

# I. F. Stone's Weekly

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## From Cold War to Condominium?

The response was immediate. The stock market fell and the German Chancellor flew to Washington in alarm, but not over the revelation that there really was no "clean" bomb and that by 1960 thermonuclear attack on the hitherto impregnable United States could inflict 82,000,000 deaths, half of them from radioactive fallout alone. The news that cut \$1,800,000,000 from security values on the New York stock exchange last Monday and brought the 81-year old Adenauer flying across the Atlantic again was the news that President Eisenhower was sending Stassen back to the London disarmament talks with instructions seriously to negotiate. This was the bad news.

The decision was reached Saturday afternoon at the close of a week-long wrangle with the headstrong military principalities over which the President unsteadily presides. Monday the market suffered its sharpest decline since February 11 and the financial pages next morning, trying to spell out the causes, noted "the apparent progress of disarmament talks" (*New York Times*).

### The Fears Were Exaggerated

The market as usual was much too apprehensive. By the time the German Chancellor faced a press conference in Washington Tuesday afternoon, prospects had brightened. There stood the tall familiar figure in a heavy blue suit and vest, the very picture of a solid German burgher and *pater familias*. There again was the flat almost Mongolian face with the heavy eyelids and the thin slits through which the shrewd old eyes looked out warily. German can be a lovely tongue, but Adenauer's voice as he began to speak had that harsh and unpleasant tone suitable to command which is the nightmare of Europe. There was no trace of humor except for a thin smug wisp of a smile about the thin lips when a correspondent asked the Chancellor whether he had discussed aid for the French financial crisis with the President. This drew a curt negative.

It was soon apparent to us "*damen und herren*" of the press that Dr. Adenauer was satisfied with the results of his trip. When he was asked whether the London talks might have any effect on Germany's own rearmament plans, he said they would not, that the negotiations might take years. At a private press conference with the German correspondents alone, he was even more specific on this reassuring point. He said that negotiations for mutual inspection over the distant Arctic might last ten years. In this leisurely initial stage, Germany would be affected neither by inspection or disarmament measures. When this "initial disarmament agreement" had been concluded, as the joint Eisenhower-Adenauer communique said, "might be an appropriate time for a conference on the reunification of Germany among the Foreign Ministers of the four powers. . . ." In the meantime the President had assured

the Chancellor that we would do nothing "in the field of disarmament which would prejudice the reunification of Germany." This, if meant seriously, is quite a promise because the German view and Dulles' view and the dominant view of the American military is that any measures of relaxation prejudice German reunification; they all cling to the hope that by keeping the screws of the costly arms race turned tight on the Soviet bloc Moscow may be led to surrender East Germany.

### The Obstacles Alone Are Clear

Just what the Administration had decided to do about disarmament was unclear before Adenauer's arrival; the joint communique left it even more obscure. The President is in my opinion sincere, otherwise State Department and Pentagon would have cut Stassen's political throat long ago. The bureaucratic convulsions in Washington since Zorin's offer in part to accept the Eisenhower "open skies" proposal are typical of what happens here whenever the Russians give in and agree to negotiate on American terms. Dulles and the Pentagon want no negotiations of any kind and shy away; Moscow could agree to the Eisenhower open skies proposal in toto with safety—Washington would begin to hem and haw about its own terms once they were accepted. A recognition of this seemed to be reflected in the President's own exasperated remark when he warned at his last press conference about being "picayunish." But Eisenhower's forte is the reconciliation of diverse viewpoints, and it takes a pretty low common denominator of disarmament to reconcile Dulles and Radford with Stassen. The suspicion here is that Stassen has authority to explore rather than to agree, and that we would like to obtain a maximum of inspection for a minimum of arms reduction.

