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World Events

INTERPRETED BY SCOTT NEARING

Vol. III, No. 1

Letter 32

Friends:

MAJOR SHORTAGES in food and shelter, with less urgent deficits in fuel, clothing and medicines, continue to occupy the attention of mankind. Great numbers of people are suffering from hunger and exposure, are contracting tuberculosis and are worried sick by fear of job loss, inflation and threats of new wars. Millions are dying prematurely for lack of a bare subsistence.

The facts are widely known. Their accuracy is hardly questioned. Now and again President Truman feels called upon to make an optimistic statement concerning rains in India or bright crop prospects in the U. S., but he is immediately answered by a dozen authoritative voices and by daily reports about desperate peoples seeking in vain an adequate supply of food, fuel, clothing and housing.

1 U.N.R.R.A.'s two-week Atlantic City conference on the world food crisis ended March 27. The delegates heard reports on food shortages in various parts of Europe and Asia and adopted a program to relieve world-wide famine. The retiring director, Herbert H. Lehman, spoke out vigorously against the United States and other governments for their failure to take decisive action. The new director, F. H. La Guardia, began a campaign to obtain food surpluses in the United States, Argentina, Canada and Great Britain.

2 HERBERT HOOVER reported acute food needs in various European centres. In Poland, one of the worst devastated of the war victims, he found 2,600,000 children terribly subnormal from undernourishment and five million children, in a total population of some twenty-four million, who need at once more food and more appropriate food.

Hoover reported that Poland, compared with pre-war, had 45 percent of her horses, 33 percent of cattle, 36 percent of sheep and 17 percent of swine. The theoretical bread ration is seven ounces per day per person; the fat ration, half an ounce daily. The calory value of the diet, mostly starch, is 1500 units per day. Most city children in Poland get no dairy products.

3 POPE PIUS XII devoted a special April 4th broadcast to the world food situation. "The

sinister shadow of famine rests upon at least a quarter of the entire population of the globe," he asserted, warning that famine "is the cause of incalculable unrest, in the midst of which the future peace, as yet only in germ, would run the risk of being suffocated before being born."

4 GENERAL LUCIUS D. CLAY declared on behalf of the commander of United States forces, "There is not enough food within the borders of the American zone of Germany procurable from German sources to sustain life even at starvation levels." Supplies on hand, plus imports on the way, would maintain a daily calory ration of 915 until the next harvest, General Clay asserted.

5 FRANK GANNETT, President of the Gannett newspapers, interviewed on April 13 in Berlin, said: "In the United States zone in Germany people are getting a diet that amounts to 1270 calories a day. In the Russian zone people are getting 1600 calories a day. Democracy cannot successfully compete with communism when such a situation prevails."

6 THE INDIA FAMINE Emergency Committee (Pearl Buck, chairman) is calling attention to the fact that the failure of winter rains has created a food situation far more acute than that of 1943, when some three million

Indians died of starvation. India needs two million tons of imported cereals by July and a like amount between July and December, to provide the needy with 960 calories a day. Lacking these food imports, "10 to 20 million people will starve to death."

Plenty of additional information on the food crisis is available, but why go on citing it? Here is enough to break through the complacency of the well fed American, luxuriating on his 3,500 daily calories, which include fruits, greens, fresh vegetables, meat and dairy products, in addition to generous quantities of cereals.

World-wide shortages in housing, fuel and clothing are likewise severe. While they do not result in starvation or immediate death, they lower resistance to disease and shorten life correspondingly.

THERE IS no good reason why you or I should be surprised at this state of affairs, because it is the cake for which most of us have paid our pennies. In our commodity economy, most goods and services are produced to be sold at a profit in the market. The prime essential to marketing is scarcity. Necessary goods, sunshine and fresh air, for example, cannot be marketed because they are abundant, while scarce, useless jewels are purchased because they are scarce.

Businessmen must deal in scarce wares. No scarcity, no profitable sales.

Think back twenty-five years to the days following World War I. What was it that the business world most dreaded? Abundance! We produced too much corn, too many raisins, too much cotton, sugar and rubber. To avoid flooding the market, big business closed factories. Then, with the New Deal, the government paid farmers not to produce, but to destroy their crops.

All this time we were moving from the countryside into the cities, from the land onto the pavements. Do pavements grow wheat, cotton and timber? Certainly not. Leave that work to the hayseeds and the hillbillies! For us the bright lights, the tinsel, the excitement, The Life.

At the same time that we were abandoning primary production and pouring our enthusiasm and energy into finding ways of making a living that did not involve contact with the earth, we were learning a new lesson—how to live without working at all. The economists call it "unearned income." It consists of rent, interest, dividends and profits returned to landowners, bond- and shareholders for no better reason than because they own the property. The lesson book in parasitism taught us that the fool worked for a living, while the wise man picked up enough securities and provided enough

legal safeguards to yield him a livelihood based on the fool's labor.

Within a generation our society blossomed into a whole segment of humanity—men, women and children whose living was secure, although they themselves never did a tap of work. They were not looked down upon because they were loafers. On the contrary, they were respected, honored, envied, emulated. They were the smart ones, the lucky ones, the successful ones.

Loafers are like city pavements in at least one respect. They produce neither wheat for food nor cotton for clothing nor lumber for building. They are essentially parasitic.

Loafers are like other human beings in at least one respect. They must eat. Also, in the colder countries, they must have protection against the rigors of nature. For loafers as well as workers, subsistence is a primary consideration.

We all know this, of course. Still, people kept on moving from the land to the pavements and giving up production for parasitism.

Neither bright lights nor loafing were as advertised. The lights paled; the loafing bored. What to do with ourselves? How to get zest out of an unproductive, uncreative, vapid, frustrating existence?

