THE CHARLOTTE NEWS

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The Speculation On Speculation

THIS may get a little complicated, but it seems to us the speculation on speculation in textile stocks is leading some of our editorial colleagues into strange bypaths. *The Raleigh News & Observer*, for instance, finds proof that "Northern investors . . . have faith that there is profit in turning raw cotton into finished products alongside the fields where it grows." And to the *N & O* this naturally demonstrates that continued Democratic government since 1900 has created confidence in the future of the state.

This is a cheerful conclusion, and in a cautious sort of way we share it. The trouble is that the figures upon which it is based are vague and scattered, since textile stock sales are always cozy transactions attended by the least possible publicity. The statistics that seep out under the iron curtain are startling indeed, but it's a brave editor who undertakes to determine exactly what they mean.

For instance, THE NEWS yesterday published a report that the stock of Victor-Monaghan, a Greenville corporation capitalized at $6,400,000, is selling at $405 a share as against a par value of $100. The stock has bounded upward at the rate of a hundred dollars a month, and finally disappeared from the Charlotte exchange, going out, presumably, through the roof.

It is obvious that this temporary curve doesn't represent a capital gain for all Victor-Monaghan stock. Instead it means that most of the stock has been cornered as a part of a vast consolidation—reportedly involving twelve Carolina mills capitalized at $17,308,000—and that only a few essential shares are being held out by their happy owners. The average price paid for Victor-Monaghan stock by the new owners would be considerably lower, but still high enough to raise the eyebrows of those who remember the bad old dividendless days. Still, a high price is justified by the latest report on Victor-Monaghan earnings. In the terrible year of 1945, when Government controls and price ceilings and ruinous taxes were hamstringing management, the company had profits of $5,168,000, after depreciation but before taxes, which represented a net of $30 per common share after taxes.

Certainly there's a good deal of Yankee money involved in all this dealing. Cancelled checks in the consolidation of which Victor-Monaghan is a part go right to Wall Street, and some at least are reported to bear the signature of a Morgan partner. But, whatever the increase in absentee ownership, there now seems to be little immediate prospect of absentee managership. Native sons like R. E. Henry, president of Victor-Monaghan, and B. B. Gossett, principal owner of the mills recently absorbed by Textron, Inc., seem to remain in active charge of their properties even after the big deals are in the bag.

There are a variety of explanations for the mergers. You run into those fine and fancy words, integration, verticalization and diversification, which stand for technical progress. And the cynical will tell you of vast and complicated schemes to dodge taxes, beat price ceilings and even to clip a few unwary stockholders. We don't know, but we have an idea some part of all these motives has a bearing on the fantastic deals of the day.

The $64 question, of course, is how the general economy of the region will finally be affected by it all. Consolidation may lead to general expansion, and certainly it is likely to guarantee increased productive efficiency. But there is, of course, always a good chance that the erratic course of high finance will lead straight to a final collapse, disastrous to the innocent bystander as well as the textile tycoon.

It's too early, much too early, for Carolinians to do anything more positive than hold their breath and pray for the best.

Well, It Could Be A Coincidence

WE don't know how far the 51 airline seats Eastern Air Lines is allocating Charlotte will go toward meeting the city's demand for air transportation, but it is certainly an impressive figure when compared with the limited service of a few months ago. Perhaps Mayor Baxter is justified in his statement that "as equipment becomes available EAL is taking care of the needs of our city."

We have a feeling, however, that the generous space allocation is of a temporary nature. For instance, 21 of those 51 seats are available on the northbound EAL special flight which originates here under the control of the Charlotte office. That flight was inaugurated, perhaps by coincidence, shortly after our City Manager Flack published a blast at EAL charging that space out of Charlotte was virtually non-existent. And it was announced as a temporary run, subject to cancellation at any time. So far as we know it still operates on that tentative basis.

