

pay is not simply a labor problem; it is a national problem since it threatens to cut down the customers for peacetime goods.

The President's proposals on public works, though facing in the right direction, suffer from vagueness as to scope and timing. Federal Works Administrator Philip B. Fleming's promise of last November that a \$5,000,000,000 appropriation would be ready for public works in the first peacetime year has not materialized. Right now New York City's own \$1,270,000,000 public works program is marking time

because of the failure of Congress to make the necessary federal appropriation to start it moving. In its 15 plus 15 plan *NEW MASSES* urges \$15,000,000,000 for immediate public works that would provide nearly 4,000,000 jobs directly and many more indirectly.

Too vague and general are also Mr. Truman's proposals for a transitional tax bill and for aid to little business. As the former chairman of the Senate War Investigation Committee he knows the story of the growth of big business

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# VATICAN'S HAND IN BAVARIA

By FRANK JOHNSON

SOME weeks ago in Munich a number of Americans had a discussion with several liberal Catholics on the role of the Catholic Church during the rise of world fascism, with a Jesuit professor invited to present the Church position. I arrived a little early and was introduced to him. After the formal greetings the professor asked me, "Is Mr. Murphy in Munich? I thought he was coming here."

The question startled me, because it supported my growing conviction that at this time the Vatican held the whip hand over politics in Bavaria. This decisive influence seemed to be exercised through Robert Murphy, political adviser to General Eisenhower, for the Americans, and Cardinal Faulhaber, of Munich, for the Church. Policy was executed on the spot by Col. Charles E. Keegan, military governor of Bavaria, through subordinate American Military Government officers and the Bavarian government appointed by AMG [Col. Keegan is a Bronx politician who is running for New York City Council on the Democratic ticket this fall]. A result is that the reconstruction of democracy in the American zone was being seriously hampered. As several German anti-fascists of different political persuasions phrased it, one-party Nazi rule had been replaced by one-party clerical rule.

The composition of the Bavarian cabinet gave the show away. All but one (or perhaps two) of the seven-man cabinet were Catholics controlled by the pre-Hitler Bavarian People's Party, which had offered the least resistance to Hitler of all the non-Nazi parties. Among those ministers was one who is said to have spoken at the birthday celebration of the notorious Nazi, Christian Weber, only one month before the Americans captured Munich. A liberal

Catholic characterized the party as even farther to the right than the Centrist Party, its Catholic counterpart in the rest of Germany. There are a few Social Democrats and Communists among the lower officials, but their inclusion is only part of a facade, for their representation is ludicrously below their proportion of the population. I asked a well known Social Democratic trade union leader what he thought of the composition of the Bavarian government. "Skandal!" he exclaimed vehemently.

It was therefore hardly surprising that the administration was reactionary. Its attitude toward former concentration camp inmates was typical. Monthly payments to them were the same as those given returning Wehrmacht soldiers; they were not given extra ration tickets. No special effort was made to obtain living quarters for them. On the contrary, several of them told me that there was reason to believe that they were actually discriminated against. They were naturally becoming bitter toward the government and the AMG. One anti-fascist who had spent twelve years in Nazi concentration camps and prisons even told me that he was beginning to feel that the concentration camp might loom before him again in a few years; he added grimly that next time he would not go.

The reactionary administration is dominated by a fear of communism. This can be partly explained by the fact that perhaps the most successful aspect of the Goebbels propaganda line, and one which has survived in the post-war period, is the fear, distrust and condemnation of the Russians. No doubt one ingredient of this anti-Sovietism is the German feeling of guilt for the inhuman behavior of their armies in Rus-

sia and their almost unconscious fear of retribution. Beyond this, most Germans—and many genuine anti-Nazis among them—have swallowed the Nazi lie that Russian civilization is inferior. While this phenomenon facilitated the anti-Communist line of the Bavarian administration, their policy was rooted more deeply. They seemed to be operating on the Vatican judgment that communism is the primary danger of our time.

THE "specter of communism" is thus at the bottom of the current Bavarian predicament. And what is so disturbing is the sinister parallel of this position with the Nazi demagoguery that Germany and the world must be saved from Bolshevism. The methods and the immediate circumstances are different but the effect is the same. Just as the fascists attack all democratic parties in the name of saving the country from Bolshevism, so in Bavaria the tendency has been to deprive the democratic parties, the Social Democrats and Communists, of their participation in the government. The pre-conditions for a resurgence of fascism are thus being created.