The smart boys knew the answer. Where the prize ring and the race track had ceased to appeal, a devil hunt would fill the bill. Those are the devils! See, there they go! Shoot them—burn them—drown them—fire their homes—lay their cities in ashes—crush them—annihilate them. One more big push and they are finished. At long last, victory!

Who were these devils? Farmers, miners, lumbermen, transport workers, machine builders from across the frontier, who had laid aside their useful occupations at the command of those above and had been trained and equipped to shoot, burn and destroy.

What is the outcome? Millions of farmers, miners and lumbermen have spent years away from their farms, mines and forests. Many of them are dead or crippled. Farmsteads are burned, mines flooded, forests devastated. Those who survive on city pavements, under the bright lights, with radios blaring, the movies flickering, the banners of victory floating proudly above them, lack food, clothing, shelter.

WESTERN MAN is very close to two of his immediate objectives. His military objective was the exhaustion of the enemy. His economic objective was the salvation of free enterprise through the maintenance of scarcity. We are all enemies of somebody and long years of all-out dedication to destruction and murder have produced general exhaustion. As for scar-

city, there will be enough of that and to spare for some time to come.

THIS IS the Number One World Event that greets May Day 1946—millions of human beings losing out in the elementary struggle for physical survival. What more poignant commentary on the existing economic and social system?

Many Europeans are among the starving millions. Europe is the cradle of western culture. It is from Europe that the western state system emigrated to confer its benefits and blessings upon the backward peoples of the Americas, Asia and Africa.

Modern man, modern thought, modern science, modern technology, modern leadership—in a word, Christian civilization—makes its appearance upon the stage of history and offers its contribution to the sum total of human happiness, well-being, dignity and greatness, namely, violent death and destruction for millions and death from exposure and starvation for those who escaped bullets, incendiaries, block-busters and atom bombs during the military operations from 1931 to 1946.

A DOZEN ESSAYS, edited by Dexter Masters, have appeared in book form under the arresting title, *One World or None* (N.Y., McGraw Hill). Not the least interesting is a brief report by General H. H. Arnold on "Airforce in the Atomic Age." Among other items, the General estimates the cost of destroying Japanese cities with B-29 bombers at three million dollars per square mile. The cost of destruction with the primitive atom bombs used in August 1945 was only half a million dollars per square mile. Since atom bombs have become more efficient in the interval, "to destroy a square mile of a modern city in the future will cost much less than half a million dollars."

General Arnold then computes the value of the Japanese cities and reaches the conclusion that they were worth about 150 million dollars per square mile. Hence, the loss to Japan was fifty times as great as the cost of bombing with B-29's. Since atomic bombing has cut the cost to not more than one-sixth of the three-million-dollar level, "in a future war every dollar spent in an air offensive is expected to do more than \$300 worth of damage to the enemy."

General Arnold and others have pointed out that atom bombs will probably be dropped by robot planes which can be released electrically on both sides of the frontier at the same moment. Hence, for the trifling expense of a few dollars, the entire physical superstructure of modern society can be wiped out under the formula, \$300 worth of destruction for \$1.00 of outlay. Can efficiency go farther?

THE LONDON *Labour Monthly*, in its March 1946 issue, prints an article on Mr. Bevin and his foreign policy. The *Labour Monthly* is communist and is consequently unfriendly to Mr. Bevin's political line. The author's conclusion, "Mr. Bevin's outlook on Europe, the Middle East and the Soviet Union does not differ by a hair's-breadth from that of Lord D'Aberton twenty years ago," is fortified by Mr. Bevin's answer to Brigadier Maclean on Nov. 21, 1945—"It is the intention of His Majesty's Government to safeguard British interests in whatever part of the world they may be found."

The other day I was looking over a *League of Nations Year Book*, with its listing of colonies and dependencies. There I saw British India, British Guiana, British West Africa, British Honduras and many others. How did these far-flung territories become British? By the successful use of firearms. Mr. Bevin is merely underwriting these titles to stolen property. As Herbert Spencer pointed out a century ago, all private-property titles are based upon expropriation, either past or present.

I ALWAYS FEEL a certain hesitancy about introducing tables of figures into these letters, but I cannot refrain from quoting a compilation printed by R. P. Dutt in the March number of the *Labour Monthly*. Dutt gave production figures for the United Kingdom and the Soviet Union. I have added those for the United States. The figures show millions of tons.

United Kingdom Production

	1913	1938
Coal	287	—Decrease of 20%
Pig Iron	10.2	—Decrease of 33%
Steel	7.6	—Increase of 27%

U.S.A. Production

	1911-15 average	1938
Coal	529	—Decrease of 27%
Pig Iron	27.5	—Decrease of 30%
Steel	28.4	—Decrease of 0.3%

U.S.S.R. Production

	1913	1938
Coal	29	—Increase of 358%
Pig Iron	4.2	—Increase of 250%
Steel	4.2	—Increase of 328%

The figures tell a very impressive story of the quarter-century that saw the birth of the Soviet Union. Coal and iron provide the bulk fuel and metal of modern industry. Russian production before World War I was unimpressively small, compared with that of Britain and the U.S.A. Between the two wars British and American production of coal and iron decreased in much the same proportions. The decrease occurred during the Great Depression of the 'thirties. Soviet figures, on the other hand,

is following a diplomatic and economic policy designed to coordinate an important segment of Europe and Asia into a working political and economic unity.

PUBLIC, ACRIMONIOUS quarreling between representatives of the Powerful Three dominated the New York sessions of the United Nations Security Council. The theme was first Iran and then the Franco government in Spain.

