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Congress Asked To Clean Out Corruption In Its Own Halls

Congress has been asked to clean out the corruption in its own halls as well as in the Administration.

Two Democratic Senators and a newspaper joined in the request for a Congressional housecleaning.

Sen. Mike Monroney (D., Okla.) said that members of Congress should be prohibited from interfering in tax cases pending before the Bureau of Internal Revenue.

Monroney also said that legislators who try to help get Reconstruction Finance Corporation (RFC) loans for their friends should be willing to have those facts made public.

Boykin Involved

Congressional hearings have shown that Rep. Frank Boykin (D., Ala.) has been involved both in tax cases and RFC loan matters.

The name of Sen. Styles Bridges (R., N. H.), who has been in the Senate longer than any other Republican, has come up in connection with tax scandals.

Sen. Estes Kefauver (D., Tenn.) proposed that Congress set up a Commission on Ethics in Government to help establish higher moral standards for all government officials, including Congressmen.

Wants Publicity

Kefauver also suggested that the names of all persons, including Congressmen, who receive fees for helping people get government loans or favors should be made public.

Said the Madison, Wis., Capital Times:

"Even though the congressional investigating committee has done their best to cover it up, it is becoming increasingly obvious that the source of much of the corruption in Washington is in Congress itself."

Congressional Pressure

"Congressmen have been using their office to put pressure on government agencies having dealings with business firms and individuals."

"It has become crystal clear that corruption in Washington will never be rooted out unless some means can be found for exposing the corruption that exists in the halls of Congress."

DOMINICANS FREE SEAMEN

Ciudad Trujillo, Dominican Republic—Christmas pardons were granted five Cuban seamen imprisoned by the Dominican Republic.

The seamen were sentenced after the Dominican naval forces had captured the merchant boat "Quetzal."

The capture was branded by the Inter-American Regional Organization of Workers (ORIT) an act of piracy without precedent in modern inter-American history.

The condemnation of the Dominican Republic was issued by the executive board of ORIT meeting in Washington. ORIT acted on request of various trade union organizations from all over Latin America. The board said in part:

"The detention and the subsequent sentencing of the crew, the members of which had signed on the 'Quetzal' as professional sailors, has aroused the indignation of the democratic labor movement not only because it constitutes a flagrant violation of international, civil and commercial rights, but also because it threatens the maintenance of peace in the Caribbean area."

\$346 MILLION LOSS

It cost the Government \$346 million in the past fiscal year to keep farm prices up, the Commodity Credit Corporation announced.

This was the highest loss of any year in the price support program since it was established in 1933.

Be UNION and buy LABEL to maintain American labor standards at home.

Four Airmen Freed; U. S. Pays Ransom

The cold war got hot. Uncle Sam was forced to pay \$120,000 in ransom to the Communist regime in Hungary for the release of four American fliers who were forced down behind the Iron Curtain and convicted at a phony trial on trumped-up charges of espionage. There were cries in Congress of "not one cent for tribute," but Uncle Sam is not as tough as his traditions. The government decided to pay the "fines" assessed against the fliers to avoid having them sent off to jails from which they might never emerge.

Was the decision wise? There were varying reactions. True, America might be written off in some quarters as an easy mark. But far more important, the whole incident proved to the world that to America human life is more important than dollars—proved it in a way incalculably more effective than tons of propaganda.

The hot war got cold. The December 27 deadline came and went without a truce, but negotiations for an armistice were still continuing as this edition went to press. As yet, there had been no formal action on extending the deadline for another 15 or 30 days, as reports from informed quarters indicated might happen.

UN delegates hinted there might be a possibility of agreement on the over-all exchange of prisoners, for which the Communists had pressed, but only after full explanation regarding the fate of 50,000 men claimed as prisoners in Red propaganda but missing from the official roster of prisoners handed to the Allied conferees. No formal answer came from the Communists, but word got out that they might reply the 50,000 had died from wounds, disease and the rigors of climate.

SENATOR HUMPHREY ASKS CAMPAIGN CASH BE PROBED

Sen. Hubert Humphrey challenged his fellow members of Congress to "tell the people the sorry truth" about who pays the bills to elect them.

"It would be a good idea if every member of Congress were required to go before an investigating committee and tell how his campaign was financed," the Minnesota Democrat told reporters.

Far too much is spent on campaigning, the Senator said. He added that he suspected that some campaign contributors "expect something besides good government."

With regard to Government tax scandals, Sen. Humphrey held that the tax laws passed by Congress "are the base from which this corruption springs."

"If we're going to houseclean, let's clean good," he said. "Let's not just clean on top of the rug. Let's check on some of the big stealing."

By "big stealing," Sen. Humphrey said he meant "inadequate tax laws and tax loopholes through which \$4 billion of potential revenue escape legally" every year to the benefit of "less than 4 per cent" of the taxpayers and to the detriment of the other 95 per cent.

