dealt with the Jewish people in general.

INTEGRATION

As to the first, he declared that the Jews entered the party when they came from Europe, oppressed, poor and in their overwhelming majority, workers in the new world. They developed proletarian consciousness and entered the party. As time went on they integrated themselves in business and in the professions, became prosperous and bourgeois, and left the party.

"In dealing with the Jews in general Yakin's speech sounds real anti-Semitic. He is gracious enough to say 'all nations have inherited bad character traits.' However, he adds that 'because of the abnormal conditions in which Jews lived for 2000 years, they have developed these traits to a greater and higher degree. An isolated tree standing alone in a field will in the long run be affected by the winds and storms and grow crooked.' He speaks of the Jews having the following characteristics: 'Drive for power and riches, honors and praise, fear, swindle, hate, chauvinism and ambitions.'"

In discussing the rise of the Jews to middle and upper class status he gives the impression that it is only Jews who have moved up the socio-economic ladder and that the other nationalities of Canada have remained in their original poor and proletarian position. A subhead of the text of the speech reads: "Why non-Jews are not rich."

The "Militant" School of Quotations

The May 19 issue of the *Militant*, organ of the "Orthodox Trotskyist" Socialist Workers Party carries an article purporting to deal with the decision of the recent Socialist Party-Social Democratic Federation convention to invite the membership of the Independent Socialist League to join the SP-SDF. In the article, author Frances James makes an attempt to justify the headline "State-Department Socialists' Fuse" by presenting a highly imaginative version of the ideas of the ISL.

Sister James, whose creative talents in presenting the views of others has an ancient, if not too honorable tradition in political journalism, claims that an article in the May 19 issue of *LABOR ACTION* "criticizes the State Department for its 'negative anti-communism' and complains that 'the struggles of the subjugated peoples of Eastern Europe for freedom from the Stalinist empire' have not resulted in their 'flocking to support of U.S.' It complains further that 'Even at the time of the great crisis in the Stalinist empire—Hungary—American policy was helpless to exploit the crisis.' The ISLers do not fight American Big Business as the source of the war danger, but oppose its policies as not effective enough in combatting what they consider to be the main danger in the world—namely, the Soviet Union."

The degree of sister James' creativity

in portraying the views of the ISL on this and other questions can best be appreciated by re-reading the article by Sam Bottone in the May 19 issue of *LABOR ACTION* which she uses as the basis for her improvisations. As a matter of fact, that whole issue of the paper was a special pamphlet devoted to an exposition of the views of the ISL, thus precluding the possibility that sister James had been lead astray by some chance ambiguity in a single article.

Sister James would do well to leave this kind of thing to the experts. As a matter of fact, on the very same page of the *Militant* which carries her eager though somewhat bumbling effort, the editors give us a sample of the masters at work under the heading "Stalin's School of Quotations." They quote the Stalinist writer Arnold Johnson to the effect that in the SWP program "one finds the infamous 'Project X' and Allen Dulles' Program!" and as proof of this contention—the SWP has called for "aid to the countries of the Soviet orbit who are fighting for their freedom."

As a *Militant* editorial in the same issue rightly points out: "The idea that falsehood and injustice can serve the workers' movement or build socialism comes from Stalinism." Let's leave it there, sister James, let's leave it there.

G.K.H.

NOT IN THE HEADLINES

A year's subscription to LABOR ACTION brings you a living socialist analysis of news and views on labor, socialism, minority groups, national and world politics—for \$2.00 a year.

Stalinism and Anti-Semitism — II The Perverse Jews of Poland

BY L. G. SMITH

Journalism can be a hard profession. It is hardest when the problem faced by the journalist is to explain a development ruled out by the policy of the paper for which he is writing.

Among my fellow-journalists most to be pitied these days are those whose job it is to explain how there can be over five million unemployed in an America of unlimited opportunity. Perhaps in an even more pitiful condition are Stalinist journalists who have to explain to their readers the plight of the Jews in the Soviet bloc of countries.

Witness the sad case of R. Yukelson, member of the *Freiheit* editorial staff, who has just returned from a visit to Poland. As the *Worker* for July 6 says in an introduction to a reprint of parts of Yukelson's article which appeared in the June 10 *Morning Freiheit*, "while in Poland, Yukelson decided to discover why many Polish Jews are anxious to move to Israel. He also wished to learn why this movement to migrate to Israel increased among the thousands of Jews, who, in the last eighteen months returned from the Soviet Union to Poland."

SOME QUESTIONS

Yukelson decided to speak "face to face" with the people involved. The major questions to which he sought answers, he says, were: "First, the main reasons why they left the Soviet Union. Second, why, after returning to their country of birth, Poland, do they want to go on to other places, specially Israel. Third, what sort of people make up the majority of repatriates, and finally, is it true that all repatriates from the Soviet are anxious to leave Poland?"

The questions are excellent, to be sure. But the answers conveyed by Yukelson leave, as they say, much to be desired. On the last one, he finds that not all repatriates from Russia want to leave Poland, and that letters from families who have gone to Israel are one of the reasons which deter some.

But why did they leave Russia in the first place? And here we see a Stalinist journalist at work under the most difficult conditions:

"For many reasons they returned from the Soviet Union many years later. Some to live out the remainder of their lives in the country of their birth, others to find relatives and families and old friends, and a good number for other motives. . . . Some said they returned because they longed for a Jewish atmosphere, for a Jewish newspaper, for a

Jewish social life, which they claim they could not find in the Soviet Union. . . .

WELL ESTABLISHED

"It is necessary to state that the majority of the repatriates I spoke to admitted they were well established in the Soviet Union. With few exceptions they admitted there were no economic problems, such as lack of jobs, etc., as the main cause for leaving the Soviet Union.