The Iran controversy centered about the failure of Moscow to withdraw troops by a specified date and was aggravated by the Soviet-Iranian oil agreement, announced on April 7. On March 27 Soviet representative Andrei Gromyko walked out of the Council session. On the 15th he accused Britain and the United States of organizing an anti-Soviet bloc. Throughout the discussions it was Secretary of State James F. Byrnes who pushed the Iranian issue. Whatever the merits of the case, the antagonists were not Russia and Iran but Russia and the United States.

Poland's representative on the Security Council, Oscar Lange, introduced a resolution on April 17 calling upon all United Nations members to sever diplomatic relations with Franco Spain. Dr. Lange, in support of his resolution, reviewed the history of the Franco-led rebellion against the Spanish republic, the economic and military aid supplied to Franco by Mussolini and Hitler, and the decision reached at San Francisco, Potsdam and the London meeting of the United Nations Assembly to exclude Franco Spain from participation in the United Nations Organization. France, Mexico and Russia backed the Polish proposal. A majority of the Council opposed it.

During the Spanish Civil War the republic was actively supported by the Soviet Union and Mexico. Britain and the United States lined up with Italy and Germany against the republic. Paris was forced by London to withhold aid to the republican government. Again the line-up is virtually the same as it was in 1936-38.

BEHIND THE POLITICAL fence-building and the acrimonious controversies lies the determination of London, Washington and Moscow to control oil and other natural resources, dominate the Danube, the Black Sea, the Dardanelles, the Mediterranean, the Far East and utilize the productive facilities of the Ruhr, Middle Europe and Manchuria. World War III, if and when it is fought, will be won by natural resources and machinery, rather than by manpower. Preparations for the eventuality are being made now.

THE CONTRAST between Powerful Three conspiratorial secrecy at Teheran, Yalta and Potsdam and the public quarreling in Lon-

don and New York is heartening. The issues are a matter of public record; arguments are heard and decisions fully reported.

Action, however, still rests with the sovereign states. The United Nations can recommend; the nations alone can act.

This situation was carefully reviewed by a recent conference held at Rollins College, Winter Park, Florida. The conference, attended by notable specialists in various scientific and political fields, reached the following conclusions:

"Peace is not merely the absence of war but the presence of justice, of law, of order—in short, of government. World peace can be created and maintained only under world law, universal and strong enough to establish justice and prevent armed conflict between nations. . . The United Nations as now constituted is a league of sovereign states. As such, it is not a world government and therefore cannot by law prevent armed conflict between nations and establish justice and security. . .

"We propose that a General Conference of the United Nations be called as provided in Article 109 of the Charter, to draft amendments accomplishing the following objectives:

1. That the United Nations be transformed from a league of sovereign states into a government deriving its specific powers from the peoples of the world.
2. That the General Assembly be reconstituted as the legislative branch of the world government, in which the citizens of the member states are represented on an equitable basis. . .
4. That independent judicial tribunals be created, with jurisdiction over cases and controversies arising under laws enacted by the General Assembly or involving questions concerning the interpretation of the Charter of the United Nations.
5. That a Bill of Rights be designed for the protection of persons affected by laws enacted by the General Assembly.
6. That the Security Council be reconstituted as the executive branch of the world government. . .
7. That the powers not delegated to the General Assembly be reserved to the member states.

"Only world government, even in the limited terms here advocated, can bring the peace in which the peoples can mature to the full responsibility by which they can realize their destiny as free men."

Scott Nearing.

Jamaica, Vermont
April 25, 1946

showed a spectacular increase during the same years.

Britain and the United States were operating a monopoly capitalist economy. The U.S.S.R. was operating a planned socialist economy.

Please do not try to shore up your faith in capitalism by asserting that the Soviet is a young country industrially. The United States was a young country industrially when it encountered its first depression in 1790. It was still young industrially during the disastrous depressions of the 1830's, 1850's and 1870's. Canada was young industrially between 1913 and 1938, yet its production curve followed that of the United States, not that of the Soviet Union.

No, you must acknowledge sooner or later that socialized planned economy has introduced a new element into the world picture. You must also acknowledge that the phenomenal rate of Soviet industrialization enabled the Soviet Union to bear the full weight of Nazi-controlled western European war industry for three terrible years (1941-44) and emerge from the ordeal the second industrial nation on the planet.

Yes, yes, I have read William Henry Chamberlin's *Russia's Iron Age* and I know that speedy industrialization was dearly paid for by the Russians. The Russians also know that increased speed accelerates friction. The significant point is, not that the process was costly, but that, while Tsarist Russia was liquidated by World War I, the Soviet Union survived World War II.

THE WASHINGTON *Times-Herald* for April 1, 1946 printed an article by Frank C. Waldrop which began: "Two world wars in forty years have made a military nation of the U.S.A., for better or worse. There are now very few men in our country who have not worn a uniform at some time or another. And the way things look, uniforms will be worn again. So, since we have taken up war . . . as a national habit and pursuit, it would pay us to make war well if we are going to make it at all."

This assumption lies back of much political thinking in Washington, as a glance at President Truman's Army Day speech shows. After saluting the army, Mr. Truman said: "The United States today is a strong nation, there is none stronger . . . We are determined to remain strong."

The President proposed a simple formula for strength—"First, unification of all our armed services in a single department; second, temporary extension of the Selective Service Act, and third, universal training." The President added, "The desire for peace and freedom is the very root of our foreign policy," but "modern war calls for the total mobilization of all men and all energies."

Prominent representatives of the armed services made similar speeches on April 6th. There were some variations in detail, but the general theme was the same—the United States is the strongest nation on earth and proposes to remain so. In every case, strength was expressed in military terms. Waldrop, Truman, Eisenhower, Patterson all said the same thing—"We are a peace-loving people *but* we propose to have bigger guns and more destructive bombs than anyone else on earth."

