THE CHARLOTTE NEWS

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Secret Of The Nazi-Soviet Papers

IT IS DIFFICULT to share the State Department's feeling that the release of secret Nazi-Soviet papers, bearing on the collaboration of Germany and Russia in the early part of the war, constitutes a major propaganda blow against the USSR in its current diplomatic and ideological conflict with the United States.

We read that the Voice of America short-wave radio is busy pouring into Russia and the rest of Europe the story that the Soviet offered in 1940 to join the German-Italian-Japanese Axis at a price which Hitler refused to pay. It is doubtful that the Russian people will be disturbed at all by this evidence that their Government wanted to go all the way with the other totalitarian powers and had imperialistic ambitions that frightened even Hitler. The Russians simply will justify every step in this record of power politics as a prudent security measure and applaud their Government for alertness.

What one power regards as imperialism in another, the other calls national defense. The sad fact is that both are right. Security interests demand an extension of military, political and economic influence that inevitably places the big power in an imperialistic position.

For the non-Communist world, this propaganda revelation tells little that was not already demonstrated by events since the war. We have had visible evidence of the Soviet's double-dealing and expansionist aims in the movement which has extended Russia's domination over Eastern Europe and the Balkans on a greater scale than was projected in the negotiations with Hitler.

As we see it, these documents are important chiefly for their effect in defining the problem we face in dealing with imperialistic Russia. They warn us in the strongest possible terms that we must constantly show the Soviets that we have the military power, the political intelligence and the economic strength to checkmate their every expansionist move. They show us the design of Russian expansion, the points where she intends to move for her "security" purposes.

They tell us not to make Hitler's mistake of scattering our energies, of overreaching ourselves to the point where Russia will move in while we are preoccupied elsewhere. Germany's concentration on the war in the West gave Russia the chance to seize Balkan and Eastern European lands which Hitler wanted for himself. It was this Russian strategy, taking advantage of a rival's temporary weakness, that forced Hitler to attack Russia, involving himself in his fatal blunder—the two-front war. We could make a similar blunder by diverting major attention to China, as the Republicans propose, thereby weakening our defense against the Communist attack on the main front.

That is only one-half of the problem that is defined in the Nazi-Soviet papers. The other half, the part that Hitler never could have solved, is the task of convincing Stalin that our "imperialism" does not go beyond containment of Russia to her legitimate sphere and to stabilization of the democratic world. It is obvious that Stalin distrusts us as much as he distrusted his one-time Nazi ally, and would betray us just as quickly. It is equally clear that the war threat will not be removed until Russia is convinced that the capitalist world does not mean to attack Russia itself, after it has been convinced that the world revolution has been stopped. The nature of the Nazi order made it impossible for Hitler to allay Russia's fear of attack. The nature of the democratic order makes this possible for us. Both parts of the problem admittedly are enormously difficult but neither is beyond American capacity.

'Fill A Ship With Friendship'

NORTH CAROLINA was off the direct route of the Friendship Train which recently traversed the United States collecting food and other supplies for the destitute people of Western Europe and only a few Tar Heel communities contributed to the vast cargoes that were shipped to France and Italy.

Now the Old North State is to have a friendship train of its own which is being made possible by a campaign sponsored by the North Carolina Council of Churches. The collection, which will be conducted during the week of January 25-31, will be made on a community-wide basis in each of our 100 counties. The appeal, "Fill A Ship With Friendship," will be directed to homes, business firms and individuals. Clothing, bedding, shoes and household supplies are the items which our citizens are asked to contribute when they go to their houses of worship Sunday, and thereafter until the following Sunday. It isn't necessary to add that cash contributions will not do for gifts. Durable articles in good repair or new pieces are needed for our threadbare friends overseas.

All goods collected in this particular effort will be shipped overseas by the Church World Service and distributed in some forty countries by the churches there, without respect to race, creed or color.

In recent days the newspapers have carried many accounts of the hope and rejoicing in Italy and France that have greeted the distribution of relief supplies from the ships that carried the Friendship Train cargoes. Columnist Drew Pearson, who originated the Friendship Train idea and did much to make it a success, went along to observe the distribution and the demonstrations he witnessed are alone sufficient evidence that America is performing one of its greatest works for humanity in this expression of generosity.

Reports from all sources bear out Drew Pearson's impression that the Europeans have been profoundly moved by this earnest of American friendship. Although our private relief contributions are small compared to the bill for Government aid to Europe, they carry the clearest message of America's good will and noble purpose to the people of all the world.