"In Wroclow and Lignitz I was told that a good percentage of the repatriates left the Soviet Union with frigidaires, radios, and TV sets and some with automobiles. Naturally, I was unable to check on the authenticity of all such cases, but from all my talks with repatriates it became clear that many of the repatriates were unable to adjust themselves to live in a country founded on Socialism.

"Clearly such people will want to run to Israel, America, Canada, etc., because Poland too is a nation based on Socialist economy, not a capitalist 'free enterprise system.'"

PERVERSE LOT

Well, there it is. If we are to believe Yukelson, these Jews are obviously a perverse lot. In spite of the well-known "facts" they "claim" they couldn't find Jewish culture in Russia. Get them "well established" in Russia, shower a "good percentage" of them with "frigidaires, radios and TV sets," even give "some" automobiles, it is all to no avail. They just pine for capitalism and can't stand socialism.

Yes, the life of a journalist can be hard. While Yukelson starts out in one sentence to admit that he "naturally" couldn't check on the authenticity of "all such cases" of wealth achieved by Jews "deep in the interior of the Soviet Union," he ends the sentence in a non sequitur—namely that "many of the repatriates were unable to adjust," and so fourth.

All slips have their reasons. The absurdity of this talk of wealth amassed by the poor Jews in Russian exile is too much even for a hardened practitioner of Stalinist journalism. So in the middle of a sentence he switches to the official line, established by Khrushchev, that Jews, or at least "many" of them are simply incapable of adjusting to life under "socialism."

What comfort this line of reasoning may be to the readers of the *Morning Freiheit* it is difficult to say. But then, the life of a journalist can be very, very hard. . . .

Readers of Labor Action Take the Floor

ISL and "United Independent-Socialist Conference"

To the Editor:

Knowing that the ISL is in the process of negotiating unity with the SP-SDF, I was not surprised that it was not officially represented at the United Independent-Socialist Conference held in mid-June.

However, it seems to me that the advent of the Stalinist walkout places the ISL closer in position to the revolutionary United Socialists than to the social democratic SP-SDF. The walkout, and the subsequent two to one vote of the remaining delegates to perpetuate the initial goal for independent political action on a militant platform, is an historic development in the American socialist movement. For the first time since the Russian Revolution the CP dominance and misleadership of the American radical movement has been effectively challenged. The conference, comprised of neo-Stalinists, various shades of Trotskyists, and independent socialists (like myself), declared to the CP in effect: "If you won't join us in an internally democratic, revolutionary party of socialism based on American traditions and with primary loyalty to the labor movement in the U.S. then we will achieve our aims without you." Or, as one speaker pointed out so aptly, "If the CP won't wake up and

compromise, it better tell the IWW to move over and make room for it!"

If the ISL finds it incompatible with its policies to formally endorse a United Ind.-Soc. ticket in the forthcoming elections, I hope it will at least leave such support optional to its members as individuals—a number of whom I saw at the conference, nodding tacit agreement to the majority proposal which I assume will be printed elsewhere in *LABOR ACTION*.

Fraternally yours,
Cynthia Speare

New York, June 21

REPLY

I fear sister Speare misinterprets at least one aspect of what she saw at the conference. If the *LABOR ACTION* reporter was observed nodding, it would be far more reasonable to infer sleepiness than agreement. As his article in this issue of *LABOR ACTION* shows, however, he was both wide awake and in disagreement with the majority and the Communist Party positions at the conference. Perhaps he was nodding to a friend in the audience. The lesson: caution in drawing conclusions from such flimsy evidence.—Ed.

Young Socialist CHALLENGE

July 14, 1958

Edited and Published by the YOUNG SOCIALIST LEAGUE

TEN CENTS

Student Magazine "Anvil" Plans First Camp and Summer School for September

By MEL STACK

Anvil, the student socialist magazine, will hold a summer camp from September 1 through September 7. This is *Anvil's* first attempt at such an undertaking, but it promises to be quite successful and impressive.

The camp will be held at the Hudson Guild Farm in Andover, New Jersey. Since the farm is well-equipped with sports facilities, a lake for boating and swimming, and excellent food, the "vacation" end of the camp is assured.

The "education" aspect is also well taken care of.

CLASSES

On Tuesday morning, Sept. 2, Maurice Spector, editor of *Prospectus*, will begin the heavy lecture schedule with a talk on "American Capitalism and its Ideologists." In discussing the outline of the talk with Spector, it was clear to me that this opening session will be one of the highlights, a lecture not to be missed.

Robert Alexander, Professor at Rutgers University and the author of *Communism in Latin America*, will speak Tuesday evening on "Behind Nixon's Tour: The U.S. in Latin America." Alexander, of course, is one of the foremost authorities on Latin America in the U.S.

The lecture for Wednesday morning, Sept. 3, will be on "Illusions about Communism," with Mike Harrington, national chairman of the Young Socialist League, the speaker. Harrington will deal primarily with the ideas associated with Isaac Deutcher and their evolution since the Hungarian Revolution.

Maurice Spector will conclude his lecture on "American Capitalism and its Ideologists" Wednesday evening.

RUSTIN

Bayard Rustin will speak on Thursday morning, Sept. 4. Rustin, executive secretary of the War Resisters League and an editor of *Liberation*, recently returned from Europe. In England he addressed a rally of 10,000 people protesting the H-bomb and participated in the Aldermaston march (a Ban-the-Bomb demonstration in which thousands marched from London to Aldermaston). Rustin will speak on "The Peace Movement in Europe and America."