It should be clear that the Nazi brand of fascism is considerably discredited in Germany for the time being, partly because the Nazis lost the war and partly because the Nazis, through the SS and their fanatical party followers, subjected the German people to the same kind of treatment in the last months of the war as they meted out to the occupied peoples. But fascist modes of thinking are still the rule among Germans and it would not be difficult to impose some form of fascism on them again. The reactionary policy of the Bavarian government, probably based on Vatican

policy, and its refusal to allow the democratic parties to participate in proportion to their strength, is easing the path to a return of some sort of fascism to Germany.

Not all Germans have caught onto this tactic. This was brought home to me in a striking way. Among the liberal Catholics who attended the discussion I referred to earlier was a priest who appeared to be an ardent anti-Nazi. The Jesuit professor had made a spiritually blind, politically lame defense of the Church's behavior in the face of developing world fascism, delivering himself of the gem, among others, that when Hitler took power the Church was waiting for the fruits of Hitlerism to ripen before judging it—the Church had not perceived the fruits of Hitlerism in 1933! The young priest was wrathful at this crass piece of casuistry. He heatedly pointed out that the Church had failed to stop fascism in Italy, in Austria, in Spain, in Czechoslovakia and finally in Germany. This was very like cowardice, he said. (Would he be excommunicated? We Americans wondered.)

It was obvious that this priest was a serious anti-Nazi, yet he did not understand the anti-Communist deception of the Nazis, and he appeared to be following the Vatican's anti-Communist line. For he made wild charges that the Nazis were taking refuge among the Communists, and that the latter were plotting to take power with their help. How far this is from the reality is evident from the remark of a pre-Hitler Social Democrat. If the Nazis came to the Communists, he said, they would be knocked down.

While liberal Catholics have not learned the lessons of the past fifteen years and are unwittingly lending themselves to the anti-communism which potentially leads to fascism, the Social Democrats do appear to have learned it. Several Social Democrats and Communists with whom I spoke vigorously affirmed their unity. Though they are far from organic unity, they are determined to fight together in Germany, like their counterparts in the rest of Europe, for their common anti-fascist objectives. Hence the Bavarian adherents of these two groups are united in their opposition to the existing one-party rule. They are acutely—though at present helplessly—aware of the dangers of the return of fascism if the present policies are carried out to their logical conclusion.

Recently the hand of the AMG was

openly displayed. In July *Stars and Stripes* published a statement by Colonel Keegan to the effect that he thought the Americans might withdraw from Bavaria in the fall, leaving behind a separate, independent Bavarian government. For days Germans kept asking me if it were true that the Americans favored a separate Bavaria, and it was evident that they were apprehensive at the prospect. These democratically-minded Germans pointed out to me that if this occurred it would be grist for the fascist demagogic mill. Although Bavaria is "anti-Prussian," democratic Germans are aware that the success of separatism, which is largely reactionary and monarchist, would leave Bavaria with the desire for German unity and hence implant the seeds of a fascist demagogical program. One can only conjecture why Colonel Keegan made this statement. Is it possible that Bavarian separatism represents an attempt by the Church to replace Poland with Bavaria as a Catholic, anti-Soviet focus in central Europe?

**H**APPILY the Bavarian picture is not one of unrelieved darkness. The situation is fluid. In some localities, intelligent and pro-democratic AMG officers have taken advantage of their discretionary power to utilize democratic German elements. In some cases Social Democrats and Communists

have been appointed to positions of importance.

Furthermore, AMG is still groping and has not yet arrived at a fixed policy. The situation here described is actually an exploitation by reactionary elements of the current period of indecision and policy formation. The wheels of Army policy move slowly, but there are signs that at least they have begun to move in the direction of the larger democratic perspectives for the occupation drawn up at Potsdam.

Moreover, the Russians presented the American occupying authorities with a democratic challenge, by permitting the formation of anti-fascist committees, trade unions and democratic political parties. The Americans are now following suit. In recent weeks directives of a very encouraging nature have been issued at Frankfurt. Uniform regulations for the whole American zone concerning aid to concentration camp victims and their families have been issued. The formation of trade unions and political parties is being authorized. Developments like these indicate that the days of uncontested Church domination of Bavaria may be numbered, for the trade union movement and the Communist and Social Democratic Parties, if they are permitted to function, will work against the brakes on democratic development imposed by the previously dominant reactionary forces.



"The Wehrmacht Returns," drawing by Cpl. Syd Fossum of Minneapolis, sent from Germany by the artist.