Americans do not need to be reminded that charity is the greatest of Christian virtues. North Carolinians do not need to be told that the act of giving enriches the giver as much as the recipient, or even more. All they require is notice of the need and the opportunity. North Carolina's ship of friendship is one of several for various states that will be filled in the coming week. Let's go gladly to make it the proudest vessel that sails the waves of freedom to Europe.

Great Smoky Calls America

AT long last, a real program for development of the Great Smoky Mountain National Park is getting under way. It was advanced this week at a dinner in Washington, attended by national park officials, civic leaders, State government and Congressional representatives of North Carolina and Tennessee and there are heartening indications that the Great Smoky movement will now draw the public support it deserves.

This program would cost $2,185,000, going mostly for roads to open the wilderness to visitors, the greatest immediate need. To a Congress equipped with tax-cutting blinders, that may look like a large figure but it is an insignificant sum to spend on one of America's greatest assets, a 480,000-acre wonderland straddling the North Carolina-Tennessee border. More than 1,100,000 persons visited the park last year, the greatest number of tourists counted in any one of our national parks in 1947. Development of the park will bring a large increase in the tourist traffic, because of this area's great natural attraction and its proximity to our population centers. So, for our $2,185,000, we would be getting more for our money than is possible in almost any other way that comes to mind.

In terms of health and pleasure for millions of Americans who will visit this park over the years, the investment is more than justified. In addition, it will stimulate business activity which will many times return the cost of the improvement program. It will create new tourist facilities all along the way for travelers from the various states who come to the Great Smokies. It will encourage expansion of one of the greatest potential resort regions in America, strengthening all the economic trends in the South. It will advance the See America First movement, bring more Westerners and Northerners into the South, open the eyes of untold thousands to the little known possibilities of this section. It will bring many who will remain as permanent residents, thus producing a better balanced population for the country as a whole. And it will open our own eyes.

Beyond all that, the Great Smokies will make Americans better citizens. No one who goes to those great heights can remain blind to the grandeur of their native land. No one can travel there without being spiritually as well as physically refreshed. A program to bring America to this Land of the Sky, and to preserve it for posterity, is a patriotic necessity.

From The New Orleans States

Prospect For South's Growth

INDUSTRIAL GROWTH of the South by leaps and bounds during the war years is no longer news but the Federal Bureau of Census has taken that growth to project what tomorrow's South will do.

If this section of the country takes advantage of its increased supply of skilled labor, increased volume of local capital and larger quantity of plants and equipment, the Census Bureau believes, a "rather rapid growth of metropolitan population" is in prospect.

Back in 1919 the South had only 15.7 per cent of the nation's manufacturing wage earners and the Northeast had 46.6 per cent. During the war this section swelled its total of industrial employees to 24.4 per cent while the figure for the Northeast dropped to 25.4 per cent.

Prophetically, the Census Bureau adds: "The South, which has the largest natural increase (in population) of any part of the country, now has an increasing advantage in its natural population growth over other regions, so far as the potential increase of its metropolitan population through migration from surrounding rural areas is concerned, and will probably have still more in the next decade or two as the decline in the birth rate . . . reduces proportionately the native labor supply of the Northern regions."

Believe It Or Not

Marquis Childs

New Wage Demands

WASHINGTON

WHEN a politician talks to a trade-union convention, he is expected to say the things that labor wants to hear. He is not expected to challenge the ancient trade-union rule of thumb that higher wages must inevitably mean better living for the worker and his family.

But that is just what Sen. Wayne Morse of Oregon did the other day when he talked to a convention of the CIO International Woodworkers of the Pacific Northwest. This hard-boiled union was already critical of Morse. Yet the ebullient Senator from Oregon led off with a challenge of the whole union wage approach in this period of spiralling inflation. He told them he believed in saying the same thing to every kind of audience and therefore he was going to let them have it.

In the second round of wage increases they had got a boost of 18 1-2 cents an hour, he pointed out. Yet he defied anyone in the audience to prove that this had meant more than a net gain of 2 cents an hour in real purchasing power. The balance was absorbed by prices that had jumped up in immediate response to higher wages.

The third round will not mean even two cents an hour in net gain, said Morse, so sensitive are prices today. This was not welcome news. But as Morse discovered later in talking with union leaders, it touched a doubt that they themselves had long harbored.

INDUSTRY'S POSITION

One thing that gives them pause is the fact that industry, beneath a surface show of resistance, is apparently quite willing to grant the next round. While there may be real resistance in some industries, it will be largely sham.

The reason, as trade-union leaders suspect, is that business does not want to interfere with the present ratio of phenomenal profits. The additional cost in wages will be added to the bill of the consumer who will pay still higher prices.