The United States has become a militarized nation. Each year it celebrates Army Day and Navy Day with impressive ceremonies. On Navy Day 1945 President Truman and the leading Navy spokesmen made fighting speeches. On Army Day, 1946 President Truman and the leading Army speakers made fighting speeches. United Statesers may call themselves "peace-loving" until they are hoarse, but fighting speeches have led one nation after another to war and to ultimate destruction, and there is every reason to suppose that they will produce the same results again if the United States continues its present policy.

POWER POLITICS have competed with famine for world attention during the past few weeks. Measured by headlines, power politics won the contest.

Three nations with the greatest productivity and the largest armed forces are repairing their political fences, quarreling bitterly over the spoils of World War II and maneuvering into position for World War III.

Political fences are being repaired or built in Latin America, Asia and Europe. The U. S. State Department has taken the contract for Latin America and is proceeding as delicately and adroitly as a bull in a china shop.

Most Latin Americans speak English and all of them have standards of individual dignity and honor that are easily outraged.

Most Latin Americans at one time or another have felt the iron heel of what they call Yankee Imperialism. They all know the present size of the United States navy. No one of them manufactures atom bombs.

Under ideal conditions, the State Department would not waste time on small fry like seventeen of the twenty Latin American republics. But conditions are not ideal. The United States is sharply isolated. Productively it rates high. In population it is of medium rating. And it is completely surrounded by small, non-industrialized, relatively weak countries. Canada is an exception, of course. So are Argentina, Brazil and Mexico. These four countries, judged by power-politics standards, are at the very best second- or third-rate powers. The first-rate powers are separated from the United States by oceans and by other important divisive factors. Washington is vitally dependent

upon its neighbors, small though they may be.

State Department relations with Canada are excellent. With Argentina, they could hardly be worse.

Ever since President Roosevelt and Secretary of State Hull decided to bludgeon Argentina into line with a big stick, the conflict has raged. It reached a new high point during the recent Argentinian elections.

Colonel Perón, outstanding candidate for the presidency, has made himself particularly objectionable to Washington. Washington countered by denouncing him. As election day neared, the State Department gathered all of its anti-Perón propaganda between two covers and published a Blue Book, with the evident intention of defeating Perón at the polls.

Had Argentinians been generally pro-Washington and anti-Perón, the State Department maneuver would have made sense. But Argentinians are sensitive regarding foreign interference in their domestic affairs—and particularly sensitive when the foreigner is "the Colossus of the North." The Blue Book therefore assured Perón's election.

It did something else. The State Department handed a copy of the Blue Book to the representative of every Latin American republic. The Latin Americans were thus asked to choose between the U. S. and Argentina. They chose Argentina. State Department policy thus suffered defeat at the hands of the Latin American diplomats as well as the Argentine electorate.

State Department officials picked themselves up after this humiliating tumble, brushed themselves off and are making every effort to appear presentable. On April 8th Secretary Byrnes formally agreed to allow Argentina to join in a hemisphere-defense treaty provided the Perón administration fulfilled its obligations under the Chapultepec Agreement.

On April 17th the Argentine foreign office issued a statement declaring that the Blue Book was founded on "hasty judgments" and "inconsistent accusations" and that it repeated "notorious errors of information." Furthermore, the Blue Book is a "unique case in the diplomatic annals of the Continent, offends the best practices of international law and is a serious attack on the spirit of confraternity that has inspired and still inspires the peoples and governments of America." The statement declared the controversy with Washington absurd and urged the State Department to end its campaign against Argentina.

State Department policy had flopped. Buenos Aires was magnanimous, condescending, admonitory and willing to forgive and forget.

WASHINGTON was busy fence-building also in China, where State Department policy called for Chinese unification. Under

the supervision of General G. C. Marshall a truce agreement was entered into between rival China factions.

Meanwhile, as Soviet troops were due to withdraw from Manchuria, United States trained, equipped and transported Chinese Nationalist armies were operating under the truce agreement to take over the northeast provinces. On April 14th Chinese factionalist armies began battling for Changchun. Each side accused the other but, no matter whose the blame, the war was on again and General Marshall was speeding China-ward to save the fat from the fire.

British fence-building efforts in Asia were less spectacular than the ill-starred State Department venture in Latin America. Negotiations for a settlement of the Java war were proceeding and a special cabinet committee, headed by Lord Pethick-Lawrence, Secretary of State for India, was in New Delhi. The special committee faced a critical situation, including a major famine, a mutiny which seems to have extended beyond the Indian navy to other branches of the services, and a resolute refusal of the Moslem League to accept any plan for Indian unification.

Palestine is quieter. The riots in Egypt have subsided. Perhaps some working agreement has at last been concluded with the Arab League.

SOVIET FENCE-BUILDING in Europe has been more successful than like ventures in Latin America and Asia. The Soviet government has concluded trade agreements or trade treaties with Czechoslovakia, Rumania, Bulgaria, Yugoslavia, Poland and Finland. In some cases the arrangements involve barter deals. In other cases they include Soviet investment in production enterprises. Again, public corporations are established on the model of the recent Soviet-Iran oil agreement, to be jointly owned by the two governments and jointly administered.

The important fact is that Soviet diplomacy does not stop with political relations but goes over immediately into economic fields. These are not trade treaties in the Cordell Hull sense of free trade. They involve planned trade and planned production.

If the Soviet fence-building program succeeds, the U.S.S.R. will be bordered by friendly governments, plus a network of planned economic relationships, centering in Moscow and including large portions of Europe, the Near East and probably Mongolia, Manchuria and Korea.