Thursday evening, B. J. Widick will lecture on "The Rise of the UAW—Future Perspectives." As co-author of *THE UAW and Walter Reuther and Chairman of the Chief Stewards' body of UAW Local 7*, Widick is sure to give an informative and interesting lecture.

The lecture for Friday morning, Sept. 5, will be on contemporary trends in American culture. The speaker will be announced at a later date.

SHACHTMAN

Max Shachtman, national chairman of Independent Socialist League, will speak Friday evening on "What is Socialist Political Action?"

HERBERT HILL

It is obvious at this point that the educational aspect of the camp is a weighty and impressive one. But the feature attractions are still to come—the program for the weekend.

Saturday morning, Sept. 6, will feature a symposium on "The Role of Labor in American Society." The panel will definitely consist of Samuel H. Friedman, president of the New York Local Community and Social Agency Employees AFL-CIO; B. J. Widick; and Paul Jacobs, contributing editor of the *Reporter* and participant in the labor project of the Fund for the Republic. The panel may include an additional speaker (from the IUE), but that will not be definitely known until next month.

On Saturday afternoon there will be a second panel symposium. The topic is "What are the Perspectives for American Socialism?", with participants G. August Gerber and Darlington Hoopes, the vice-chairmen of the Socialist Party—Social Democratic Federation; and Herman W. Benson, associate editor of *LABOR ACTION*.

To make Saturday complete, a folk-singing is planned for the evening featuring Roy Berkeley, Dave Van Ronk and the audience, followed by a campfire, and then a party.

Sunday morning will be devoted to resting after the events of Saturday. And then the final lecture will take place Sunday afternoon, Herbert Hill, labor secretary of the National Association

for the Advancement of Colored People, will address the camp on "The Struggle for Freedom in the South."

The rates for the *Anvil* camp are very reasonable. For the entire week the cost is only \$39 per person. The rate for the weekend (starting Friday dinner) is \$16. For one day \$7 will be charged.

The travel instructions are as follows:

*via bus: Greyhound Bus Lines, leaving N. Y. from the 34th Street terminal, to Netcong, N. J. (round trip—\$2.30, one way \$1.27). Call the Hudson Guild Farm from the bus stop in Netcong.

*via car: leave N.Y. through Lincoln tunnel. Follow route 3 to route 46. Take route 46 to Netcong. Turn right as you approach Netcong to route 206. Follow route 206 for two miles. Right turn at Country Manor. Follow winding road 2½ miles to farm.

Anvil would appreciate reservations (accompanied by a \$5 deposit) mailed as early as possible, so that accommodations can be easily arranged. Just fill in the blank on this page and mail to *Anvil*, 36 E. 10 St., N. Y. 3, N. Y.

Student Committees For A Sane Nuclear Policy Active in San Francisco Bay, Chicago Areas

In the last few months, Student Committees for a Sane Nuclear Policy have been formed on the West Coast and in Chicago with highly successful results. Earlier in the year *Challenge* readers will recall that New York students had formed a Sane group and had sponsored a number of projects, one of which was to set up a national subcommittee that would investigate the possibilities of contacting students around the country, helping them to form similar committees on their campuses.

On June 20 a Northern California Student Committee for a Sane Nuclear Policy was launched in San Francisco as an organizing committee to await formal constitution when the fall semester begins. Representatives from San Francisco State College, University of California (Berkeley), Oakland and Menlo Junior Colleges, and a number of high school students came to the area-wide meeting and unanimously endorsed affiliation to the national subcommittee in New York.

STUDENT ACTIVITY

All four colleges represented had witnessed activity by students around what has become a nation-wide protest campaign against the government's nuclear policy, involving literally tens of thousands of people in the United States. Students have played a leading role in publicizing reasons for cessation of nuclear testing and in trying to engage the American campus in the broadest possible campaign to prevent further radio-active poisoning of the atmosphere and to speak against the every increasing danger of a third world war. Students on the West Coast have participated

in demonstrations, petition campaigns, poster walks and forums.

Future plans of the Northern California group involve the initiation of a newsletter for information and stimulation of other students, organizing a conference before the fall semester to discuss the whole question of use of nuclear weapons and outlining a program for the campus. The committee is planning to contact the colleges around the San Francisco area who are not yet engaged in Sane work as well as the religious, political and educational youth groups.

The Chicago Student Committee for a Sane Nuclear Policy, drawing its support from the University of Chicago, joined the national student demonstration against testing at the end of May by organizing a public rally and poster-walk in downtown Chicago. Over 60 students joined the walk which wound up campus activity until the fall. A literature table on the Chicago campus, petition campaigns and public meetings have attracted many students to Sane activity.

OTHER GROUPS

Groups at Rochester, Syracuse, Cornell, Brandeis, Seattle, Swarthmore, Berea College in Kentucky and New York City have either formed Sane Committees or are working through established organizations to protest nuclear testing. High school students in New York and on the West Coast are particularly enthusiastic and have offered some of the most energetic activity from their ranks.

While the politics of Sane cannot be identified with any specific political group, it has attracted a wide variety of young people who are generally horrified by what the nuclear testing program and the arms race itself means in terms of a future world for them to live in, and students are beginning to question whether such a world will be worthwhile or even inhabitable. These questions are accompanied by an increased interest in whether students can help to shape their own destinies and if so, what is the most humane, constructive and successful approach towards a world without fear of atomic destruction.

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Speaker: Sam Bottone

Wednesday, July 30

Russia: Domestic and Foreign

Speaker: Mike Harrington

Wednesday, August 6

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Speaker: Sy Landy

Wednesday, August 13

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One Year of the Recession — —

(Continued from page 1)

per cent. This relatively moderate fall in consumption—moderate, considering the amount of unemployment—can be accounted for by the moderate drop in personal after-tax income, which fell by \$3.2 billion. (The fall in personal income was moderated by a \$1.4 billion drop in taxes.)