It is also pertinent to recall the seasonal nature of EAL's business. The money in air line operation is in the long haul, the longer the better, and EAL operates now from Boston and Detroit to Miami. Last Winter the Great Silver Fleet had all it could do to haul the horde of Northern tourists to Florida and back, and passengers seeking tickets at way stops understandably were not greeted with open arms. Winter, unfortunately, will come again, and unless there is an expansion of really gigantic proportions, there is some reason to believe that the conditions of a year ago will be duplicated all along the EAL routes.

We may be unduly cynical, also, when we remark upon the singular timing of EAL's announcement of a space bonanza. It could be another coincidence that it burst forth just two weeks before the opening of hearings in the Boston-New Orleans case before the Civil Aeronautics Board, under which more than a dozen air lines are seeking to establish new routes through this area. Three lines (Atlantic, Northeast, and Freight-Flite) will seek permission to schedule regular stops at Charlotte, and will, naturally, be opposed, by EAL, which will seek to demonstrate that it is already providing adequate service.

All in all, we think it well that Executive Secretary Robert Lassiter Jr., of the City's Aviation Committee, plans to attend the hearings to present Charlotte's case. It may be that, one way or the other, someone will raise the question: When is 51 not 51?

Don't Send My Boy To Congress . . . .

WE are not afflicted, as a rule, with dire forebodings, but we find cause to brood in the latest report of the National Opinion Research Center. The pollsters went around asking the usual national cross-section how they felt about having their children undertake a public career, and 65 per cent of those questioned replied, "I didn't raise my boy to be a politician." If anybody added, "I'd rather see him dead," the NORC had the delicacy not to report it.

Only 25 per cent felt that a career in politics might be desirable, but even this figure has a major qualification. Thirty per cent of those who had no objection to their sons seeking public favor admitted that they hadn't voted at all in the last national election, and presumably did not understand the nature of the politician's existence.

We confess that we too repress a shudder when we gaze at some of the politicos who have attained high office in this parlous time, and we can certainly understand a mother's desire to protect her offspring from such company. But it must be remembered that the political scene shifts and changes; today's shining light is tomorrow's burnt-out bulb, and a whole covey of statesmen may emerge at any minute to restore the calling's lost lustre.

If the tendency to regard a public career as something less than respectable should continue, however, it is easy to foresee the day when statesmen will disappear from the scene altogether. As we have remarked many times before, a statesman must first be a politician, and politicians can be no better than the source from which they are drawn. If we rank our public servants just a cut above panderers in the social scale we can't expect high-minded young citizens to clamor for election.

Somewhere, at their mother's knee, in school or in college, the young must be made to understand that public office—any public office—remains a position of honor and trust no matter how often and how thoroughly its incumbents have debased it. When we cease to believe this it will cease to be so, and when it ceases to be so all government, as we know it, will lose its meaning.

'Another Voice

The Kettle And The Pot

IT ought to occasion no surprise at all that the head of the National Association of Manufacturers has expressed warm praise for the head of the United Mine Workers Union. Mr. John L. Lewis, according to a statement made in Chicago the other day by Mr. Robert R. Wason, "has always worked in the interest of the people he represents." No doubt Mr. Lewis would be glad to say as much for Mr. Wason. There is a kinship between them in the myopia with which they view the interest of the people they represent and in the degree to which all other interests are excluded from their vision.

We should think it not unlikely that a number of Americans would disagree with Mr. Wason's observation that "the loyalties of John L. Lewis are to America, first and foremost." This is simply to say that Mr. Lewis tends to press his own concept of the special and immediate interest of the people he represents with a ruthlessness that leaves entirely out of account the welfare of the rest of the Nation. Mr. Wason's admiration of this single-mindedness stems, no doubt, from his own practice of it. The one man aims to wreck wage stabilization, the other to wreck price stabilization. And since wages and prices are but opposite sides of the same coin, they recognize that victory for either will mean victory for both. Hence the alliance between them and the joint allegiance to a motto which reads: "The public be damned." *Washington Post.*

As They See Each Other

People's Platform

Booker T. Washington Memorial

ROCKY MOUNT, VA.