Of course, this does not apply to all industry. There have been examples of remarkable industrial statesmanship, such as the action of General Electric in reducing prices in the face of the current trend. While it could hardly be called a major reduction, at least it was a move in the right direction.

Reports of phenomenal profits are the red rag to the labor bull.

The Department of Agriculture reported that profits of food-distributing chains were at the highest point since the boom of the 20s. Even here, where of the margin is customarily small, the figures are surprising. Some of the larger chains increased their profit ratio after Federal taxes from 8 per cent in 1945 to 18.3 per cent in 1946.

MORE AND MORE PAY

Responding automatically, every trade-union leader demands more wages. He demands that the wage increases be paid out of these profits, although he must know that there is no way to compel business to do that, just as there is no way to prevent increased wage costs being passed along to the consumer.

But those who look beyond the automatic cry for higher wages are beginning to ask some unhappy questions. They are beginning to wonder whether perhaps the post-war policy of the unions has been mistaken in its simple and undeviating goal of more pay in the wage envelope.

There are those who have suggested from the sidelines that it might be better to work for long-term goals, such as a guaranteed annual wage, rather than for increases that vanish in the ever-mounting flame of inflation. Some unions, conspicuously the United Automobile Workers, have included gains such as paid vacations in their demands.

The General Motors division of UAW has just voted to forego 19 cents of their forthcoming 30-cents-an hour demand if the company will present an "acceptable pension plan." That is a small example of common sense. A pension plan would not be so immediately and directly inflationary and its long-term effect would be on the side of stability.

The third round can do much greater damage than the second wage boost. That should be a sobering consideration in all union councils these days.

People's Platform

Lumber Prices And Production

CHARLOTTE

Editors, THE NEWS:

DUE to much misunderstanding by the public concerning the part lumber is playing in construction costs I feel impelled to offer some information that may clarify the situation somewhat. The lumber industry in recent years has been the target of a great deal of criticism, some of it more or less harsh and much of it not undeserved. Be that as it may, there are some facts about the great lumber industry which the general public is unaware of and one salient fact is that lumber itself is not the cause of high construction costs. The lumber industry, while one of the giants in this country of huge enterprises, is like none other in its manifold operations.

There are more than 50,000 sawmills throughout the United States varying in size from portable mills producing a few thousand feet a week to the big ones cutting over a million feet a day. Few American industries are so subject to fluctuations in volume of production as the lumber industry. A majority of this depends on construction which causes production to increase strongly when prosperous times are here and to decrease severely when bad times come around. As a consequence many small operators jump in when the price is high and drop out when the price goes down.

During 1946 approximately 50,000 sawmills in the country produced 34 1/2 billion feet against 12 billion feet in 1932 and 25 3/4 billion feet in 1939. This lumber was handled by more than 1,000 wholesalers and about 25,000 retailers. No single company produces more than 3 per cent of the total and very few produce as much as one-tenth of 1 per cent.

Lumber must not be considered as a single item but thousands of items made into thousands of sizes and scores of grades for millions of users. The cost of production of each individual item does not control the price of the item. For example, it costs just as much to produce a low grade board as a high grade one, yet the high grade board may sell for several times as much as the low grade one. Consequently, there will be a profit in the high grade and a probable loss in the low grade. Some of the mills are highly efficient and some extremely inefficient. Some are located near important markets and some at great distances from such markets.

Costs of production of lumber have increased steadily. Stumpage is much higher, all supplies and services have advanced, wages are up. Many mills are operating in low grade timber with inefficient machinery and high overhead. Their production is needed in this time of unprecedented demand. Production is high when the price is high. The marginal producers will close down at the first important reduction in price and will to that extent reduce production.

The lumber industry does not like present high prices but doesn't know how to correct them in view of the demand created by purchasing power many times greater than prewar. The industry expects to increase production but there is little hope for lower prices as long as purchasing power continues to increase at a rate far in excess of the rate of production.

Those who condemn the present high prices of lumber should bear in mind the fact that the cost of lumber in the construction of an average home is comparatively small in relation to the complete cost.

I do not write this in defense of anything. The industry I am proud to represent is not undeserving of criticism in many things, but not more so than many other industries. The production and distribution of lumber is a man's game and demonstrates the law of the survival of the fittest. I love it. When bored by office routine and jangling telephones I love to take a trip to the mills and go out where the logs are being cut where I can inhale the sweet fresh earthy smell of the forest, listen to the song of the saws and enjoy the sweet healthful aroma of fresh cut lumber.

—J. E. ELROD.

Crisis For UN In Palestine

CHAPEL HILL

Editors, THE NEWS:

I THINK it is fair to assume that if the United Nations dies, the last hope for world peace will die with it.