But the main factor holding up personal income, and thus consumption, has been government transfer payments (mainly unemployment compensation, social security benefits, and relief payments). Thus, personal before-tax income fell \$4.2 billion (seasonally adjusted at annual rates) between August, 1957 and April, 1958. This drop in personal income was due mainly to a \$8.5 billion drop in wages and salaries offset partially by a \$4.5 billion increase in transfer payments. About half of the rise in transfer payments consisted of an increase in unemployment compensation. This "built-in stabilizer" is very definitely working; without it, we might very well have been in a depression by now. If it ceases to work with the same efficiency in the near future—because, say, of the exhaustion of unemployment insurance—unemployment may become much more contagious than it has been.

A major contributing factor in the recession has been the rapid decline in

inventories. Total inventories were reduced by \$3.6 billion between September, 1957, and April, 1958. (In recent months, they have been declining at an annual rate of \$9 billion.) Despite this rapid reduction, the ratio of stocks to sales has actually increased slightly. Because of this, and because of the huge inventories of automobiles (730,000 at the beginning of June according to the I.U.D. Fact Sheet of the AFL-CIO for June, 1958) which must be worked off in the next several months, it is possible that the inventory contraction may not be halted until late in the year. But once this occurs, a considerable impetus will be given to production and employment. However, this will be a temporary rather than a continuing stimulus.

CONSTRUCTION

The construction industry, which is often discussed as if it sold to one market, is actually composed of three main sectors: public, industrial and commercial (included in investment), and residential. We will here discuss only the latter. In the first five months of 1958, homebuilding activity was slightly greater than in the same period in 1957, although it had fallen

some 10 per cent (seasonally adjusted) since the peak of November, 1957. Recent indications are that an upturn is beginning. In May, new contract awards for residential construction hit a new monthly peak of \$1.35 billion, about 4 per cent greater than last May.

AUTOMOBILES

This means that construction activity should continue to rise in the near future. This increase in residential construction in the face of a declining marriage rate and falling incomes is probably due to the "untightening" of money caused by the recession itself. How long and how great the rise in construction will be is most difficult to tell, but even the 10 per cent increase in new housing starts predicted in April by Federal Housing Administrator Albert Cole (New York Times, April 29, 1958) would only mean a decrease in unemployment of less than 250,000. This improvement, while certainly significant, would hardly be decisive.

One of the worst hit sectors of the economy has been the automobile industry. In the first half of 1958, only 2.2 million cars were produced, one-third less than a year earlier. (New York Times, July 1, 1958) But despite a greatly reduced production rate, massive inventories have piled up. Still the automobile manufacturers have not lost courage. If all goes well on the inventory front, several factors may work in their favor later in the year. The first is a style change, according to the Wall Street Journal (June 10, 1958), "Not since the fall of 1954, according to advance and unofficial indications, have so many car makers made such large-scale styling alterations." The UAW is, of course, well aware of how anxious the manufacturers are to get the new models into production.

SCRAP RATE

The second important factor is the \$800 million reduction in consumer automobile debt between November, 1957, and April, 1958. Third, and more problematical, is the possibility that the current rate of car sales may be below the scrap rate, from which we might infer that sales are at an abnormally low rate that could not be maintained for any length of time. For these reasons it seems likely that unless other factors seriously worsen the recession the automobile industry should experience a modest upturn this fall.

The foreign trade situation has taken a rather unexpected turn. It has been a modern dogma that when the American economy sneezes, the rest of the world catches pneumonia. But in the first quarter of 1958, U. S. merchandise exports were about \$4 billion less than a year earlier, while imports were only \$1 billion less (figures seasonally adjusted at annual rates). As a result there has been a considerable outflow of gold from this country. Thus, contrary to expectation, foreign economies have been strengthened at

American expense and have made a notable contribution to the recession here.

CONCLUSION:

CONCLUSION: By the end of the year, unemployment will probably be around the present level of 5 million, or perhaps a bit higher. Even if automobile sales and residential construction improve significantly, they will be largely offset by the decline in investment. (This decline, furthermore, should continue into 1959, while the offsetting improvement is much less likely to continue.) The end of the inventory contraction should absorb 1.0 to 1.5 million unemployed, i.e., roughly the number entering the labor force. Thus even an optimistic estimate, which this has been, can foresee no significant decline in unemployment for the next six months, and perhaps even the six months following that. Some sort of bottom has been reached. But to insure that the bottom doesn't fall through—no one knows what effect a prolonged period of even "moderate" unemployment may have—large-scale government action is still a necessity.

(Note: all data used in this article are taken from the Survey of Current Business unless otherwise noted in the text.)

The Progressive Income Tax And the Re-Distribution Myth

By HERMAN G. ROSEMAN

A favorite portion of the liberal mythology of our times has to do with the progressive income tax. Data recently published by the Department of Commerce shed interesting light on two of the most common myths.

Myth #1: "Progressive income taxes tend to reduce substantially the relative income share going to the top income brackets." But what do the data show? In 1956, the top 5 per cent of income recipients received 20.1 per cent of all before-tax income (BTI) while their share of after-tax income (ATI) was only reduced to 18.1 per cent. Thus the relative share of this group, whose average BTI was \$24,000, was barely affected by the "progressive" income tax. The next highest 15 per cent—an upper-middle group with BTI ranging from \$7,500 to \$13,500—had an actual increase in its relative share, from 24.8 per cent to 25.0 per cent.

