

# United Parcel Strike in N.Y. Illustrates New Union Mood

NEW YORK, June 11 — Negotiations are still broken off in the United Parcel strike here following the June 7 rejection by representatives of the Teamsters union of a management demand for a speed-up clause in the new contract.

This provision was a major cause for the month-old strike which began May 24 — after members of four Teamster locals in the greater New York City area had rejected an agreement arrived at May 4 between Teamster officials and management. The agreement contained the hated provision and at a combined meeting of Locals 804 and 183 on May 12, the members shouted down a representative of Teamsters President James R. Hoffa who urged acceptance.

### Hoffa's Turnabout

The vote for rejection in Local 804 — the largest of those involved — was 2,273 to 93 and the local's executive board then voted to strike. Hoffa reversed his position, supported the membership and authorized strike benefits. The two New Jersey locals then joined the walkout. All told, 3,200 warehousemen and drivers, who deliver 150,000 packages daily for department stores, are involved.

A Washington report in the May 15 *New York Times*, commenting on the United Parcel situation, said that the number of cases where union members reject contract settlements recommended by union leaders has been on the rise recently. The trend became so noticeable that the Federal Mediation and Conciliation Service has begun gathering special data on the subject.

The *Times* quoted "one union lawyer whose clients have had a dozen settlements shot out from under them by rambunctious members in the last several months" as saying the trend was due, among other factors, to "a very unhappy and very real gap developing between the trade union leadership and the rank and file. Top leaders in big locals and international unions have a bureaucratic instead of a rank-and-file mentality. There is not a real understanding on the part of these

leaders of what the members are thinking and wanting."

The United Parcel drivers here were getting \$2.57 an hour. The new contract recommended by Teamster negotiators included a three-year contract with graduated increases totaling 42½ cents an hour.

### Peanuts

In another development, an agreement was announced June 10 for a new contract covering 20,000 shirt-makers belonging to the Amalgamated Clothing Workers. The contract calls for a five cent raise in September and six-and-a-half cents a year later. Shirtmakers' wages now average between \$1.50 and \$1.55 an hour.

Last month, Secretary of Labor Arthur J. Goldberg said that criticism by New York Teamsters Joint Council 16 aimed at the clothing workers' unions in New York was unjustified. A Teamster report had said that the leadership of the clothing unions had failed to raise wages sufficiently for their members and were largely responsible for New York becoming a low-wage town.

# ... Smear by HUAC

(Continued from Page 1)

the exposure process... The Un-American I wish you to behold is the House Un-American Activities Committee."

Witness James Smid lost his job before the hearings even began and Martin Chancey, from the witness stand, charged HUAC with "ruining my little business." Alfred M. Nittle, committee counsel, replied, "You are a hard-core communist and the tears in your voice are not becoming." This was the second time in a year that Chancey had been subpoenaed. "Why do you drag me here again?" he asked. "I don't think it's human, I don't think it's decent."

The star witness of the proceedings, Mrs. Julia Brown, an FBI undercover agent, listed names and addresses of more than 100 people who, she declared, "will do anything... anything at all for the [Communist] party." In the course of her "revelations," Mrs. Brown unwittingly uncovered two other FBI undercover agents, Mr. and Mrs. Mel Hardin. Committee counsel flattered Mrs. Brown, saying, "You were a good soldier."

The *Cleveland Press* reported that the pair had received between \$4,000 and \$5,000 from the FBI for expenses and information. Hardin told the committee that at no time had he heard anyone advocate violent overthrow of the government.

# Court Tells Kohler To Give Strikers Jobs and Back Pay

The United Auto Workers union has won an important court victory in the eight-year-old Kohler strike at Kohler, Wisconsin. The U.S. Supreme Court June 4, by refusing to review, upheld findings of the National Labor Relations Board that the Kohler Co. engaged in unfair labor practices in trying to break a strike by UAW Local 833.

According to the UAW, the court's decision means that Kohler is ordered to bargain in good faith with the union and to reinstate all strikers replaced after the strike started (except for 77 accused of "violence" whose cases are still being reviewed by the NLRB).