Unless the UN quickly puts teeth into its actions, it stands to lose whatever prestige and power that it has.

Passing a decision is one thing. Carrying it out is another. When the UN voted 33-13 to partition Palestine, no means of enforcement was devised. If Arab ballyhoo about a holy war actually materializes, the UN will cease to exist if the Arabs of Syria, Transjordan, Saudia Arabia, Egypt, etc., are allowed to get away with their blood-thirsty plans of attempting to crush the legally-secured Jewish state in Palestine.

A London AP dispatch of Jan. 14 tells us that, "Great Britain will continue to fulfill her contracts to sell arms and military equipment to Arab states despite their threat to march against Palestine after the British mandate ends."

Meanwhile, Haganah (which fought with the British in North Africa and Italy), the Jewish defense force, cannot maintain a single rifle, say the British.

The paradox becomes more exasperating when we consider that on Dec. 5 the U. S. State Department banned the shipment of arms and munitions to the Middle East.

Thus, it is now "illegal" for an underdog to defend himself. A voice from far cries out, "What does the world want us to do? Stand by and see our people slaughtered?"

Moshe Shertok, expected to be the first foreign minister of the Jewish State, is asking the United States for surplus war material on a lend-lease basis so that the Jews can enforce the UN partition decision. "If there is to be an international force, we'd co-operate," said Shertok. "But if we have to do it alone, then we will be ready for it," he said.

If the UN follows a meek course with the Arab states, the UN is doomed to be a second League of Nations. On the other hand, a firm policy of backing up its historic decision will enable the UN to become the potent instrument for peace for which it was designed.

—DICK MOTTSMAN.

Samuel Grafton

Brushing Off Baruch

NEW YORK

THE first reactions to Mr. Baruch's anti-inflation plan show that many Americans in high places don't really want inflation to end. They all say they do, but they don't, really. Our seeming inability to lick inflation is due, basically, to the fact that we haven't wanted to lick it. Inflation solves too many problems, or seems to, in a lazy way.

It balances the national budget, by bringing in scads of tax dollars. It cuts the weight and burden of the national debt, by making it payable in marked-down money. (Just imagine what our national debt of 260 billions would feel like if we had, say, the 1910 price level.) It releases the farm state Congressmen from care, and the oil state Congressman, and the cotton state Congressman, and every other raw-material producing state Congressman. It gives even the marginal and inefficient business man a chance.

Of course it starves salaried workers, pensioners, school teachers, police and firemen and quite a number of wage workers, too. But since we elect our Congressional representatives geographically, and these burdened groups cannot concentrate their fire effectively, who cares?

In this somewhat puffy atmosphere, Mr. Baruch's suggestion that we should actually cut food prices down, hold wages, keep taxes up and pay off the debt, etc., is merely an irritant. And it is getting the brush-off. Everybody says how thrilling his proposals are, how broad in scope, how sincere, how realistic, but almost nobody says: "Let's adopt them."

Mr. Baruch is being treated to pats on the head, like a bright boy who has delivered a fine recitation, but not one on which anybody need necessarily act. Some of the same editorial pages which used to bow three times in his direction every morning during the war now seem to shrink away from him.

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And in the marts of trade, as they say, so many people are so committed to the peculiar answer of higher prices as the cure for every ill, that they can no longer afford to think clearly. They are beginning to depend on the inflation itself to solve their problems; rather than risk a little recession, say in the last half, and are going easy. You might find one who is really afraid of a bust, but his reaction is to sell that country place he bought during the war and take his profit. Another is perhaps taking his line of goods to a town in which a new oil well has been discovered, and where there may be more customers than elsewhere.

Each is trying to make the most, in his own sphere, of the communal situation; and the atmosphere is snug, and steamy, and (in spite of warning signs) contented. When Mr. Baruch comes into this kind of gathering, dreamy, prosperous and relaxed, with a call to work, to unified action, to sacrifice, to price rollbacks, it is as if he had invaded a happy midnight party with a sudden summons to all to come out and shovel snow.

He won't get anywhere with it. They'll tell him he's cute, but they won't do it.

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If you took any group of men in, say, a smoking car, and talked to them, it would be found, I suppose, that two of them believe business will be great this year, and are buying accordingly. Two more, perhaps, figure on a little recession, say in the last half, and are going easy. You might find one who is really afraid of a bust, but his reaction is to sell that country place he bought during the war and take his profit. Another is perhaps taking his line of goods to a town in which a new oil well has been discovered, and where there may be more customers than elsewhere.

