

# CHISELERS' HOLIDAY

BY HOWARD WHITMAN

ILLUSTRATED BY SAM BERMAN

Florida vacations, six-month honeymoons and other luxuries are being financed by unemployment insurance funds in the slick hands of bogus claimants. Their looting may undermine the whole system unless the authorities and the people act—the sooner the better

**T**HE wise men who originated unemployment insurance never envisioned a nightmare in which chiselers, pirates and downright crooks would loot the funds which belong to honest workers—and get away with it. Yet precisely this has been going on right under our noses.

"Unemployment benefits" have been paid out to Florida vacationists, to stenographers who quit work to get married, to gougers who collect benefits off one job while working at another, and to a whole menagerie of spongers and free-riders who—worse than the money they plunder—are weakening the entire structure of unemployment insurance, one of the important social developments of our generation.

The situation has a special urgency today, with enforcement being drastically curtailed at the very time when the unemployment insurance funds are swollen beyond anyone's anticipation—a fat \$7,000,000,000 straining at the seams of its sack. A penny-wise, pound-foolish Washington has stripped the states of their ability to stitch the holes in the sack and instead has, in effect, widened the holes so that the lucre leaks out faster.

In a survey of unemployment insurance in a number of states, I found local officials quite frank

about the looting that goes on. "All you have to do is be dishonest. These funds are simple as pie to chisel," said the counsel to one state unemployment insurance department.

"We can't begin to touch the chiseling and the frauds," admitted a state director.

"The surface hasn't even been scratched," said another.

In New York State, whose unemployment insurance program is by far the largest of the 51 state and territorial plans, Director Milton O. Loysen said without qualification, "I feel certain I could save the state fund between ten and twenty dollars for every dollar spent on enforcement!"

Some of the chiseling is due to ignorance. Many people don't know just what unemployment insurance is, let alone how it operates. One large employer said the girls in his plant sincerely believed it was "matrimony insurance"—that they could simply draw \$26 a week for twenty-six weeks any time they decided to quit work and get married. Another said some workers thought it was "rocking-chair money," to be drawn whenever they felt like knocking off for a vacation. Thousands confuse it with Social Security and think, "I'm paying for this. I might as well collect what's coming to me."

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# OUR JOB IN ITALY

BY CHARLES WERTENBAKER

Beating the Communists in Italy was a big victory for the forces of democracy. But the Italians are capable of reversing that vote if the U.S. fails to keep its promises

PHOTOGRAPHS FOR COLLIER'S BY ROBERT CAPA



At a mass meeting in Milan shortly before the elections, De Gasperi attracted a huge audience. Note the priest applauding vigorously, while a military policeman holds back the crowd. Trouble was expected but did not develop

Maria Cattaneo (see text) lives in the village of Cuggiono, near Milan. Nearly everyone there voted Christian Democrat. Many were influenced by letters from friends and relatives in the U.S.



Like other steelworkers at the big Breda plant, Giuseppe Magni seemed to feel that a victory for the Popular Front would mean better scrap iron for the furnaces. The Breda works are in a so-called "Red" suburb of Milan



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MILAN, ITALY

**W**E HAVE voted the way you told us to vote," said Angelo. "Will you keep on sending us spaghetti?"

"We are grateful to America because we did not starve," said the woman across the table. "Grazie."

The wave of her hand indicated that her "thanks" was echoed by the people of Italy who had turned down the bid of the Communists for an election victory and had supported Premier de Gasperi's Christian Democrats.

"If the Russians had sent us wheat and coal and gasoline," said Angelo, "we would have voted for them."

"Never!" said the woman across the table. She wore a topaz on a ribbon around her plump neck and she looked as if life had given her pleasure. She had been sitting alone when Angelo and I sat down at her table, and she had joined the conversation because no Italian can keep out of a political discussion.

"Listen," said Angelo, "the Italians are a very changeable people. We have fought for the English and the Americans and we have fought against the English and Americans. We are also sensible people and we will do what we think is good for us. Ecco!"

"To be with America is good for us," said the woman. "Ecco!"

Many of Angelo's countrymen share his cheerfully cynical reaction to the international circus that was Italy's April election. What was to have been their first chance to choose their own government since Mussolini marched on Rome turned out to be a plebiscite on whether to accept or reject American aid. It was the biggest hand so far in the game between East and West, and Uncle Sam won it—but it was still only one big hand.

If the election was a painful blow to the Communists, it does not yet appear to have been a fatal one. Most of the 8,000,000 votes for the Popular Front were Communist votes. The Communists are still a power in many northern industrial cities and they are the sole effective political force in scores of small communities. They dominate the General Confederation of Labor. Their leader, Palmiro Togliatti, is one of the most brilliant speakers and politicians in Europe. Togliatti has left the way open for any move by declaring that the election did not represent the people's will. He charged interference by the U.S. and the church.

The first charge is not seriously dis-

puted by anybody, although it may be argued that extreme persuasiveness is not the same thing as coercion. The second charge was tossed back and forth by both sides and, so far as an outside observer could see, with just about equal justice.

But Togliatti never expected to get a majority vote. The most he could have hoped for was something over forty per cent, with which he would have demanded a place for his party in the government. Long before the election he must have known that the government was prepared to refuse him a place and to meet forceful arguments with the argument of greater force. And so Togliatti was not staking all his chips on the April election.

Whether Communism grows or declines in Italy depends less on the Communist party now than on the Christian Democratic party—and, as suggested by Angelo, on the United States. Alcide de Gasperi made his campaign on one issue, anti-Communism, and from no speech of any Christian Democratic leader did a concrete program emerge. The government's excuse for not enacting more social reforms, called for by the constitution, has been that it was merely a transitional government needing the support of right-wing parties. Now that the Christian Democrats have a clear majority they must make a clear decision: either move as far to the left as the majority of Italians desire, or become a standpat party and suppress the malcontents. The first choice would weaken the Communist party's hand; the second would make it stronger.

## More Social Reform Wanted

The choice may depend a great deal on how the forces in and behind the Christian Democratic party group themselves and use their influence. The bulk of the party's vote came from the lower middle class and non-Communist workers and peasants; there is no question that they, with those who voted for the Socialists and the Popular Front, want much more social reform.

This is a country of many poor and a few rich, of many good Catholics and a few anticlericalists or plain non-believers. The election sharpened existing social and religious differences, and it focused the attention of the underprivileged on their complaints. Take the De Vecchi Farm, for instance.

On the De Vecchi Farm, near the town of Paullo in Lombardy, are 47 laborers and their families, living in a rectangular compound. For their work they are paid 12,000 lire (\$20) a month, plus enough produce to bring them in another 20,000 lire. Since they spend only about 30,000 lire per family per month for food, and since in some families two or three men work, they are not so badly off as some Italian peasants. But there are enough rickets, bad teeth and goiters on this farm to cast suspicion on the diet. A typical midday meal is frogs' legs and cornbread, with water to wash it down. Wine, which is a part of every French workman's meal, is considered a luxury in Italy.

The farm laborers work eight hours a day. They used to work ten hours, before a strike last year. The Communists unionized them, and the union backed their strike, so they all voted for the Popular Front.

Domenigo Cavanna, a good-looking young laborer with brooding eyes, lives in a two-room house which his

Collier's for June 26, 1948