# EXPERTS, REAL AND FANCIED

By JOSEPH FOSTER

THE Big Boys of business and the large corporation economists are bubbling over with optimism regarding the immediate postwar future of the country. There is no threatened unemployment, industry in the main needs no special reconversion treatment, and the temporary idleness of a handful of workers will soon be terminated by private industry, which is raring to go. I discovered this economic Shangri-la by communicating with a number of people of position and influence in the business world in order to get some reaction to the NEW MASSES 15 plus 15 plan launched two issues back. Briefly this proposal calls for spending some \$30,000,000,000 earmarked for war appropriations to the end of the year as follows: fifteen billion for severance pay for discharged war workers and for increased demobilization pay for servicemen, and fifteen billion for public works, such as schools, hospitals, roads, playgrounds, parks, flood control projects, etc. NEW MASSES wired this suggestion to Congressman Clarence Cannon, chairman of the House Committee on Appropriations.

The first person I spoke to was Henry Hazlitt, an editor of the *New York Times* who specializes in economic questions. When I asked him what he thought of the plan, he said that he was not prepared to make a formal statement. But the *Times* on August 15 and again on August 17, I pointed out, had editorially proposed severance pay to cushion the shock of sudden unemployment. In fact, that was just how his paper had put it.

"Well," answered Mr. Hazlitt, "the *Times* had supported the idea, but the longer it was put off, the less effective it became."

"How so?"

"The discharged workers have dispersed, and by now they have or have not solved their problem. Besides, even if severance pay were feasible, it would not require more than \$2,000,000,000 to handle the matter."

I explained that the exact amount required was not our concern, so long as it came within the \$15,000,000,000, which represented one-half of what had been saved by the termination of the war. But Mr. Hazlitt would have none

of it. "The fact that we save the money doesn't mean we have to spend it. We are that much ahead, and we ought to hold on to it." And with these sentiments of thrift, Mr. Hazlitt ended the conversation.

Regarding the question of dispersed workers, Mr. Hazlitt knows as well as I do that the complete record of each worker can be found either in the personnel files of his place of employment, or at the various state insurance offices. The real reasons for his disagreement with our plan can more likely be found in the fact that between August 17 and the present, the *New York Times*, realizing that severance pay came under the heading of public spending, made haste to scramble back to the paths of righteousness.

Mrs. Helen Rogers Reid, vice president of the *Herald Tribune*, politely refused to comment on NM's proposal, stating that she preferred to make known her opinions through the editorial page of the *Herald Tribune*. The *Herald Tribune* is opposed to the full employment bill and is not doing any shouting for severance pay or public works.

Freda Kirchwey, editor of the *Nation*, was less reticent. "Offhand," she said, "your idea makes sense, but I can't make any final judgment by just hearing the details over the phone. It sounds too complicated. As far as severance pay is concerned, I would prefer that the companies rather than the government foot the bill."

This matter of government vs. company on the severance pay question was also brought up at a recent meeting of the Greater New York CIO Industrial Union Council, John McManus, president of the New York Newspaper Guild and *PM's* film critic, told me over the telephone. "It seems to me," he said, "that raising this issue now is creating a needless dust storm. From a practical point of view, workers would never get any severance pay if the matter were left to the companies." As for the details of the NEW MASSES proposal, McManus could think of nothing better. "Government planning," he went on to say, "is now based on the expenditure of these \$30,000,000,000. Since the machinery for the procure-

ment of budget funds is unchanged—that is, taxes, war loans, etc.—reallocation of funds for peacetime needs would cause no dislocation in spending plans."

I WANTED to find out how some of the corporation heads and the spokesmen of conservative business would regard a proposal such as ours, so I called General David Sarnoff of the Radio Corporation of America. The closest I could get was a Mr. Dunlap, his advertising head. Dunlap would make no comment, explaining that he couldn't say, without further study, whether he was for or against the plan. I fared no better with the National Association of Manufacturers. When I attempted to reach one of its officers, the secretary to Noel Sargent, the permanent secretary of the NAM, let me know that no single officer could presume to speak in the name of its 14,000 members. "This is a democratically run organization," she indignantly informed me, "and decisions have to be decided in committee." She suggested that I try again in a month or so. In the meantime, and for the record, she wanted it known that the NAM favored jobs for everybody. So apparently did Ira Mosher, president of this body, judging by his public comments, until the moment, that is, when he testified at the hearings on the full employment bill. He opposed the bill.

A leading economist, associated with a key government agency during the war, but now "economizing" for a large private corporation, was perfectly willing to discuss the 15 plus 15 plan, but requested that his name be withheld. I was to find later that all the economists I spoke to would make the same request. Perhaps it was occupational. But to get back to our voluble though diffident friend.

"First let me say that I think your whole approach is rather pessimistic. [Mosher, of the NAM, made the same complaint when testifying on the full employment bill.] I can see no reason for a gloomy outlook on employment. You can't trust reports on this matter. [Senator Kilgore predicted that there would be some 10,000,000 unemployed by the first of the year; John W. Snyder, director of War Mobilization