

own board on the ground that the magazine fails to meet the requirements of being "originated and published for the dissemination of information of a public character or devoted to literature, the sciences, arts, or some special industry."

If Walker burns with a zeal to enforce this provision of the law, we suggest that his energy would be better employed against such flagrant violators as the Hearst and McCormick-Patterson press and the anti-Semitic Brooklyn *Tablet*. But the

fact is that the Post Office Department, while sternly pursuing hypothetical obscenity, is strangely apathetic toward the use of the mails for subversive and treasonable purposes. At the recent House hearings on the Lynch-Dickstein bills, which would ban from the mails material inciting racial or religious hatred, the Post Office Department provided the only witness to oppose this legislation. One recalls too that as a trustee of Notre Dame University, Postmaster General Walker

showed similar apathy toward the ouster of Prof. Francis E. McMahon for his outspoken anti-fascism.

Is there some hidden influence behind Walker's action in the *Esquire* case? Whether or not there is, his order, if allowed to stand, would establish a precedent under which any newspaper or magazine, from the most conservative to the most progressive, could be arbitrarily put out of business. We hope the courts lose no time in reversing this dangerous decision.



WATCH ON THE POTOMAC by BRUCE MINTON

BALANCING THE FORMULA

Washington.

A GOOD deal of loose talk has been heard these past few weeks about the Little Steel formula, especially as the steel and railroad wage disputes developed.

The trouble is, most of what was said fell wide of the mark. The confusion caused by an unclear understanding of the Little Steel formula itself has been intensified by the actions of the National War Labor Board, by most employers, by almost every newspaper columnist, and even by some labor spokesmen. Only by comprehending the implications of the formula—and only by sweeping away misconceptions—can the present wage crisis be resolved to the benefit of all concerned.

It is well to go back to the War Labor Board's decision in the Little Steel case in July 1942 to recall what the formula originally set out to do. At that time, the Board granted a fifteen percent wage rise to steel workers employed by the large independents, because the Board felt the wage advance would contribute to the stabilization of the nation's economy. While turning down several justified demands of the steel workers, the Board acknowledged that the cost of living had risen approximately fifteen percent from January 1941 to May 1942 (when the United Steelworkers' agreement with management expired).

The Board therefore authorized a fifteen percent rise in steel wages to equalize wages and prices. In other words, the formula was based on the assumption that once wages were raised to meet the increased cost of living, the relationship between wages and prices would then be maintained at that level, and, with the rest of the economy stabilized, this relationship would remain fairly constant. Remember, the Board acted in expectation that price control would be strictly enforced, and that all other factors affecting the economy would be held in line.

Actually, as everyone now knows, workers were held within the rigid restrictions of the fifteen percent rule, but stabilization just didn't occur in any other branch of the economy. Prices continued to rise, often abruptly. Congress refused to enact an equitable tax program, or to put a ceiling on private incomes, or to allow subsidies that alone would permit the strict enforcement of price ceilings and in certain instances, permit a rollback of prices. The equalization of prices and wages which the Board anticipated never became a reality. Instead, wages remained frozen, to all intents and purposes, while no effective controls were imposed on the rest of the economy. The value of the worker's dollars decreased each week. The formula wasn't working worth a tinker's dam.

Clearly, the fifteen percent permissible wage advance was not the decisive element of the formula; rather, it was the principle of equalization between wages and the cost of living that was paramount. Yet today most commentators seek to endow the fifteen percent rule with mystic significance. The Board itself has interpreted its own formula to mean nothing more than the mechanical and inequitable enforcement of the fifteen percent clause.

At its November convention, the CIO unanimously resolved that "The sound and tested processes of collective bargaining must be freed to secure the elimination of the inequalities and inequities in wage structures. . . . A truly stabilized national war economy must be secured through the achievement of these wage policy objectives, combined with a determined insistence upon a policy of vigorous price control, over-all rationing, and firm taxation. . . ."

A great deal of irresponsible talk has been heard about putting an end to the Little Steel formula. Responsible labor—and that omits John L. Lewis and the AFL's Woll-Hutcheson crowd—wants

above all to prevent a race between wages and prices. What those labor leaders have in mind when they carelessly talk of "putting an end to the Little Steel formula" is, more precisely, to put an end to the unrealistic fifteen percent restriction. Labor has nothing to gain by *breaking* the formula; its main interest lies in *enforcing* the original intentions of the formula. Labor insists that real stabilization be achieved by applying the formula as it was intended to be applied—that is, to achieve a stabilized and intelligent wage-price relationship. If prices were to be rolled back to September 1942 levels (and this goal does not seem possible at the present moment) then labor's present demands would for the most part be fulfilled. If prices were rolled back halfway to the September 1942 levels, then labor's wage demands could be reduced by approximately fifty percent. But since prices are *not* being rolled back, *then it is imperative, if the Little Steel formula is to have content, to readjust wages to present price levels, to stabilize prices at present levels, to enforce price control, to pass an equitable tax program, and to maintain the relationship, enunciated in the formula, between workers' income and the cost of living.*

President Roosevelt has indicated in the past that this is substantially his approach to the controversy over the Little Steel formula. He has recently appointed a committee representing labor, management, and the public to determine how accurate are the cost-of-living figures released by the Bureau of Labor Statistics. The BLS has admitted that from Jan. 15, 1941, to Nov. 15, 1943, the over-all cost of living rose 23.1 percent (or eight percent above the fifteen percent figure on which the Labor Board has based its application of the Little Steel formula). It is an open secret in Washington that the labor members of the President's committee will prove BLS estimates to be far too low—by at least ten to fifteen percent—and they will point out

that the cost of living has risen to date anywhere from thirty-three to forty percent above January 1941. What the industry and public members of the committee will determine is not yet known, though it is a good bet that the industry representatives will try to prevent the committee's report from giving full weight to labor's findings. It seems probable that the committee will not report within the sixty days suggested by the President. But when the report is finally made, labor's corrected cost-of-living index will represent approximately the point to which wages must be adjusted if there is any desire to stand by the Little Steel formula.