Myth #2: "The income taxes paid by those in the upper income brackets are very high, perhaps even excessive." This fond belief is generally based on the imposing structure of surtaxes; but what is important is not the highest surtax rate an individual pays, but the total tax he pays taken as a percentage of his total income. Here again, the data are most revealing.

It appears that the taxes paid by the top 5 per cent come to less than 20 per cent of their BTI! An even more select group consists of those with a BTI over \$50,000. This group, whose average BTI in 1955 was close to \$90,000, suffered from an average tax rate of about 35 per cent.

It should be remembered that these data tend vastly to overstate the progressivity of the tax structure. In the first place, they show taxes as a percentage of declared income. It is a matter of public notoriety that actual income is rather greater than declared income, especially among the wealthy. Second, the data which have been used do not include undistributed corporate profits as part of personal income. These mainly accrue to the wealthy; and since no personal taxes are paid on them, their inclusion would tend to reduce greatly the apparent progressivity of the income tax. Finally, no account is taken of the effects of other types of taxes. There is little doubt that the hodgepodge of sales, excise, and property taxes constitutes a tax structure which, if not in itself regressive, is much less progressive than the income tax. When all these factors are taken into account, together with the data already presented, we do not at all get a picture of a tax system which tends to reduce income inequality.

Per cent Distribution of

Quintile	Before-tax Income	After-tax Income	Average Before-Tax Income	Tax rate (per cent)
Lowest 20%	15.0	15.3	1,465	3.2
2nd	11.3	11.9	3,345	5.6
3rd	16.5	17.1	4,876	7.1
4th	22.3	22.7	6,617	8.8
5th	44.9	43.0	13,266	14.1
TOTAL	100.0	100.0	5,914	10.2
Top 5 per cent	20.1	18.0	23,794	19.7

Source: U.S. Department of Commerce, Survey of Current Business, April, 1958, p. 17

Note: Included in income are transfer payments, such as social security benefits, unemployment compensation, pensions, etc.

Bosses Call for Guts

In Dealing With Unions

"What we need is more calcium and less egg noodles in the business spine when it comes to labor matters," a major corporation vice president recently remarked in a private discussion.

"Long before the McClellan investigation, the evidence was pretty persuasive that large segments of American business had fallen victim to a galloping epidemic of weak knees and spongy spines in their dealings with unions. The specific symptoms vary from case to case, but there is one basic characteristic of the disease: a scare psychology induced by the specter of union power.

"Afflicted employers dare not speak their minds or assert their rights. Wherever an employer shies away from taking a public stand on a labor question or pursuing a legitimate objective in negotiations for fear of displeasing his union's officialdom, he has contracted the malady."

The above lines begin an article entitled "Wanted: More Business Backbone in Labor Relations" in an old (July 1957) copy of a businessman's magazine, *Dun's Review and Modern Industry*. The author continues to say that he is not trying to get businessmen to engage in a union-busting campaign, but just to stand up for their rights.

VICTIMS

At one point the author continues:

"The McClellan Committee investigation has focused attention on employer victims of racketeers in the labor movement, who for good or poor reasons have refused to come forward and tell their stories to the authorities. Committee Counsel Robert Kennedy has publicly complained of 'the little help which business has been to the Committee.'"

Though there are no doubt many "employer victims" of union racketeers, the fact is that most of the Senate Committee's exposures have dealt with union victims. And one of the chief reasons for the failure to get employers to testify, not mentioned at all in the article, is obvious: too many of them were and are working hand-in-glove with the racketeers with the idea that they can thus avoid having to give the real benefits to their workers which they would have to if the latter were represented by legitimate unions. The bribers are not likely to come forward to testify against the bribed, unless forced to do so as they were in the waterfront investigation in New York some years ago.

NEW YORK

LABOR ACTION FORUM

Thursday, July 17

"THE ASSEMBLY LINE: A STUDY IN ALIENATION"

Speaker: Sam Bottone

During July and August all N.Y. Labor Action Forums will be held Thursday evenings.

8:30 p.m. at L. A. Hall, 114 West 14 Street, N.Y.C.

A "United Socialist Ticket" in New York Or a New Blind Alley For Unwary Radicals?

The "United Independent - Socialist Conference"

By SAM BOTTONE

The United Independent-Socialist Conference, held in New York City on June 13 to 15, would have been an unlikely occurrence several years ago. Three main groups were present: the Communist Party, the Socialist Workers Party (self-styled "Orthodox Trotskyists") and the ex-American Labor Party independents, now grouped around the *National Guardian*.

The purpose of the meeting was to see whether it was possible to set up a united electoral ticket in New York of those groups which considered themselves "pro-Soviet." It was initiated by some of the former leaders of the defunct ALP; the *National Guardian*, and joined in by the SWP. The Communist Party participated reluctantly, primarily in an effort to reduce the electoral effort to a token candidate and to try to drive a wedge between the SWP and the Guardianites.

The Conference was an open delegate affair, that is, any one could come in and register and be seated as a voting delegate. Therefore the relative strength of the tendencies depended on their willingness or ability to mobilize their supporters. Although it was announced that 499 had attended one or another session including the Friday rally, at the decisive Saturday session there were only 240 voting delegates present.

The SWP, including the SWP-oriented Young Socialist Alliance, was the largest, most cohesive group present, and represented a major SWP membership and sympathizer mobilization in New York State, New Jersey and Philadelphia. This raises some doubt as to how representative the conference was of the non-organizational people for whom it purported to speak.