### One Firm Point

Judging by the violence of French reactions, the one firm point in the U.S. program seems to be limiting the production, though not the possession, of nuclear arms to the three powers who already have the capacity to make them. This is an essential and urgent idea, as the reader will see from the text of the American scientists' appeal we publish on page two. The new international atomic authority for peaceful development of the atom takes on new significance against this background, for it could be the means of enforcing such a monopoly by the U.S. and the U.S.S.R., with the United Kingdom as a third and minor partner. But can the Superpowers carry on the world struggle between themselves and at the same time police the world jointly against the appearance of new H-bomb powers? Would such a condominium be compatible with the cold war? Can it be brought about against the opposition of the American financial and military interests which want the arms race continued, and the Germans who fear that without East-West tension the Reich will lose its bargaining power?

## Leading Physicists and Biologists Warn It May Soon Be Too Late To Avert A Cataclysm

### Text of the American Scientists' Appeal for A Cessation of H-Bomb Testing

*Since no paper had yet published it as we went to press, we provide here the full text of the appeal being circulated among American scientists for a cessation of nuclear testing. Among the initiators and first signers were Nobel Prize winning chemist Linus Pauling and geneticist Hermann J. Mueller; Laurence H. Snyder, president of the American Association for the Advancement of Science; Dr. Edward U. Condon, past president of the AAAS and former head of the U. S. Bureau of Standards; Edwin C. Kemble, L. C. Dunn, O. Veblen and Philip Morrison.—IFS.*

We, the American scientists whose names are signed below, urge that an international agreement to stop the testing of nuclear bombs be made now.

Each nuclear bomb test spreads an added burden of radioactive elements over every part of the world. Each added amount of radiation causes damage to the health of human beings all over the world and causes damage to the pool of human germ plasm such as to lead to an increase in the number of seriously defective children that will be born in future generations.

So long as these weapons are in the hands of only three powers an agreement for their control is feasible. If testing continues, and the possession of these weapons spreads to additional governments, the danger of outbreak of a cataclysmic

#### Even Franco Spain

Even Franco Spain pokes fun at the House Un-American Activities Committee. A new Spanish movie, "Hello, Senor Marshall," shown in Washington, satirizes the excitement created in a Castilian village by the prospect of American aid. The local grandee opposes acceptance because so many of his ancestors were eaten by American Indians; his ally, the village priest, is armed with statistics to prove that most Americans are Protestants and contact with them dangerous. In a nightmare, the priest finds himself on trial before an Inquisitor seated high up on a huge marble judge's bench marked "Un-American Activities Committee."

nuclear war through the reckless action of some irresponsible national leader will be greatly increased.

An international agreement to stop the testing of nuclear bombs now could serve as a first step toward a more general disarmament and the ultimate effective abolition of nuclear weapons, averting the possibility of a nuclear war that would be a catastrophe to all humanity.

We have in common with our fellow men a deep concern for the welfare of all human beings. As scientists we have knowledge of the dangers involved and therefore a special responsibility to make those dangers known. We deem it imperative that immediate action be taken to effect an international agreement to stop the testing of all nuclear weapons.

## Can There Be Political Freedom for Unpopular Minorities Without A Right to Privacy?

### Supreme Court to Hear NAACP's Appeal from Alabama Disclosure Orders

When the Supreme Court last week agreed to hear the appeal of the NAACP from orders imposed upon it by the Alabama courts, it was agreeing to confront issues it has hitherto evaded. One of these is whether under the First amendment, an organ of government, State or Federal, may force lawful associations to reveal their membership lists. In a free society does government have the right to invade the privacy of opinion where publication of views and associations would subject those involved to ostracism and boycott?

Alabama is only one of the Southern States seeking by various means either to outlaw the NAACP or as a practical matter to make its operations impossible. The petition from the NAACP says the order requiring disclosure of its membership lists would subject its members to economic reprisals organized by the White Citizens' Councils. The purpose is to prevent Negroes from exercising their rights, in this case—ironically enough—their right to try and enforce a Supreme Court decision in their favor.