As THINGS appear today, the WLB's insistence on enforcing not the formula but the fifteen percent clause is nothing less than provocation against the unions. Labor on the whole has a splendid record of abid-

ing by its no-strike pledge. But both the steel and railroad crises show that despite win-the-war leadership, despite labor's devotion to the war effort, the application of the fifteen percent clause as though it were endowed with some magic property can press men and women in the war plants into actions which, though mistaken, nevertheless are the fault primarily of discriminatory abuses which can and must be remedied. It is of first importance now to make the Little Steel formula work—which means to adjust wages to levels that will reestablish their 1942 relationship with prices. Too frequently, corporations announce super-profits while their employees are told that regardless of what the Little Steel formula implies, the slogan of "stabilization" is to be used merely to justify unilateral sanctions against the wage earners. Granted that workers play into the hands of their enemies and the enemies of

the nation by striking at this time; granted that stoppages cannot be tolerated. But like it or not, continued provocation will lead to future walk-outs and will endanger the war effort at the crucial moment of the western invasion.

The Board has taken a stubborn position of interpreting the formula mechanically; certain industrialists have deliberately needled the workers; Congress has proved its irresponsibility by refusing to sanction subsidies, to impose fair taxes, or to empower OPA to enforce price control, and by seeking to emasculate renegotiation legislation for scaling down exorbitant profits on war contracts. The villain is not to be found in the Little Steel formula. But the formula must be applied in the light of reality. Workers must be assured wage rates guaranteeing them a standard of living conducive to health, efficiency, firm morale, and maximum production.



AROUND THE WORLD

NO GREEK MIKHAILOVICH?

IT WAS of course to be expected that both the Moscow and Teheran conferences would affect Greek political affairs and accelerate new developments. On November 8, several days after the Moscow meeting, King George in Cairo wrote Premier Tsouderos that he [the King] might change the date of his return to Greece. The time of return fixed by the King on last July 4 was immediately after the liberation of the homeland. Now, the King implied in his letter to Tsouderos that he might decide not to return until a plebiscite is held. This communication was prepared ostensibly to conform with the right to self-determination guaranteed in effect by the Moscow declarations. But it was not released to the public because apparently the King and his petty vizier, Tsouderos, calculated that the Moscow decisions might be completely upset in any subsequent meeting of Roosevelt, Stalin, and Churchill. They hoped the three Allied leaders might disagree and the entire Moscow accord be reduced to a scrap of paper. But when it became clear after the meeting at Teheran that there were no disagreements and that the Moscow declarations were, in fact, affirmed, then the King's letter was released to the press on December 11. Such was the scheming that took place within the Greek government-in-exile.

Ten days after that event, and after London and Washington announced that they would aid Tito with military equipment, a report—unconfirmed as yet—told of the formation of an underground in Greece under Prof. Alexander Svolos, a

well-known anti-fascist who was in a concentration camp for years during the Metaxas dictatorship. Whether there is any connection between this development and the following fact, I do not know. But on December 21, Mr Tsouderos, in a radio speech from Cairo, viciously attacked Greece's guerrilla forces, accusing them of fighting each other and putting himself forward as "pacifier" and arbitrator.

These same charges against the guerrilla forces were made last October. Why do they recur? The record provides the answer.

For two and a half years the Greek government-in-exile had suppressed all reports of the epic history of the organization of the National Liberation Front (EAM), although it knows that the Front had liberated a large part of the country and controlled eighty percent of the guerrilla detachments. What George's government was trying to do was to build up a Greek Mikhailovich. That is apparent from the fact that it was only last March that the Greek government referred to the guerrilla units as being under the leadership of Colonel Napoleon Zervas. But the attempt to create a Mikhailovich fizzled out for the time being. Naturally that failure did not increase the Cairo government's affection for the National Liberation Front; in fact, the Cairo government hates it as much as does the quisling government in Athens.

LAST August, the British Middle East authorities, who had already communicated with the leaders of guerrilla organizations, brought to Egypt delega-

tions of three guerrilla organizations—the EAM, the EDES, and the EKKA. These delegations discussed with the Greek cabinet-in-exile the question of unifying all forces inside and outside Greece for more effective conduct of the liberation struggle and for a democratic solution of all postwar problems of Greece, including the form of government.

The King's government-in-exile did not even mention this important event, nor did it say anything about the results of those discussions. It continued to ignore the existence of the National Liberation Front and the other organizations; it referred to them vaguely as guerrilla "units" or "groups of Antartes." In the meantime, last October, as I have already indicated, British-Greek Middle East sources released dubious reports to the effect that serious clashes took place between the ELAS (the EAM People's Army) and the EDES. It is possible that some friction occurred between these two organizations on Colonel Zervas' initiative and at the instigation of the government-in-exile; but there is not the slightest evidence of serious clashes, that is, evidence based on sources from within Greece.

The *Greek-American Tribune* of New York was able to secure an important document which throws abundant light on the developments connected with the meetings between the underground delegations and the Greek government-in-exile. That document is a communication of the delegation of the National Liberation Front, published by the *Anti-Fascist*—underground bulletin of the Military Anti-Fas-