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Drew Pearson's Merry-Go-Round

Marshall Plan Can Build U. S. Of Europe

WASHINGTON

THE distance from Trieste to Paris is about half the distance between New York and Chicago. But the trip by the fastest train—the Simplon-Orient Express takes nearly twice as long. One reason is that so much time is wasted with red tape at the border of each country. During the trip you are awakened no fewer than twelve different times by customs, passport, and monetary inspectors wanting to look at your baggage, stamp your passport or check on the amount of money in your wallet.

Each time you are awakened you say to yourself: "Abraham Lincoln was certainly right."

In other words, if Lincoln hadn't made the difficult and momentous decision that the Federal Union must be preserved, travelers crossing the United States today probably would be showing passports at half a dozen state lines, and we would be suffering the same kind of headaches which have plagued Europe for years.

Realizing the importance of unity, Soviet Russia is now engaged in trying to weld Eastern Europe and the Balkans into one homogeneous unit—the only sensible way Europe can operate. In other words, the boys from Moscow are stealing us ideas. If we are smart, we won't let them get away with it.

Russian Force Vs. U. S. Persuasion

THE RUSSIANS of course are trying to weld Europe together by force—ruthless force. Regretfully, Abraham Lincoln had to resort to force of arms. But there were many differences.

Most important, perhaps, was the fact that Lincoln was trying to preserve something already in existence, while the Russians are trying to create something which never before existed. And it's highly doubtful that by knocking people's heads together and by shooting peasant leaders who don't co-operate, you can make European nations work together for keeps in a United States of Europe.

What real success the Russians have had—and unquestionably they have had some—has been attained more by clever propaganda and sales arguments.

All of which is my way of saying that as important as the Marshall Plan is, we have to go further and use it to build up first a United States of Western Europe, and later a United States of all Europe.

Bernie Baruch, testifying before the Senate Foreign Relations Committee earlier this week, called it a political, economic and defense union. But regardless of the name, something like this must go hand-in-hand with the Marshall Plan as an integral part of it, if our money is to build up permanent peace.

How To Execute Marshall Plan

BUILDING up such a union is not going to be easy, but there are several ways of going at it. One of them is in the actual execution of the Marshall Plan.

Personally, I share the anxiety of certain Republican senators that we have good business executives in charge of the Marshall Plan; and perhaps the most efficient way to build up Europe would be to tell the engineers of the Pennsylvania Railroad to go in and reconstruct the French railways, while the New York Central would get the job of revamping the Italian railways—and so on.

This, however, would play right into the hands of the Communists. It would give them a heaven-sent opportunity to scream that American big business was trying to get its hands on the throat of European economy. In the end such a plan would cause more political harm than economic good.

On the other hand, I suggested to one or two foreign ministers while in Europe that a pool of international experts be set up under the Marshall Plan from which any member nation might draw in order to help rebuild its industries.

For instance, the automobile-factory pool would consist of experts from General Motors, Ford, Chrysler, Kaiser-Rolls-Royce in England; Fiat in Italy; Citroen and Renault in France. And when an automobile factory in Italy, for instance, wanted to rebuild, it would draw on this pool of experts.

In most cases it would call on an American. But the fact that several countries were included in the pool would smother the Communist cry of imperialism. Even more important, it would get European nations into the habit of working together.

Count Sforza's Plan

THE general reaction I received to this plan was good. Count Sforza, Foreign Minister of Italy, went even further than this. Explaining that he understood the American fear that U. S. money might be squandered, he suggested an international pool of inspectors to check on the expenditure of the money.

If the United States alone has its financial sleuths poking around Europe to see that Marshall Plan money is being wisely spent, we will become just as hated as the flinty-hearted banker who sometimes comes around with a poor widow's home waiting for her to default on her mortgage.

But if a group of Swiss, Swedish, Dutch, British, American, French and Belgian fiscal experts form an inspection commission to see that no money is wasted under the Marshall Plan, the United States is not put in the misunderstood position of being Uncle Shylock.

Furthermore, these other countries are just as anxious to prevent any one of their members from wasting money as is the United States. Because waste of money by any one country means resentment in the United States and in the long run less money for other countries participating in the Marshall Plan.

Finally, this kind of teamwork will help toward the ultimate goal of a United States of Europe.

It is understood, of course, that final and over-all direction for the Marshall Plan would remain with the United States.

These are just a few suggestions regarding ways and means of achieving the world's most difficult political goal. A lot of other steps will be necessary, and this column will attempt to discuss some of them in the near future.

The fact that the goal is difficult, however, does not make it impossible. The USA has won some other difficult goals in the past, the most miraculous being our own welding together of thirteen struggling, disjointed, heterogeneous colonies into the most powerful nation on earth. Having achieved that miracle perhaps we can pass on some of our know-how to others.