EGYPTIAN TURMOIL

King Farouk of Egypt moved toward a break with the anti-British Nationalist Party, now in power. He appointed Hafez Afifi Pasha, a pro-western banker, as chief of his Royal Cabinet, an advisory post; and Abdel Fattah Amr Pasha as his personal adviser on foreign affairs. Nationalist Party chiefs, angered at the appointment, said they would have no effect on government policy.

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BLS REPORTS HIGH COST OF LIVING HAS CLIMBED TO AN ALL-TIME RECORD

The cost of living has hit another new all-time high.

The Bureau of Labor Statistics (BLS) reported that on November 15 it cost the families of working people 10.8 per cent more to live than just before the Korean war began in June, 1950.

The BLS Consumers Price Index read 188.6 in November. That means the cost of living has increased 88.6 per cent since 1935-1939.

From October 15 to November 15 living costs increased six-tenths of one per cent.

Since the Korean war started, the cost of food went up 13.9 per cent. That means you have to spend about \$1.14 today to get the same amount of food you could buy for \$1 in June, 1950.

The cost of living continues to reach new peaks month after month because Congress refused to control prices.

When Congress passed a phony price control law last summer, it guaranteed big profits for manufacturers, wholesalers and retailers and high prices for the people.

A million and a quarter railroad workers, whose pay goes up when the cost of living increases, will receive 4-cents-an-hour wage increases as a result of the latest rise in prices.

PRICES HURT

Christmas business was disappointing. Merchants are worried about 1952 prospects.

Why? Because prices are too high. Reported the New York Times:

"... Stores looking ahead to 1952 see more acute problems, particularly ones of obtaining volumes in the face of consumer price resistance..."

BURKE TO RUN

Former Rep. Tom Burke (D., Ohio) plans to run for Congress again next year. Burke, a strong friend of labor, represented Toledo during 1949-51. He now is a labor specialist with the National Production Administration (NPA).

NEWS AND VIEWS

By FLOYD L. CARLISLE, JR., Pres. F. L. Carlisle, Inc. (Pinch-hitting for Alexander S. Lipsett)

THE PEOPLE'S STAKE IN ELECTRIC POWER

In what ways can the nation's water power resources be most advantageously developed? How can we best protect the public interest and at the same time safeguard the free enterprise system, source of America's strength? The writer is a public utilities specialist. His views, while not necessarily those of ILNS, deserve attention in view of increasing union resistance to the scope and certain phases of the Federal power program.

Though in no way connected with the trade union movement, I have long been a reader of labor publications. Their columns have given me time and again an insight into the problems of the working people that the average businessman often lacks.

In particular, I have watched with keen interest the stand of leading AFL and CIO unions on the much discussed issue of government financed and developed electric power. It is an issue on which both industry and labor must see eye to eye lest the American people find themselves enmeshed in complications which it will take years and tremendous expenditure to correct—if they can be corrected at all.

These observations are prompted by the difficulties, legal and otherwise, in the way of an expanded power program in New York State. Specifically, the proposal of the 5 major utilities of that area—namely, Niagara-Mohawk Power Corp., New York State Electric and Gas, Consolidated Edison, Rochester Gas and Electric, and Central Hudson Gas and Electric—urging additional power development from the Niagara River and pledging their resources and know-how to the project without expense to the

federal or state governments, has met with heavy going.

It should be noted that this development is completely unconnected with the controversial St. Lawrence Seaway and Power project. It does not involve navigation, reclamation, flood control, or any other areas rightfully belonging to government. It is strictly a project to provide more power to the American people—nothing else.

Moreover these five utilities constitute tremendous assets to the national economy and to the well-being of labor. They employ approximately 46,000 people at an annual cost, in 1950, of \$182 million. They paid in the same year \$136 million in federal, state and local taxes. Over 250,000 individuals, as well as life insurance companies, savings banks and other institutions, are stockholders in these companies. In short, they enrich every element of the community—business, labor, consumers, professions, etc.

What is the trouble, workers will ask. Why don't they go ahead with their plans? Unfortunately the matter is not so simple. In the first place, a bill now before Congress proposes that the Niagara project be financed, built and operated by the federal government. Another bill seeks development by New York State, the necessary funds to be provided by tax-free state bonds.

Contrary to these proposals, which would produce little if any tax revenues, the companies favor construction of the project by private enterprise. Power would be distributed at regulated rates on a cost-of-service basis. New tax revenues of at least \$23 million a year would flow to the federal and local governments.

Lack of space does not permit me to go into the details. Suffice it to say that this group of utilities is admirably equipped to carry the enterprise, once approved. (Continued On Page 4)

1952 Jobs: Win War; Build Strong U. S.

By BORIS SHISHKIN, AFL Economist

(Excerpts from article in The American Federationist)

In 1952 the American people will be making decisions. These will be far-reaching decisions, affecting the whole course of their future and the future of the world.