Unusual Agenda

The Conference was organized in an unusual fashion. It first decided on the size of the slate to be run in the elections and the general character of the campaign, and then turned its attention to the program. This manner of organizing the agenda was by no means accidental. The groups who dominated the committee which prepared the conference (SWP and Guardianites) were determined to keep the political issues which divide them in the background. A discussion of political and ideological questions at the beginning of the Conference would have isolated the SWP politically from the bulk of the rest of the Conference on their attitude toward the Russian government. By first deciding on the size of the slate and the general character of the campaign (a "peace" campaign or a "socialist" campaign), it was the CP which was isolated. Then the political differences which actually separates the SWP from many of the Guardianites was deftly swept under the rug, and the Conference could dissolve in an aura of unity.

This led to a situation in which the question whether the "united socialist" slate should consist of one or five candidates was dealt with as a principled issue which the Conference had to vote up or down in a clear-cut expression of opinion, while the program was adopted as a draft under a rule not permitting amendments from the floor and left to a continuations committee to modify as it might find expedient.

"One Or Five!"

During the discussion as speakers from one side or the other tried to discuss some of the broader political and programmatic aspects of the question, the chairman interrupted and shouts arose from the floor: "one or five." Repeatedly the chairman said that the broader political issues would be discussed at the following session dealing with program; the implication being that the delegates would have a chance to put their ideas and proposals forward in shaping the program. But the opportunity never came.

The lines were distinctly drawn over the attitude toward electoral action. The CP, after originally expressing its opposition to the Conference, presented a proposal for a token candidate—preferably for U.S. Senator—running as an "independent" on the "peace" issue. It argued that to run a full "socialist" slate would be sectarian for it would isolate the "progressives" from the ranks of the labor and Negro movements. There was no indication, the CP argued, of any widespread movement out of the existing parties, while an "independent" candidate might attract those who are ready to voice their desire for "peace" but who are not yet ready to vote for "socialism."

The Conference majority did not present a worked-out and reasoned answer to the CP's analysis. The plat-

form ranged far and wide over many areas but it did not discuss the relationship of the proposed campaign to the labor movement. At the Conference most of the argument came from the SWPers.

They argued that running a "socialist" ticket will isolate us but only from the union bureaucrats and we want to be isolated from them. Further: socialists should have a "principled line" of opposing Republicans and Democrats in an electoral campaign; the purpose is not to get votes but to bring forth socialist ideas and programs. They inferred that anyone who did not propose the broadest possible electoral campaign is for support to the capitalist parties.

The *Militant* for June 16 presented a picture of growing opposition to both parties of a kind that justified its proposal:

"While socialist opposition to the Big Business politicians will not be cheered by the labor officials, it will certainly be warmly approved by the growing number of rank and file militants who are sick and tired of the two-party shell game. To tag behind the Democratic officials of the labor and Negro movement crying 'me too,' can only mean isolation from those in the process of breaking with the class-collaborationist policies of Tammany's labor lieutenants."

Lamont's Analysis

Presenting a diametrically opposite analysis was Corliss Lamont, one of the sponsors of the Conference. After the Conference was over, Lamont, sharply disagreed with those who wanted to base their position on developments in the labor movement, or claimed growing support from labor.

Said Lamont: "Labor Unions in this country have not taken the lead in respect to civil liberties, foreign policies or socialist ideas. People can't wait forever. We will be in our graves if we wait for the mainstream of labor to take the initiative."

"Actually the churches in America are better than the unions nowadays on civil liberties and foreign policy. This is a middle-class country, so the socialist movement does not need to be based on labor." (N. Y. Post, June 16.) John McManus of the *National Guardian* was quoted as expressing agreement with Lamont on this point.

The ability to make a start in this direction depends on re-establishing the CP's ties in the labor and Negro movements. And to do this the CP wants to avoid any head-on conflict with the mass movements on such a question as political action. It is not that the CP wants to support Governor Harriman, as it was charged at the conference. But it wants to proceed to carry out its political task which is to mobilize the maximum support for Russia's foreign policy.

So the coalition which decided for a full "socialist" ticket consisted of those who managed to see a "growing number of rank and file militants" rising up in opposition to the official policies of the labor movement and those who do not see this at all, and who believe it doesn't matter anyway. But in reality the decision was made on the basis of other considerations.

Reasons for CP Stand

The Communist Party had several reasons for its position which were not mentioned in its formal statement. What the CP wants is not an electoral campaign which has a distinctly "pro-Soviet" character, that is, which manages to win the support of only those who already agree with or support Russian foreign policy.

For the CP, which has been reduced to the size of a large sect and isolated from the labor and Negro movements, to have this as its orientation would be to confirm its present status. From the Russian point of view, the aim is to organize as wide as possible a movement around the "peace" issue without any other ideological or class character. Such a movement would then be able to serve as an indigenous force to oppose the State Department's policy.

There was another reason. If the "socialist" ticket should get 50,000 votes, under New York State laws it would have a permanent place on the ballot. And it could get such a place only if it runs for the leading state office-governor. If such a new "socialist party" gets permanently on the ballot, the CP would be in a quandary. There is no guarantee that the CP would be in the driver's seat as it was in the old ALP.

Another Political Party?

At the conference, Ben Davis, New York State CP Chairman, made the position very clear: "There is an attempt to set up another socialist party, but it doesn't mean it would have anything to do with socialism."

There are enough parties which are anti-Communist, and this makes unity of the left impossible."

For the CP a vote of 30,000 or 40,000, with 50,000 viewed as a victory, spells isolation; not so for the Guardianites or the SWP, but each for different reasons. The important fact about the Guardianites in this context, despite wide political agreement with the CP, is that they are "independents." They are, among other things, independent of any party which they can view with loyalty. But many of them are seeking such expression. They expressed high hopes at the Conference for establishing a new party.