While the State Department is frittering away its time in petty personal quarrels and recriminations and while His Majesty's ministry is sparing no efforts, diplomatic or military, to keep the collars on his Asiatic subjects, Moscow

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Vol. II, No. 13

Letter 30

Friends:

FIVE INTERNATIONAL ORGANIZATIONS have been sharing the publicity spotlight during recent weeks—the British Empire, the American Empire, the Soviet Union, the United Nations and the Vatican. The British Empire is the largest aggregation of war booty ever brought under one sovereign authority. The American Empire is just shifting from knickers to long pants. The Soviet Union is the first socially planned, multi-nation state. The United Nations has taken a few hesitant steps toward world order and peace. The Vatican has had the longest life of any present-day temporal power.

BRITISH LABOR leadership, commissioned six months ago to direct the destinies of the Commonwealth and Empire, is facing the toughest job confronting the government of any major power. A home economic crisis, turmoil in the Empire and an up-hill battle against two colossal rivals dog Prime Minister Attlee and his colleagues at every step.

Food supplies seem to be shorter in Great Britain this winter than at any time during the recent war. Ben Smith, Minister of Food, told the House of Commons on February 14th that crop failures and droughts in various parts of the world would force a further reduction in British rations, with darker bread and another cut in the fat allotment. Even the maintenance of this limited standard depended upon Britain's capacity to finance the necessary imports. In the same debate, Hugh Dalton, Chancellor of the Exchequer, asserted that, if Congress failed to ratify the Anglo-American loan, there would be still another tightening of belts in the British Isles.

These House of Commons announcements followed the publication of a report by the Emergency Economic Committee dealing particularly with the food outlook in Europe and dispatches from Asia detailing food shortages and asking for help. President Truman summed up the matter on February 6: "For the world as a whole, a food crisis has developed which may prove to be the worst in modern times. More people face starvation, and even actual death for want of food, today than in any war year and perhaps more than in all the war years combined." Food shortage is more

acute on the Continent and in Asia than in Britain.

Besides food, Britain is short of various consumer goods, especially clothing and housing. Here is one example. British houses are usually built of brick. The present demand is for 50% more brick than was turned out pre-war. The present output is one-fifth pre-war production. Instead of an improved standard of living, which the British masses expected after the war's end and the election of the Labor government last July, the country is faced with a severe economic crisis that will continue for years.

Socialists have never concealed from themselves the difficulties attendant upon the transformation of a capitalist economy. They did assume, however, that it would be relatively easy to convert an empire into a commonwealth. What an awakening they have suffered as a result of current British experience!

Instead of liberating the Empire, the Labor cabinet has been called upon to perpetuate it against a rising tide of protest and revolt centering in the eastern Mediterranean and the East Indies. Palestine has been undergoing a reign of terror that includes bombing, mob violence, assassinations and the imposition of virtual martial law by British troops and police. Lebanon and Syria have made official demands upon the United Nations for the removal of both French and British soldiers. Student riots in Cairo against the continued presence of British armed forces in Egypt proved to be merely a curtain-raiser for the street battles of February 20th, in which British soldiers fired upon Egyptian

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mobs attacking British military installations. The British-Dutch war against the Indonesian republic continued.

India seethed with unrest. Despite the British Viceroy's statement, "I can assure you unreservedly that the British government . . . wish the Indian people to have their political freedom and the government or governments of their own choice," and the announcement of a new British mission to India that would include three high-ranking Cabinet members, Jawaharlal Nehru and other Indian leaders continued to insist upon immediate independence. On January 26th, Indian Independence Day, the Indian Declaration of Independence adopted in 1929 was acclaimed and re-emphasized. It states, "We pledge ourselves anew to independence of India and solemnly resolve to carry on the struggle for freedom till complete independence is attained."

Riots and street-fighting broke out in Calcutta, Bombay, Karachi and Delhi. These riots were followed during the last ten days of February by a series of mutinies that centered around the Indian Navy but included other units of the Indian military forces. On February 22nd Vice-Admiral John Henry Godfrey, Commander-in-Chief of the Royal Indian Navy, in a broadcast to the mutineers declared that the London government had overwhelming forces at its disposal "which will be used to the uttermost, even if it means destruction of the Royal Indian Navy." In Bombay alone several hundred lives were lost.

Strikes in Royal Air Force headquarters in India, Egypt, Ceylon and Singapore added to government headaches. Like the revolt in the American occupation forces during early January, the principal cause of R.A.F. disaffection was slowness in demobilization, coupled with complaints concerning overwork, poor living quarters and bad food.

Turmoil within the Empire was accompanied by a series of episodes involving the British occupation of Greece, British oil interests in Iran, the disposition of Italian colonies in the Mediterranean area, control of the Dardanelles and relations between London and the Arab League. In all these areas Soviet policy was pressing upon the jugular vein of the British Empire.

THE ADOLESCENT American Empire suffered growing pains. The strike wave continued unabated, with big-business spokesmen denouncing this phase of free enterprise. Business, its press and the public generally have overlooked the extraordinary restraint shown by the unions. Between 1938 and 1945 corporate profits before taxes increased about ten-fold, after taxes about six-fold. Union leaders might well have asked an increase of 200 or 300% in wages and still have been far below the profit boosts enjoyed by the job-owners. For the most part, union demands were in the

neighborhood of 30%, an increase not sufficient to balance decreased working hours and higher prices.

Economists agree that a price increase of from 15 to 25% can be expected in the United States during 1946. The unions might easily have anticipated this development by making demands designed to offset it. They modestly refrained from doing this and most of the strikes have been settled for increases of around 20%.

Using war-emergency powers, President Truman seized struck packing plants and New York harbor tugboats. During the tug strike U. S. Marines armed with rifles were photographed on some of the tugboats. This development, inaugurated as a war measure, presents divergent possibilities. On one side, it jogs the boss gently. On the other side, it brings the workers squarely up against the full armed power of the United States government. It is not a long step from the present practice of plant seizure to having Washington occupy major industries, deputize present business executives to operate them, and continue the set-up indefinitely. The result would be an American variant of fascism, with the government and business lined up together against the workers.