Until now only radicals have felt the impact of the new blacklisting devices which were created in the Truman cold war era: the Attorney General's list, registration with the Subversive Activities Control Board, etc. This is the first time they have been employed against a non-Leftist organization. It is indicative that the State of Alabama, in asking the Supreme Court not to hear the NAACP's appeal, cited Justice Jackson's words in *Joint Anti-Fascist Refugee Committee v. McGrath*, the first (and inconclusive) test of the Attorney General's list. There Mr. Justice Jackson said "mere

#### Other Supreme Court Actions

The additional jail sentences of from two to four years for contempt imposed on fugitives from Smith Act convictions were without precedent in American or English law, and it is encouraging that the Supreme Court last week agreed to hear the appeals of Gilbert Green and Henry Winston, though hearings were refused in the earlier appeals by two other Communist leaders, Hall and Thompson. The issues are whether sentences of more than one year may be imposed for contempt, and whether a fugitive may be punished in this way.

Though we do not have space for extended comment, we want to call the attention of lawyers to the very interesting discussion of the Fifth amendment issue by Mr. Justice Harlan in the concluding section of the decision reversing the convictions in the Grunewald case. In discussing the conviction of the lawyer Halperin, Mr. Justice Harlan cites Dean Griswold's *The Fifth Amendment Today* with respect as authority for the view that recent history "has emphasized anew that one of the basic functions of the privilege is to protect innocent men."

designation as subversive" did not deprive of any legal right. The injury which resulted, he said, were "sanctions applied by public disapproval, not by law." Alabama says this justifies what it is doing to the NAACP.

The grant of certiorari may indicate that the Supreme Court is now prepared to take a more realistic view of the new blacklisting devices.

## Is the Give-Away of Public Resources and Funds So Different from What Beck Did?

### The Story Behind Senator Morse's Alleged Insult to the President

Just what Senator Morse did say about President Eisenhower in his Detroit speech was not at all clear when we went to press. The comparison between the President and Dave Beck was not in the prepared speech; this was added "off the cuff" and the Senator promised to put the actual words in the Congressional Record when a transcript arrived.

To make a personal comparison between the President and the crooked labor leader is obviously unjust and in bad taste, though objections come strangely from Republicans who pinned the "20 years of treason" smear on Harry Truman only a few years ago.

#### No Personal Comparison Intended

But the Senator was not making or implying a personal comparison. An examination of the original charge as made on the floor of the Senate on April 29 shows no more than excusable political hyperbole. He was talking of the announcement four days earlier that the Office of Defense Mobilization was granting tax write-offs amounting to at least \$65,000,000 to the Idaho Power Company for two dams in the Hells Canyon area of the Columbia River Basin.

Senator Morse compared this grant of interest free funds to the Idaho Power Company with Beck's borrowing of interest free loans from his union treasury, and said "I think it is also time to speak out against the President of the United States when he allows this kind of immorality to run through his administration, and does not put a stop to it."

Not a single Republican rose at that time to defend the President. Indeed at that time, with the ODM announcement still fresh, it would have taken a good deal of intrepidity to defend him. Two of the most conservative members of the Senate, Byrd and Robertson of Virginia, rose to record their agreement with Senator Morse on the Hell's Canyon affair.

#### A \$30,000,000 Tax Subsidy

The Eisenhower Administration has thrown its weight against a big public power project on Hell's Canyon on the excuse that the smaller Idaho Power Company project could be built without cost to the taxpayer. But Senator Morse showed that the tax write-off given the Company would save it at least \$30,000,000 in taxes over the next five years.

Morse said that only a few weeks earlier the Administration "walked out on a campaign pledge" of tax relief for small business, on the ground that the Treasury could not afford it. Yet, he said, in the past 6 years tax write-offs of three and a third billion dollars had been granted electric power companies.

The Republicans sat silent when both Robertson and Byrd put into the Record letters they had sent then ODM Director Flemming last year, the former warning specifically against a write-off for the Idaho Power Company and the latter urging that such write-offs be limited to the purpose for which they were originally provided, i.e. for defense facilities.