Editors, THE NEWS:

LAST week, I witnessed the unveiling of the bust of Booker T. Washington in the Library of New York University, and I saw it placed in the Hall of Fame among America's immortals. The selection of the name of Booker T. Washington was made by 100 outstanding nation-wide electors who reviewed carefully, 30 years after his death, his contributions to the Nation in general, and to the Southland in particular. Profound thinkers of both races, speaking at the unveiling, expressed themselves as feeling that the philosophy of Booker T. Washington would go down through the ages as a benefit to mankind.

Dr. Jackson Davis of the General Education Board, in paying tribute to Booker T. Washington, emphasized the fact that Booker T. Washington spent his life in the up-building of the South, was an apostle of good-will, and stressed the soundness of his philosophy in adapting education to the needs of the people.

A few days before the election of Booker T. Washington to the Hall of Fame, the plantation on which he was born was acquired by a group of people who believe strongly in his philosophy. This group of individuals has organized the Booker T. Washington Birthplace Memorial, with headquarters at Rocky Mount, Va., to establish a program of service based on today's needs and in keeping with the ideals and teachings of Booker T. Washington. Never in history has there been such a need for the things which Booker T. Washington advocated as now, especially for good-will, for the economic building of the South, and for adapting education to the needs of the people.

In trying to take care of the many problems that arose in connection with war's emergencies, the country found that one of the greatest handicaps was the lack of industrial training. Surveys made by various groups and organizations indicate that there are not enough existing educational facilities to take care of industrial and trade training necessities. It was Booker T. Washington's idea to help the "man farthest down". There are thousands of Negro veterans and civilians who cannot meet the requirements of regularly established high schools and colleges, but who could benefit by a training adapted to their needs and capabilities. Because of this great need, we are desirous of establishing a National Industrial Training School at the birthplace of Booker T. Washington in Franklin County, Virginia, to take care of the requirements of people of this type. It is thought fitting to establish this school at the birthplace of Booker T. Washington because he, possibly more than any other person in the Nation, advocated the cause of industrial training for the masses. There could be no greater tribute of appreciation to him from the American people than to co-operate in the establishment of such a school.

The individuals who are behind this program of service will be greatly encouraged to receive comments and help from the American public. Please address all communications to the Booker T. Washington Birthplace Memorial, Inc., Rocky Mount, Va.

—S. J. PHILLIPS, President.

All Or Chaos

CHARLOTTE

Editors, THE NEWS:

Now that the smoke of battle (the railroad strike) has cleared away, it is small satisfaction to see the Honorable Robert Taft of Ohio, suddenly align himself "on the side of labor", in blocking the "strike" program of President Truman. Here we see however that Mr. Taft is not particularly interested in eliminating strikes—he has found, that in order to do so, you must first socialize the industry which has been "struck"—and naturally, the profits accruing to the new operator (the government) must remain with the government. "No," says Mr. Taft, "socialism to stop strikes, is O. K. but socialism to take the profits away is plain communism." "All or nothing," say these boys, "all or chaos"—say these Republicans; and we should not lose sight of the fact that the leading labor leaders involved in our recent strikes have been Republicans.

It will probably shock some people to learn that there are Republican labor leaders. Old Hutchinson of the Carpenters Union has even been a Republican National Committeeman, sitting right up there during the twelve years of Roosevelt, biting his nails in mourning, along with Will Hays, Herbert Hoover and Alf Landon. We have yet to hear from Old Hutchinson—and Mr. Editor, would it be sacrilegious or "communistic" if we just mention, only in passing, that the New Deal Democrat labor leaders—the two heads of a two million membership have not had a strike for seven years—and the management in these two industries over which Hillman and Dubinsky are the union heads where (there have been no strikes for seven years)—the management, first works hard to get himself recognized as a "union shop" and then proceeds to establish his enterprise.

Last Saturday night, as the lights went on again, and our world went back to its mad merry whirl in hunt for nylons and whisky, a man from Mars could have read Mr. Truman's speech which "broke" the railroad strike and read from Shakespeare—"Wherefore rejoice—what conquest brings he home?"—Who is to decide which is the "key" or "vital" industry which the government may take over and thus eliminate the right to strike? What other weapon, what other right does "labor" have, but the right to strike? And the right to strike was established, not in the liberal days of the New Deal, but in the days of Lincoln, Garfield, Cleveland and McKinley. Are we to be faced with a subterfuge in depriving labor of this right—and what will come in its place?—government ownership or back to the violent days of the Pinkertons, the Molly Maguires and the court injunctions?