PRESIDENT TRUMAN sent a long message to Congress on January 21st. In it he repeated his twelve-point United States foreign policy formula, quoted word for word from his Navy Day speech of October 27, 1945. He included a recommendation that the United States armed forces be maintained at approximately two million men and reiterated his request that Congress enact a peacetime conscription law.

Peace-loving Americans were interested in the budget which the President proposed for the two ensuing years. For the year ending June 30, 1945 the federal government spent exactly \$100 billion. Of this, 95% was for war. This, of course, was a war year. But the budget for 1947, the second year after the close of the war, provides that, out of a total expenditure of \$35 billion, \$16 billion, or nearly half, shall go for the armed forces, \$5 billion for debt service and \$4 billion for veterans—making a total of \$25 billions, or about two-thirds of federal expenditures, for war purposes. This volume of expenditure will exceed the total military budget of any other nation. The proportion of the entire budget devoted to military purposes will approximate the proportion of expenditures devoted to military purposes by the Germans and Japanese during the years when they were actively preparing for World War II.

Confusion and contradiction highlighted United States foreign policy, especially in its dealings with the occupied areas of Europe and Asia. One point was clear, however, and Presi-

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dent Truman did not hesitate to reassert it—the “vital interests” of the United States demand the retention and fortification of key Pacific Islands. Similar statements were made by representatives of the armed forces and by Senate and House leaders.

ECONOMIC RECOVERY in the Soviet Union has been rapid. While no general figures are yet available, newspaper correspondents and other observers report an increase in food supplies and consumer goods, an improvement in transportation, the reopening of industrial establishments and extensive rebuilding.

Economic rehabilitation has not been confined to the Soviet Union itself. Observers in Poland, Hungary and the occupied portions of Germany agree that, in areas under Soviet influence, recovery has been unexpectedly rapid. A party of four observers who went from Detroit on an extensive tour of Poland concluded that Polish productivity in many lines was already above pre-war. A *New York Times* correspondent, speaking in New York City on February 14th, stated that United States occupation authorities in Germany have taken “only negative steps,” but that in the Russian zone “erstwhile airplane-parts plants are now humming away making pots and pans, while in the American zone we have been blowing up wartime explosives plants.”

Actually, Central Europe seems to be getting an economic New Deal. Those territories that are within the sphere of Russian political influence are also in the sphere of Moscow economic planning. States bordering the Soviet Union do not have merely friendly governments; they also have friendly economies. The contacts are of a very practical sort. The Soviet Union has assumed responsibility for rehabilitating Hungarian economy. In exchange it receives a preferential claim on an agreed portion of Hungarian products. Some such economic arrangements have also been made with Czechoslovakia, Poland and Rumania.

Nazi leaders dreamed of a European economy planned in Berlin. During their brief period of military occupation, the Nazis approximated this objective. Today the economy of central and eastern Europe is being planned in Moscow.

Border-state economy is not communist. Big estates have been divided, in the main among individual farmers. Large industries have been governmentalized. The pattern seems to include small proprietorship of land and state operation of industry, transport and finance. (Parenthetically it might be noted that similar developments are taking place in France and Great Britain.) The pattern is not communist but it is a forward step far beyond capitalism as conceived by U.S.A. free-enterprisers.

This new economy terrifies the capitalists. The House of Representatives Committee on

Post-war Economic Policy and Planning reported on February 7th that Moscow had made economic arrangements with Bulgaria, Rumania, Finland, Hungary, Austria and Poland. “The effect of these arrangements is, for the time being, to channel into Russia the whole of the exports from this large area and to limit to Russian sources such imports into the area as are made available. The trade agreements are, of course, entirely inter-governmental and lay the basis for a continuation of state trading throughout the whole area.” Result—the exclusion of free-enterprise profiteering!

Relations such as those now being worked out between Moscow and the neighboring economies are based principally upon bookkeeping. They involve neither the movement of gold nor foreign exchange. They are not barter but planned economy.

Should these developments continue, they may well eventuate in an economically unified Europe, with subordinate political subdivisions within which local cultural self-determination is permitted and encouraged. Such is the formula that has been adopted with considerable success in the Russian “multi-national state.” Having proved workable inside the Soviet frontiers, there is reason to suppose that it might be equally workable across central and eastern Europe.

Premier Stalin posed this problem, with a slightly different wording, in his February 9th election speech. He began with a brief analysis of the causes of the two world wars. Out of World War I, he said, the Soviet Union was born. World War II “has shown many of our Soviet people in their real light” and provided “an opportunity to pass judgment on our party and our people.”

Stalin then called attention to the world-wide pre-war scepticism concerning Soviet society, Soviet economy and the Soviet military apparatus. “The war has shown that the Soviet multi-national state system has successfully stood the test, has grown still stronger during the war and has proved a completely vital state system. . . . The Soviet state system has provided an example of a multi-national state system where the national problem and the problem of collaboration among nations are solved better than in any other multi-national state.” After a brief review of the increase in industrial and agricultural productivity under the Five-year Plans, Stalin turned to the future. “If we render the necessary assistance to our scientists,” he declared, “they will be able not only to overtake, but also in the very near future to surpass the achievements of science outside the boundaries of our country. As far as plans for a longer period are concerned, the party intends to organize a new mighty upsurge of national economy, which will enable us to increase the level of our production, for instance, three-fold as compared with the pre-war level.”

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Times, "One diplomat accredited to the Vatican said to me this afternoon: 'This is more important than the United Nations Assembly you just had in London. There they only took a negative stand. This is a world-wide mobilization against communism.'