Many of these decisions will be made on Capitol Hill in Washington when the votes are cast in the Senate and the House chambers by the elected members of the 82nd Congress. Some will be made by the Executive branch of the government, and some by the courts. But the most crucial questions Americans will be deciding themselves—at the polls next November.

The first and the all-important part of the decision that the American people will have to make in 1952 is to carry on the defense program. They must make up their minds to accept the cost, the hardships and sacrifices that go with the defense effort. Not until the military supremacy of the free world over the Communist bloc is established can this effort be relaxed. Not until then will peace be assured.

The second and equally vital part of their decision will be to make sure the costs, sacrifices and hardships of defense mobilization are equitably distributed. People with small incomes and the average worker should not be expected to bear the brunt of economic dislocations inevitable under a mobilization program. The worker will keep his belt tight if the country's needs require that he does. But there should be no room for luxury buying when a worker's family cannot get a decent place to live and scarcities prevent it from buying essentials of living.

The third and closely related part of the decision is to keep inflation in check. Financial and credit policies of the government will have to be devised to check unnecessary business expansion, to curb a speculative rise in commodity prices and real estate and to hold in check, the prices of food. Policies to promote savings and defer nonessential spending are no less important.

Commie Aim Is To Destroy It should be remembered that one of the most deadly aims of communism is to destroy our economic system. The temptation to let go of all irksome controls will be very great. Especially heavy will be the pressure to let go in the first half of 1952. For the full brunt of inflationary pressure from increased defense and military expenditures will not be felt until the second half, when the funds previously authorized and appropriated for defense will attain full flow in the form of actual payments.

Try To Preserve Strength

The fourth consideration to which Americans will have to give high priority also has to do with preserving the strength of their American commonwealth. It is the imperative necessity to make every possible provision, consistent with the defense effort, to prevent the rate of growth and standards of welfare we have attained from deteriorating. Acute housing shortages must be wiped out. Social security standards must be raised to remedy the most glaring shortcomings of our system and to overcome the deterioration in standards resulting from inflation. A national health program to eliminate the greatest economic hazard confronting the great majority of Americans must be made a reality.

First Line Of Defense

These and other kinds of action to strengthen our economy are just as indispensable as military preparedness. They are the first line of defense against upheaval on the day when defense preparations are completed and the threat of war is averted.

This fifth area of decision has

to do with something vital to all of us—America's moral leadership.

America's decisive task is its moral task. It is up to us in America to unite the free world in a crusade for human betterment. And it is up to labor to lead the way.

PRICES, TAXES, HOUSING AND T-H FACE CONGRESS

Senate, House Return January 8; Face Big Issues

Price controls, taxes, housing and the Taft-Hartley Act will be big issues Congress will have to face in 1952.

Congress will be back in session on January 8. At noon on that day the second session of the 82nd Congress will begin.

It is expected that Congress will remain in session until just before the Republican and Democratic conventions are held in Chicago.

President's Message

The highlight of the first week of the 1952 Congress will be President Truman's State of the Union message on January 9. Truman undoubtedly will call on Congress once again to write into law his Fair Deal program.

On January 14 the President will send to Congress the Administration's budget for the year beginning next July 1. A few days after that, Mr. Truman is expected to present to Congress his annual economic message.

With the President's messages out of the way Congress will get down to work. And it has plenty of work to do.

There is the price control problem. The present law ends on June 30. So Congress will have to decide what to do about the law after that date.

Tax Loopholes

Taxes will be another big issue. President Truman is expected to ask Congress to close the loopholes in the tax law so the Government can balance its budget.

Housing legislation will be considered, too. Congress should pass some decent defense housing laws. And the rent control law needs to be strengthened.

The question of repeal of the Taft-Hartley Act also will come up. Some action is expected on a bill backed by the AFL Building and Construction Trades Department to amend the Taft-Hartley Act.

Election Exemption

The amendment would exempt the building and construction industry from the representation election requirements of the Taft-Hartley Act.

Military and foreign affairs problems also will keep Congress busy this year. Questions of appropriations for defense will have to be considered. Congress will have to decide how much our allies may need from us as the world-wide fight against communism continues.

RENTS KEEP ON INCREASING; JUMP 3.5 PER CENT DURING 1951

Month by month for almost two years the rent which workers have to pay has been increasing.

The Consumers' Price Index kept by the Bureau of Labor Statistics (BLS) to measure the cost of living shows that:

From February, 1950, to October 1951, the latest date for which figures are available, the rent index went up 8.5 points—from 129.7 to 138.2.

In the first 9 months of 1951 alone the cost of rent increased 3.5 per cent.

Since 1935-39 the cost of rent has increased 38.2 per cent.

Rent has been increasing because Congress has been weakening the rent control law.

Instead of considering the problems of both tenants and landlords in writing rent legislation, Congress has listened, for the most part, only to the real estate lobby.