A hollow "victory" indeed that would deprive management of its property—the investments, and labor of its property—the right to strike.

—F. L. LINDSAY.

Charlotte's Way

CHARLOTTE

Editors, THE NEWS:

THE giant busses groan and howl
Like leaderless elephants
Beneath the burdens they daily bear.
To the city marts and power plants.

The City motors seek the square,
Coming in from every side.
They quick unload then onward rush
That other folks may have a ride.

The wheeling planes bisect the skies
Here and you, to and fro.
Then turning away they disappear
And where they go there's none to know.

On Charlotte town God surely smiles
For the climate's good, the folks are fine
The man in the moon is on the job
For the rainfall comes at the proper time.

The days and weeks and months go by
And the city grows to greater size
The sun and stars and the moon move on
And so does she in enterprise.

—W. W. CRAVEN, M.D.

(NOTE: At a moment when so few people have so few kind words for so few things, we didn't have the heart to invoke our old rule against posey to ban the Doctor's opus.—Eds., THE NEWS).

The People's Platform is available to any reader who cares to mount it. Communications should be less than 300 words, typewritten if possible, and on only one side of the paper. Libel and obscenity will be deleted—otherwise anything goes. Each letter must be signed, although, in exceptional cases and upon request, we will withhold the writer's name.—Editors, THE NEWS.

Marquis Childs

A New Labor Party?

WASHINGTON

IF President Truman's plea to Congress for emergency strike legislation did nothing else, it touched off a political ferment that is bound to have far-reaching consequences. The political pot is boiling as it has not boiled for many years.

First of all, organized labor is faced on the political side with a major decision. The Truman speech to Congress marked once and for all the end of the Roosevelt era. Up to that point, Truman had been tolerated as Roosevelt's successor but with no real enthusiasm.

Now the whole pro-Roosevelt crowd within the trade-union movement is seeking a new orientation. It is no longer a question of whether support will go to Truman in '48. The question now is whether to start out at once to build a third party or to try to substitute another candidate for Truman in the Democratic Party.

This, of course, is peculiarly the problem of the PAC and the CIO. But more conservative labor groups face the same dilemma. A. F. Whitney of the railroad trainmen would certainly never be called a revolutionary. The Brotherhoods have always been rated in the conservative wing of labor. Yet Whitney is a vice-president of the PAC and he agreed to address a big mass meeting organized by the Greater New York Council of the CIO.

THIRD PARTY TREND

Within the PAC, there has long been an influential group in favor of a third party. This includes Communist and fellow-traveler elements. It includes, however, others who regard themselves as liberals and progressives. They have long been convinced that the two old-line parties are hopeless and that the only course lies in third-party action.

At the next meeting of the PAC steering committee, the issue of whether to build at once for a third party will be threshed out. More cautious leaders, such as Sidney Hillman, still believe it is best to work within the Democratic Party, attempting to substitute for Truman an approved liberal such as Secretary of Commerce Henry A. Wallace or Senator Claude Pepper of Florida.

If the latter course is finally approved, the result will be a repetition, on a much bigger scale, of the drama of the Democratic Convention of 1944. Then the prize was the Vice-Presidency. Spearheaded by the PAC, the labor-liberal wing of the party went all out for Wallace. What is more they nearly put their man across.

On the first ballot, their strength was 429, a little short of a majority. In the bargaining that was part of this convention drama, Hillman and his PAC kept James F. Byrnes out of the Vice-Presidential nomination. Truman was, in a sense, a compromise choice.

LABOR'S DILEMMA

The grassroot politicians in PAC believe that organized labor will be faced with a Hobson's choice in 1948. In any event, they are not hopeful of displacing Truman. Such a conflict would be likely to disrupt the Democratic Convention. The end result might be a Southern walkout that would make the defection in the Al Smith campaign seem negligible. It would mean a breakup of the party.