"Certainly one feels here, in the centre of Catholicism, that the battle lines are drawn once and for all. There was a period during the latter part of the war when it seemed possible that some political relations could be established between the Vatican and the Kremlin. If there ever was a chance, it has been destroyed forever by the events of the past year. This consistory symbolizes a great deal, but for many its most important aspect will be its challenge to Communism" (*N. Y. Times*, 2-20-46).

The anti-Soviet forces of the world have never thus far established a united front. They came close to it twice, in the Anti-Comintern Pact and in the Munich agreement. World War II shattered both efforts. Pope Pius is offering the western world a formula for a new anti-Comintern bloc. Can the anti-Soviet forces be persuaded to fall in line?

ON OCTOBER 17, 1945 the following exchange took place in the British House of Commons:

Mr. Sorensen: "Is not my right hon. Friend aware that quite a number of members of the House are very disturbed at what seems to be the case, that the Japanese and ourselves are collaborating in using force against the actual inhabitants of Indonesia?"

The Prime Minister: "The hon. Member and his friends, if they think that, are of the wrong impression" (House of Commons debate, Oct. 17, 1945).

In WORLD EVENTS No. 27 I quoted extensively from this debate and called attention to Mr. Attlee's declaration that Japanese troops were not being used by the British in Java. I quoted a news dispatch of Nov. 23, in which British military authorities commended the Japanese under their command as good troops who fought well.

January 24, 1946 a United Press story from Batavia, Java, began: "British troops in Semarang have begun disarming Japanese troops, who

had been permitted to keep their arms for guard duty during the recent disturbances there. . . British sources here reported that the situation at Semarang, in central Java, had improved sufficiently to permit the replacement of the Japanese guards by British troops." (*N. Y. Times*, 1-25-46) A United Press dispatch in *The New York Times* of Feb. 25, 1946 reads: "The British still are using Japanese troops in Semarang to help keep order. . . There are still more than 300,000 Japanese troops in Indonesia."

What have these Japanese troops been doing since the war ended six months ago? Fighting side by side with British and Dutch armed forces in an effort to destroy the Indonesian republic, protect British and Dutch investments in the East Indies and guarantee the right of an alien power to govern and exploit a colonial people.

At the time, Mr. Attlee made his declaration in Parliament on October 17, Japanese troops were fighting in Java under the command of his subordinates. Mr. Attlee may have been ignorant of the facts, or he may have been "diplomatically" covering up, or he may have told a plain lie. On this point I am uninformed. One fact seems definitely established, however—that in Java, Siam, Indo-China and China, Japanese troops have been used by Anglo-American-French-Dutch-Chungking commands to destroy popular movements and for the protection of vested interests. Such procedure is outrageous from the standpoint of collaboration with the enemy. It can be justified only on the ground that a more dangerous enemy than Japan had appeared in the shape of a movement among Asiatic peoples to throw off the yoke of imperialism and set up republican governments of their own choosing. Faced by such an emergency, British, American, French, Dutch and Japanese imperialists, together with their Chungking representatives, lost no time in uniting their forces against the common enemy of all empires—an independence movement among the colonials of Asia.

Scott Nearing.

Jamaica, Vermont
February 28, 1946

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statesmanship to offset them. Instead of statesmanship, however, there is controversy and misunderstanding. American representatives talk of their mighty armed forces and their "vital interests." British spokesmen are busy defending a moribund empire. Can a western bloc emerge? Is the Atlantic Community politically practicable? Such questions can be answered in the affirmative only insofar as Washington, London and their dependencies can agree on a line of policy and implement it.

AT THIS POINT the Vatican comes to the fore. The Vatican State is a temporal power occupying a small geographic area, with no armed forces. The Papacy, which controls Vatican City, has a very considerable income and about one-sixth of the earth's population as its constituents. Roman Catholic church membership includes roughly half the population of Europe and half that of the Americas.

The Vatican State was established as a result of the 1929 Treaty and Concordat with Mussolini. So far as we know, this treaty is still in effect. Under it the Vatican State became a temporal power, entitled to exchange diplomatic representatives with other states. The Papacy is therefore the head of both a church and a state organization.

Since its establishment as a temporal power, the Vatican has been playing an active political role. In 1933 it reached an agreement with the Nazi government in Germany. In 1935 its spokesmen supported the Italians in their war on Ethiopia. From 1936 to 1938 it gave active assistance to Franco in his efforts to overthrow the Spanish Republic. The President of the United States, through a personal ambassador at the Vatican, maintained a close contact between Rome and Washington. Although the Papacy was not largely concerned with religious affairs in Russia, where the Greek Catholic church held a virtual monopoly, it has been consistently anti-Communist. Spokesmen on each side have repeatedly denounced the other. Again and again the Pope has spoken against "godless" Communism.

Pius XII, head of the church and of the Vatican State, is thoroughly schooled in diplomacy. He spent years in Germany, has travelled widely and served as Papal Secretary of State under his predecessor. His recent utterances, particularly his Christmas broadcast in December 1944, make it quite clear that he realizes the revolutionary implications of the present world set-up, is prepared to transform world institutions and is eager to provide the leadership for such a transformation.

Pope Pius XII was in a difficult position during the war. His sympathies were clearly on one side in the conflict, but members of his organization were scattered through both camps. Long before hostilities ceased, he, like other informed observers, was keenly aware of

the differences among members of the Big Three and also between the Anglo-Saxon powers. These differences offered him his opportunity. He wisely waited until the members of the Anglo-American bloc had demonstrated their inability either to formulate a unified policy or to work in harmony without a policy. He then staged one of the most dramatic demonstrations of supra-nationalism that has been seen in recent times. Membership in the Sacred College had declined to 37 cardinals. The Pope decided to add 32 cardinals, most of them non-Italians, and to draw them from the four quarters of the earth.