The newly organized Local 833 was forced to strike April 5, 1954 when the plumbing-ware firm refused to bargain for a contract. The Kohler plant, employing some 3,000 production workers, had been one of the few major plants in the North that had escaped unionization. The Kohler family had crushed a strike by the AFL in 1934 when two strikers were killed and there were mass evictions from the company-owned town.

In the 1954 strike, the company fired the strikers, hired scabs and private detectives and operated the plant behind the picket lines. Of the original 2,779 strikers, only 1,700 are still available for work in the plant, and only 600 of these have been reinstated by the company since the NLRB decision of August 26, 1960. According to the court decision, the remainder should be rehired with back pay to the date of the NLRB ruling. Back pay should amount to more than one million dollars.

# ... South Africa

(Continued from Page 1)

promptly ruled out future UN visitors.

A *New York Times* editorial May 28 said that the South African Sabotage Bill was "inviting disaster." W. C. Naude, South African Ambassador to the U.S., replied in a letter June 7, "The new bill will not have the remotest impact on normal political activities. It will however definitely affect what is abnormal and inimical... because the actions of subversive elements will be more easily contained."

Naude further reminded the *Times* that "the vast mineral riches of South Africa... almost beyond number are a not unimportant part of the Western arsenal."

# ...The Market Gyration

(Continued from Page 1)

visers that only four of the eight stock-market declines of more than ten per cent since World War II could be counted as fore-runners of a recession. The *Times* analyst says:

"Unfortunately for the case these agencies are trying to make, each of them found it necessary to be less than frank in proving that this predictive power does not exist. The mutual funds rule out the 1929 market break on the grounds that it exceeds the narrow limits set in the study. The Council of Economic Advisers is simply mistaken on two of its no-signal market breaks, 1957 and 1959.

"Recessions did follow each of these, closely enough that the market action could be called a signal."

What is most impressive is the chart accompanying Bedingfield's article. This shows graphically that every major downturn in the stock market from 1929 to the end of 1961 has been accompanied or followed closely by a decline in industrial activity, the most important single factor of the economy. This same graph also relates the gross national product, the total output of goods and services, to the stock-market graph. Here an especially interesting, and important, fact may be observed.

The figure of gross national product, the most widely-used economic indicator, differs markedly in its trend from the index of industrial activity. Gross national products may very well rise when the economy is in actual stagnation or even decline.

Thus, inflation may increase the current dollar valuation of goods and services while the actual amount of such goods and services declines. Moreover, as the June 11 *New Republic* points out editorially:

"... Gross private investment has declined since 1955-56, and more than half the increase in gross national product since 1955 has been through expenditures on services, not goods."

Anyone who has received a hospital or doctor bill, not to speak of bills for auto and TV repairs, knows how "services" can be padded, thus expanding the gross national product.

Moreover, as economist Eliot Janeway pointed out in an interview in the June 3 *New York Post*, GNP includes inventories of goods produced and not sold as well as shipments of goods sent on consignment that have not been paid for and can be returned. "The road to intellectual disillusionment," said Janeway, "is paved with intoxication on gross national product figures."

How misleading the GNP figure can be is indicated by the simple statistical fact: In the decade since 1952, gross national product has increased 67 per cent; physical volume of industrial production only 44 per cent.

The gross national product grew from \$397.5 billion in 1955 to \$508.5 billion in 1961, primarily through massive increases in government purchases and in personal consumer expenditures for services rather than goods. In the same period industrial production remained virtually stagnant, particularly in relation to population increases. The key to the real economic situation can be found on pages 158 and 159 of *The Eco-*



John F. Kennedy

nomie Almanac, 1962, prepared by The Conference Board, formerly the National Industrial Conference Board. Here is the picture:

Industrial Production	
(Index Numbers, 1957 = 100)	
1955	96
1956	99
1957	100
1958	93
1959	105
1960	110
1961	105

Side by side with the prolonged industrial stagnation is the lag in gross private domestic investment, a major component of the GNP which represents the expenditures of private business, including investment in plant and equipment, all private new construction and changes of investment in inventories. While the total gross national product rose more than 20 per cent from 1955 to 1961, gross private domestic investment rose in steps from \$63.8 billion in 1955 to a peak of \$72.4 billion in 1959 and down to \$64.3 billion in 1961.