There is brave talk of capturing the Democratic Party and appropriating its popular symbols. A revised Democratic - Labor Party would then proceed to nominate Wallace for President, and Pepper for Vice-President.

Optimists within the Democratic National Committee, including Chairman Robert Hannegan, say that the excitement will die down and that Truman will again have labor's support. But this sounds a little like whistling through the graveyard.

The unhappiest mortals are the Democratic Senators up for reelection who had to vote on the President's proposal. They spent a great deal of time and talk on ways and means of "getting off the hook." One ingenious plan was to persuade the President to withdraw his emergency bill on the ground that settlement of the rail and coal strikes removed the necessity for it.

But such action would undoubtedly have brought down a storm of criticism from that section of opinion most enthusiastic over the President's strong stand. Moreover, the imminent shipping strike leaves the threat of paralysis still hanging over the nation's economy.

THANKLESS BUSINESS

Politics is a thankless business. Some of the Republicans who clamored most loudly for action in the rail crisis are now crying "Fascism" and brandishing the Constitution. This includes several candidates for President. Perhaps, if they make the grade, they will discover some day just how thankless a business it really is.

Peter Edson

Inside Rail Labor

WASHINGTON

THIS Alvanley Johnston and that Alexander Fell Whitney to whom President Truman gave such a terrible dressing-down in public are also cast as the villains in long-standing warfare that goes on beneath the surface of railroad labor brotherhood tranquility. It is a bitter jurisdictional and membership-raiding feud with a long history. It was one of the principal reasons for the strike, though it has never come out in the open and has never been the subject of a dispute with railroad management.

In brief, the charges are that Whitney's Brotherhood of Railway Trainmen and Johnston's Brotherhood of Locomotive Engineers are putting on big organizing drives, raiding the other railroad brotherhoods and trying to get control of, or the dominant position among, all the so-called "operating" railroad men, meaning the people who run the trains.

Whitney and Johnston are the only two railway labor leaders whose brotherhoods are not represented in the Association of Railway Labor Executives. Leaders of the eighteen brotherhoods which are in the association don't like to discuss this fight. They are a peaceful, decent bunch, and they don't think their dirty overalls should be washed in public. They believe that some day soon there will be new heads of the engineers and trainmen, and that then unity can be restored in the ranks of railway labor.

There is much more resentment against Whitney than there is against Johnston. Both men are old railroaders, and they came up the hard way.

Johnston is 71. He was born in Canada of American parents, and he went to business college, but he was an engineer on the brotherhood's Great Northern unit until 1918, assistant president till 1923, and became grand chief engineer then. He withdrew from the Railway Labor Executives' Association in 1942, "to have money," but he was probably influenced in this step by Whitney.

WHITNEY AMBITIOUS

Alexander Fell Whitney is 73. He was born in Iowa, and got into railroading as a brakeman on the Illinois Central. He was chairman of the trainmen's grievance committee from 1901 to 1907, vice-president until 1928, and has been president since then. He is big, tough, and ambitious, and he loves publicity.

Today, Whitney's Brotherhood of Railway Trainmen has a total membership of 218,000 and is the biggest of the operating brotherhoods. It includes 20,000 conductors, 90,000 switchmen and yardmen, 90,000 brakemen, and 2,100 dining-car stewards in the U. S. Canadian membership is 16,000.

Johnston's Brotherhood of Locomotive Engineers is the aristocrat of all unions. It has an estimated 80,000 members, mostly engineers but including a number of firemen who have been engineers at one time or other but are temporarily reduced to firing by crew layoffs.

The other three operating brotherhoods with whom Whitney and Johnston are principally in conflict are these:

Brotherhood of Locomotive Firemen and Enginemen, 114,000 members, David B. Robertson, president.

Order of Railway Conductors, 60,000 members, including a number of brakemen, H. W. Fitzpatrick, president.

The Switchmen's Union, 15,000 members, smallest of the group but tremendously powerful and financially well off, T. C. Cashen, president.