But not so for the SWP. At the Conference various SWPers spoke glowingly of the propagandistic nature and value of the campaign and were silent on the question of a new party. The advantage of the Conference to them was that it formalized the inroads they have made and hope to extend among the Guardianites. To get 30,000 votes or a little more would be a great success from their point of view. This could facilitate the recruitment of a couple of dozen Guardianites and further the aim of dislodging the CP from its periphery and taking its place as the "left-wing" of a centrist pro-Soviet coalition.

Guardianites Split on Vote

When the showdown vote came, the Guardianite leadership split right down the middle in the presiding committee vote on whether to formally leave open the door to a compromise with the CP. The vote was an indication of whether and how far they were willing to cut adrift from CP influence.

The vote on an amendment which had as its purpose winning CP approval of a joint ticket which would have meant some sort of partial slate was defeated 81 to 154 with 5 abstentions. A breakdown of the vote would indicate the following approximate representation: SWP—100, CP—60, Guardianites—80. While this estimation is based on personal knowledge and therefore subject to some error, it does indicate the relative strength at the working sessions of the Conference.

The platform received no more than a cursory discussion. By the time it came up the important political issue had been decided, at least to the satisfaction of the sponsors. But the price that the SWP and other critics of the Stalinist bureaucracy paid was the absence from the platform of any criticism of Russia or Stalinism.

The result is a platform which is thoroughly Stalinoid. Silence on the question of Stalinism is the cement which holds the anti-CP coalition together. Silence is the price those who do have criticism pay to preserve unity with those who are for a full slate of "socialist" candidates, including some who supported the Russian intervention in Hungary or who, like Vincent Hallinan, say that socialists should not criticize Russia, but instead should "discover and spread its virtues."

No Discussion

Any real discussion from the floor, any attempt to amend the platform in a way which would clarify this question was quashed by agreement of the presiding committee of the Conference. It is little wonder that the *National Guardian* of June 23 reported that "the draft program was remarkable for the absence of controversial views and objections." The formula is simple: capitulate to pro-Stalinist views, and avoid controversy.

The platform as adopted represents a retreat from the inadequate minimal statement of the SWP in its call for a "United Socialist Ticket in the 1958 Elections" printed in the *National Guardian* of February 3rd. There it included a statement calling for "political freedom throughout the Soviet bloc." This led to considerable criticism in the columns of the *National Guardian* from those who support the SWP's electoral proposal. The criticism, in turn, led the SWP to start to refer to themselves as "pro-Soviet socialists" both in the columns of the *Militant* and *National Guardian*.

There can be little doubt that given their current orientation, the June Conference was an achievement for the SWP. Above all, they succeeded in driving a wedge between the Communist Party and its former periphery whom we have described here in a shorthand way as the "Guardianites." But these questions still remain to be answered: how many more concessions to Stalinist ideology and politics will the SWP have to make to capitalize on this achievement? And even if they continue to move successfully in their current direction, how much closer will this get them to breaking out of their isolation from the American labor movement and the working class which it represent?

A Blow for Freedom

(Continued from page 1)

ment cannot be held responsible for blacklisting, intimidation, harassment and other forms of private discrimination against the ISL and its members which have resulted from its inclusion on the subversive list.

But even more central than this is the very existence of the subversive list. The Department of Justice has claimed that the only purpose of the list is to give guidance to government officials with regard to eligibility of employment in federal agencies of individuals associated with listed groups. On this ground they have sought to evade responsibility for all the other consequences of the listing. The Supreme Court decision seems to address itself specifically to this type of claim. In fact, it does so in a manner so clear and unambiguous that it would appear to leave the Department of Justice scant hope of sustaining its subversive list in the forthcoming court contest.

This decision appears to be of such sweeping importance to the future of civil liberties in America that we feel justified in quoting extensively from its relevant sections below. Legal references alone have been deleted from the quoted section. Boldface type and sub-heads have been added for readability:

The Supreme Court Decision Text:

We thus reach petition's claim that the production order in the state litigation trespasses upon fundamental freedoms protected by the due process clause of the Fourteenth Amendment. Petitioner argues that in view of the facts and circumstances shown in the record, the effect of compelled disclosure of the membership list will be to abridge the rights of its rank-and-file members to engage in lawful association in support of their common beliefs. It contends that governmental action which, although not directly suppressing association, nevertheless carries this consequence, can be justified only upon some overriding valid interest of the state.

Effective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association, as this court has more than once recognized by remarking upon the close nexus between the freedoms of speech and assembly.

It is beyond debate that freedom to engage in association for the advancement of beliefs and ideas is an inseparable aspect of the "liberty" assured by the due process clause of the Fourteenth Amendment, which embraces freedom of speech. Of course, it is immaterial whether the beliefs sought to be advanced by association pertain to political, economic, religious or cultural matters, and state action which may have the effect of curtailing the freedom to associate is subject to the closest scrutiny.

The fact that Alabama, so far as is relevant to the validity of the contempt judgment presently under review, has taken no direct action to restrict the right of petitioner's members to associate freely, does not end inquiry into the effect of the production order.

ABRIDGEMENT OF RIGHTS

In the domain of these indispensable liberties, whether of speech, press or association, the decisions of this court recognize that abridgement of such rights, even though unintended, may inevitably follow from varied forms of governmental action. Thus in *Douglas*, the court stressed that the legislation there challenged, which on its face sought to regulate labor union and to secure stability in interstate commerce, would have the practical effect "of discouraging" the exercise of constitutionally protected political rights, and it upheld the statute only after concluding that the reasons advanced for its enactment were constitutionally sufficient to justify its possible deterrent effect upon such freedoms.