Moreover, a "Treasury official," quoted by *Scripps-Howard* correspondent Robert Dietsch in a June 9 Washington dispatch, indicated that the Kennedy administration now regards its previous expectation of a significant increase in investment for new plant and equipment as a "real economic disappointment."

Instead of the capitalist "free-enterprise" system achieving stability and private capitalist investment reasserting a dominant role in the profit economy, it appears that government spending and debt must become an even stronger prop of U.S. capitalism. But that's the hitch. Government spending cannot be speeded up without running full tilt into the mounting contradictions of the chaotic, planless capitalist economy. For instance, the Kennedy administration talks about reducing taxes while government outlays and deficits mount. Kennedy talks about fighting inflation but has no way of keeping the economy from decline except by inflationary government expenditures on an ever larger scale. Such inflation would mean higher prices and reduced exports in the face of growing trade competition from abroad, particularly Western Europe.

We see that the break in the stock market is not the result of some irrational "panic" which suddenly for some strange reason gripped millions of stockholders. As in major stock-market breaks of the past, it signifies a widespread awareness that an economic crisis is looming and that the government's means of averting it are becoming increasingly ineffective.

In such a situation, the capitalists, with the aid of the government, plan as always to protect their profit interests at the expense of the wage earners. Kennedy has already laid down a policy designed to freeze wages. Thus, the conditions are being created for an intensified struggle between capital and labor.

## Weekly Calendar

### CHICAGO

What's Happening in Cuba, Today? A discussion with Marc Schleifer, editor of *Kulchur* magazine, just returned from Cuba. Fri., June 22, 8 p.m. (air conditioned) Curtis Hall, Fine Arts Bldg., 410 S. Michigan Blvd. Contrib. \$1. Ausp. Fair Play for Cuba Committee.

### DETROIT

The Moscow-Peking Debate. Speaker, Frank Lovell. Fri., June 22, 8 p.m. Debs Hall, 3737 Woodward. Friday Night Socialist Forum.

### NEW YORK

RALLY TO STOP THE PERSECUTION OF CUBAN-AMERICANS! Speakers, Carleton Beals, Ira Gollobin, Dr. Clark Foreman, plus other speakers in Spanish and English. Chairman, James Higgins. Wed., June 20, 8 p.m. Palm Gardens, 306 W. 52 St. Contrib. \$1. Ausp. Cuban-American Civil Rights Committee.

VINCENT R. DUNNE, leader of the famed 1934 Minneapolis Teamsters strikes, discusses *The Labor Movement—Today and Yesterday*. Fri., June 22, 8:30 p.m. 116 University Place. Contrib. \$1.00. Ausp. Militant Labor Forum.

### WEST COAST

West Coast Socialist Educational Camp at Big Bear Lake, Calif., Sept. 1 to Sept. 9. Stimulating talks on current events by Marxist authorities. Lots of fun, sports, recreation, swimming, relaxation, and excellent food at low rates with special student rates. Operated on co-operative, interracial basis. For brochure, reservations, write West Coast Vacation School, 1702 East 4th St., Los Angeles 33, or phone AN 9-4953.

## Now Available in English

# Fidel Castro Denounces Bureaucracy and Sectarianism

The complete text of the sensational March 26 speech in which Castro assailed Communist Party leader Anibal Escalante and others for converting the new Cuban Integrated Revolutionary Organizations into "a yoke, a straitjacket."

35 cents a copy

PIONEER PUBLISHERS

116 University Place

New York 3, N.Y.

## How Cuba Uprooted Race Discrimination

By Harry Ring

Introduction by Richard Gibson

16 pages 15 cents

Pioneer Publishers  
116 University Place  
New York 3, N.Y.