These three unions are backed to the limit against Whitney and Johnston by the fifteen non-operating brotherhoods — the telegraphers, shopmen, maintenance-of-way men, and so on.

The bitterness of this fight is deep. It may take years to heal the wounds of the strike and restore the good name of the railway brotherhoods as peaceful, law-abiding unions. It is ironic that, but for having pulled this strike, Whitney and Johnston are accused of endangering the Railway Labor Act and its mediation machinery.

Drew Pearson's Merry-Go-Round

Struggle Is Waged Over German Patents

WASHINGTON

OBSCURED by the strike news, a vitally important battle is being waged back-stage in Washington over control of German patents. The battle illustrates how when Harry Truman knows his onions he always tries to follow through. The issue involves whether German patents seized by the U. S. Government during the war shall be opened to all companies; or monopolized by one.

Most important German company seized in this country is General Aniline & Film. It owns hundreds of valuable patents of great benefit to all American industry.

When it was seized by Alien Property Custodian Leo Crowley, Crowley placed on the board of directors Victor W. Emanuel of Aviation Corp., Standard Gas & Electric, and other big corporations; also George Allen, another Victor Emanuel messenger boy. It so happened that Victor Emanuel was then paying Crowley a salary of $60,000 a year, even though Crowley was also acting as alien property custodian.

It also happened that George Allen, though right-hand adviser to Truman, was being paid several salaries by Victor Emanuel as a director of Republic Steel, Aviation Corp., Vultee Aircraft, etc.

This nice, neat little keep-it-in-the-family arrangement has continued, even though Leo Crowley is now out of the Government. Since then his stooge, James Markham, also close to Victor Emanuel, has continued to let General Aniline & Film hog the Nazi patents.

Finally, the Government's Cartel Committee held a hearing to decide the fate of these patents. General Aniline & Film, no longer run by the Nazis but still determined to keep Nazi patents from American industry, hired Patent Attorney Will Davis to plead its case. But the committee ruled otherwise, decided all Americans contributed to winning the war, therefore all American industry should have access to enemy patents seized during the war.

Markham Dissents

ONLY dissenting vote was Leo Crowley stooge James Markham, who succeeded Crowley as Alien Property Custodian. Markham fought so hard for his Victor Emanuel friends that later he even went over the Cartel Committee's head to the White House.

President Truman, however, turned a deaf ear. As head of the Truman Committee he had investigated Germany's patents and their monopolistic ties with ALCOA and Standard Oil of New Jersey. He knew what harm these monopolies had done the American public in holding back synthetic rubber and magnesium.

"That happens to be something I know all about," the President told his Alien Property Custodian. "Those patents should be open to all companies."

But despite the official command of the President of the United States, Alien Property Boss Markham has not yet carried out orders. The German patents, at this writing, still are being hogged by Markham's Victor Emanuel friends on General Aniline & Film.

Inflation Lobby

THE power and ramifications of the lobby working to kill OPA is so great it would take a Congressional investigation to track down all of it. And at present Congress is too busy biting at gnats to do any constructive probing.

However, here is one significant straw in the wind. The National Association of Purchasing Agents, an important trade group, has come out against OPA. Hitherto, it was for OPA. The man credited with lobbying to bring this change is Heinz Ludecke, on the staff of the New York Journal of Commerce.

Here is the interesting record of Mr. Ludecke. The Nazi Party list, captured by U. S. troops in Germany, shows that Ludecke was holder of party card No. 6990760, issued Oct. 1, 1938. His address is given as 1 University Place, New York.

The Justice Department files also show him as commodities editor of the Journal of Commerce in 1942; as picked up by the FBI as a dangerous alien, Dec. 19, 1941; interned Feb. 5, 1942; paroled June 13, 1942; discharged from parole in November 1945. On Sept. 5, 1944, he was indicted for conspiracy to violate the Alien Registration Act, pleaded not guilty, case non-prossed Oct. 25, 1944.

This is the man who has been pulling lobbying wires to kill price control and start the same kind of inflation which in Germany eventually paved the way for Hitler.