Similar recognition of possible unconstitutional intimidation of the free exercise of the right to advocate underlay

this court's narrow construction of the authority of a Congressional committee investigating lobbying, and of an act regulating lobbying, although in neither case was there an effort to suppress speech. The governmental action challenged may appear to be totally unrelated to protected liberties. Statutes imposing taxes upon rather than prohibiting particular activity have been struck down when perceived to have the consequence of unduly curtailing the liberty of freedom of press assured under the Fourteenth Amendment.

EFFECTIVE RESTRAINT

It is hardly a novel perception that compelled disclosure of affiliation with groups engaged in advocacy may constitute as effective a restraint on freedom of association as the forms of governmental action in the cases above were thought likely to produce upon the particular constitutional rights there involved.

This court has recognized the vital relationship between freedom to associate and privacy in one's associations. When referring to the varied forms of governmental action which might interfere with freedom of assembly, it said in *American Communications Association v. Douds*: "A requirement that adherents of particular religious faiths or political parties wear identifying arm-bands, for example is obviously of this nature." Compelled disclosure of membership in an organization engaged in advocacy of particular beliefs is of the same order. Inviolability of privacy in group association may in many circumstances be indispensable to preservation of freedom of association,

particularly where a group espouses dissident beliefs.

We think that the production order, in the respects here drawn in question, must be regarded as entailing the likelihood of a substantial restraint upon the exercise by petitioner's members of their right to freedom of association. Petitioner has made an uncontroverted showing that on past occasions revelation of the identity of its rank-and-file members has exposed these members to economic reprisal, loss of employment, threat of physical coercion and other manifestations of public hostility.

Under these circumstances, we think it apparent that compelled disclosure of petitioner's Alabama membership is likely to affect adversely the ability of petitioner and its members to pursue their collective effort to foster beliefs which they admittedly have the right to advocate, in that it may induce members to withdraw from the association and dissuade others from joining it because of fear of exposure of their beliefs shown through their associations and of the consequences of this exposure.

CRUCIAL FACTOR

It is not sufficient to answer, as the state does here, that whatever repressive effect compulsory disclosure of names of petitioner's members may have upon participation by Alabama citizens in petitioner's activities follows not from state action but from private community pressures. The crucial factor is the interplay of governmental and private action, for it is only after the initial exertion of state power represented by the production order that private action takes hold.

SPOTLIGHT

(Continued from page 1)

Will Congress enact the bill so strongly urged by Eisenhower? It is difficult to say. If the liberals in Congress, or even a few of them, put up any kind of a fight at all it would be impossible pass such a bill introduced so late in this session. The question of the right to travel could conceivably enter into the election campaign this fall, and the fate of the bill would then be up to a Congress which had been elected at a time when the passage of such a bill was a live issue.

Will the liberals, or some of them, make at least enough of a fight to delay enactment? Many of their leaders have shown themselves incredibly timid in the past when it came to this type of issue. Though writing postcards to Congressmen is not the most inspiring, or even effective, form of political activity, in this instance it could play a role in preserving the right to travel for all Americans.

Employers Try To Spike Kennedy-Ives Labor Bill

The National Association of Manufacturers and the Chamber of Commerce of the United States have assailed the Kennedy-Ives "labor reform" bill, and are seeking to kill it in the House. An editorial in the *NAM News* attacks the bill as "a fraud and a delusion," and the lobbyists of both organizations are working hard in Washington to prevent any quick passage of the bill through the House. If it can be bottled up in committees for hearings, with an August adjournment needed by the congressmen for their political campaigns back home, the bill would be dead for this session.

Why are the NAM and the Chamber of Commerce so hotly opposed to this bill which was designed to curb gangsterism in the labor movement and to force upon its more feudal sections some of the forms of democracy? Surely the NAM and the Chamber of Commerce, who for decades have been carrying on propaganda and educational campaigns against "labor bossism," should be the first to hail such legislation. This would be all

the more so if this bill were, as some of the more hysterical elements of the left have been proclaiming, the first shackle of heavy chains in which labor is to be bound hand and foot.

The NAM and the Chamber of Commerce are hot under the collar precisely because the bill doesn't do anything they want done, and it undoes some things they would like to keep nailed down. As pointed out in H. W. Benson's article in the last issue of *LABOR ACTION*, the bill actually strikes down one of the most vicious aspects of the Taft-Hartley Act, the provision which denies strikers the right to vote in collective bargaining elections. This most potent of all anti-union measures is something the NAM will fight for to the last dollar.

Another thing the businessmen who run the NAM and Chamber of Commerce don't like about the Kennedy-Ives bill is the provision for full reports on pension and health funds. Many of these funds are run by the companies rather than the unions, and are no doubt utilized as one of the financial resources of such companies, without regard to the union contracts or sound actuarial procedures. They don't want that whole field made subject to public inspection at all.

And as to democracy... well it is nice to have "labor bosses" to holler about in the canned editorials sent to small-town papers; and men like Pegler have done yeoman service over the years in exposing corruption and strong-arm rule in unions, and then using these exposures to smear the whole labor movement. But when you get right down to it, it is not so much the rule of men like Jimmy Hoffa, or Three Fingers Brown, or Tough Tony Anastasia which is ruining this country (they can be reasoned with across, or under the bargaining table). It is men like Walter Reuther who are the real menace... and what good will a bill calling for elections and that kind of stuff do when it comes to stopping them?

So the NAM and the Chamber are putting the heat on. Is it possible that we may see a complete transformation of the labor leaders, from vigorous opponents of the bill not only to resigned acceptors, but to its militant advocates?

G. K. H.

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!

Get Acquainted!

Independent Socialist League
114 West 14 Street
New York 11, N. Y.

- I want more information about the ideas of Independent Socialism and the ISL.
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