Stage-managed to perfection, the consistory was held in the latter part of February. Cardinals designate flew or were otherwise transported across oceans and continents, assembled in Rome and were officially elevated to the Sacred College. News reporters and photographers were given every opportunity to picture the pomp, the regalia and the profusion of gold and jewels—in a country living on 40% of a normal food ration and on a continent where 140,000,000 people face starvation this winter. These glaring contrasts were not emphasized, however. Reporters and newscasters satisfied themselves with describing the impressive magnificence of the display.

On February 18th Pope Pius said, "With the conflict ended, although upon mankind . . . true peace does not shine, we have the possibility of effecting the intentions we have meditated on for a long time." He then referred to the elevation of the 32 cardinals as placing "the well known universality of the church" in a new light. "This church does not belong to one race or to one people or nation, but to all peoples of the human family." Two days later the Pope made an extended address to the Assembly of Cardinals in which he referred to the "supra-national character of the church and of its world-wide unity. This church stands out today in the midst of a world torn and divided as a warning, as a standard unto the nations." Pope Pius then contrasted the church with modern imperialism, which devotes itself to "the material things and forces" and exhibits "an unbridled tendency toward expansion which has within it the gnawing worm of ceaseless unrest."

Without mentioning the Soviet Union and by introducing a paragraph exonerating the British Empire from his general strictures, Pope Pius conveyed the impression that the supra-national Catholic Church was arrayed against the expanding Soviet Union. He concluded his address by saying: "Venerable brethren, the church provides the greatest support of human society. Every day, from where the sun rises to where it sets, without distinction of race or nation, a pure conception rises. . . . We ourselves are the stable foundation of society."

H. L. Matthews wrote to *The New York*

Detailed figures follow, then: "Perhaps three new Five-year Plans will be required to achieve this, if not more. But it can be done and we must do it."

These Soviet economic proposals make interesting reading by comparison with the vague talk about "post-war prosperity" in the United States, coupled with predictions that productivity will not fall more than 25 or 30%. The Soviet Union faces neither decreased production nor unemployment. The entire social apparatus moves forward according to plan.

UNITED NATIONS organization progressed during February. Paul Henri Speak, of Belgium, is president of the General Assembly. Trygve Lie, of Norway, is Secretary General. Besides the Big Five permanent members, the Security Council includes representatives from Australia, Brazil, Egypt, Mexico, the Netherlands and Poland. The Economic and Social Council is established, with 18 members. The International Court of Justice is constituted. An Atomic Energy Committee is set up, composed of representatives from the members of the Security Council, plus Canada. Permanent headquarters will be established in or near New York City.

The first United Nations session was an almost perfect replica of a Chinese horse market. In the Chinese market, when buyer and seller meet, they put their big sleeves together and bargain with their fingertips, so that only the parties to the deal have any idea of the terms. At bottom, the United Nations sessions at London were equally furtive. The primary problem was not to select competent officials, but to divide the new power factors among the big power-holders. Where were these crucial decisions made? In secret meetings of the Big Three or Big Five. Thus, *The New York Times*, on January 11: "While the Big Five negotiated behind the scenes in an effort to agree on the six nations they favored for the non-permanent seats in the important Security Council. . ." Again, on January 23, in the same paper: "In a series of private informal discussions at first among top representatives of the Big Five" decisions were made regarding the Secretary General and Security Council rules of procedure. The United Nations sessions were a front behind which the possessors of armed might were maneuvering.

No sooner was the structure of the United Nations established than quarrels among the Big Three were dragged into the open. Russian procedures in Northern Iran, British troops in Greece and the British-Dutch war on the Javanese republic were the three chief themes. Diplomatic phrases were dispensed with and, in the discussion led by Bevin and Vishinsky, proletarian epithets were hurled back and forth. No one of the issues led to a real showdown. The Soviet Union and Iran were left to settle

their argument privately. It was decided that the presence of British troops in Greece was not likely to lead to war, nor did military operations in Java constitute a threat to world peace and order. The controversies were tempestuous, but it was a tempest in a teapot. In each instance the Big Three member called on the carpet went his own way.

The United Nations debates achieved two results. First, the issues were publicly discussed and reported all over the world. Second, a precedent was set for bringing such issues to public attention in United Nations sessions. This, however, is no advance over the Geneva League of Nations, which discussed in like manner Manchuria, Ethiopia, Finland and other hot issues. The open sessions at London present a welcome contrast to the pattern of secret diplomacy followed by the Big Three spokesmen from 1941 to 1945.

When the United Nations adjourned, its friends and supporters heaved a sigh of relief. The fact that it had met and organized was in itself regarded as an achievement. If the United Nations is to get results, however, its Charter must be revised in such a way that (1) the Assembly is popularly elected, (2) the veto power of the Big Five is restricted or abolished, (3) the organization has a source of income under its own control and (4) a monopoly of heavy arms, with the member states effectively disarmed, (5) all citizens of member states are likewise citizens of the United Nations, with rights and responsibilities guaranteed and specified in the Charter, (6) the Economic and Social Council has considerably more power than at present.

The League of Nations lasted for twenty years. It did many useful things, but failed to prevent war. If the United Nations is to succeed where the League failed, it must be lifted out of the class of an alliance or confederation among three strong and forty-eight weak powers and converted into a world federation having the characteristics of a world government. Members of the United Nations, including former enemy states, must be admitted to the organization on a basis of equal rights and equal duties.

BIG THREE spokesmen have had their day. Since 1943 they have been promising to win the war and then to establish peace. They won the war, but peace remains a distant and utopian objective.

Soviet policy is clear and consistent. Soviet representatives, both at home and abroad, are busy building a new social order.

No such consistency appears in the western world. Anglo-American spokesmen are quarreling over civil aviation, post-war trade, loans and credits, the occupation of enemy territory. These differences might be overlooked or forgotten, were there any positive or constructive