Senator Robertson even put into the Record a reply from Mr. Flemming in which the latter said he agreed that tax write-offs "should not be used to solve non-defense problems." The ODM was asked to hold the Idaho Power matter in abeyance. Hearings were scheduled to begin before the

#### Modern Republican In Action

"On three fronts President Eisenhower now has opportunities to curb the expansion of public production of power, both hydroelectric and atomic, and appears reasonably sure to use them. A vacancy on the TVA opens the way for the first Republican-appointed majority in that agency's history. Another impending replacement will remove from the Atomic Energy Commission a strong voice [Thomas E. Murray, IFS] urging Government-financed construction of atomic power plants. And Mr. Eisenhower has a veto ready in the event Congress enacts a last-chance measure to authorize a Federal power and flood control dam at Hell's Canyon in the Pacific Northwest. . . .

"His repugnance to the government operation of power plants has always been plain, as on the occasion when he cited TVA as an instance of creeping socialism. His disdain was further emphasized when the retirement of Dr. Harry A. Curtis from the TVA this month received no official White House notice such as the customary note of appreciation."

—Thomas O'Neill, in the *Baltimore Sun*, May 27.

Senate Finance Committee on May 2. Then on April 25 the Eisenhower Administration "jumped the gun" before the hearings could be held, and authorized the Hell's Canyon write-offs through Flemming's successor, Mr. Gordon Gray.

Mr. Gray himself was summoned as a witness on May 21 before the O'Mahoney monopoly subcommittee. He invoked executive privilege six times when the Senators tried to find out whether in the Idaho Power Company case—as in that of Dixon-Yates—there had been direct pressure from the White House staff to issue the tax write-off certificates before the Senate Finance Committee could look into the matter.

#### Basic Issues in The Northwest

The Hell's Canyon fight is a fundamental one for the people of the Northwest, where power, water and flood control are urgent problems. No private power company will build adequate multi-purpose dam projects because there is no profit to be made on flood control and water storage.

As Alex Radin of the American Public Power Association told the O'Mahoney subcommittee on May 21, the public high dam would generate 1,124,000 kilowatts of prime power as against only 680,000 kilowatts from the smaller dams planned by Idaho Power. The high dam would provide useful water storage of 3,880,000 acre feet as against 1,000,000 under the company plan. Plus cheaper power.

From the standpoint of the public interest, the tax write-off was a give-away of public funds on top of a give-away of public resources.

Last year the Hell's Canyon bill lost in the Senate by only ten votes. This year the sudden grant of the tax write-offs and the indignation of Byrd and Robertson held out hope that enough Southern Democrats would change their mind to put the bill over when it comes up for a vote early in June.

The conservative press and the Republican leadership in the Senate hope to distract public attention from these facts and to defeat the bill pending in the Senate for a public high dam on Hell's Canyon by exploiting Senator Morse's attack on the President.

## Claims of Swiss Cloaking Corporation to American Courts and Senate Exploded

### Annual Report of I. G. Farben Discloses False Testimony in U. S.

In unsuccessful court proceedings to recover control of I. G. Farben's former American subsidiary, General Aniline & Film, and in recent hearings before the Senate Judiciary Committee on pending legislation to restore alien property seized during the war, representatives of the Swiss holding company Interhandel swore that it was not a cloak for I. G. Farben. Interhandel representatives testified that I. G. Farben no longer had an interest in recovering General Aniline & Film, a company now valued at more than \$100,000,000.

The arrival in Washington of the minutes of the annual meeting of I. G. Farben stockholders held at Frankfurt on April 5 shows that this testimony was false. The annual report read at the meeting in Frankfurt said, "No substantial progress has been achieved during the past year in the endeavors to regain the Company's property abroad, in view of the fact that the seizure of German property is still in effect. However," the report went on, "there is hope that the endeavors started in the U. S. toward return of German confiscated private property will be successful, especially since new legislative measures to this effect were proposed recently."

#### A Useful Precedent

"The I. G.," the annual report revealed, "is not only directly interested in the passage of an Act to return property in the USA, but it also expects that it would have a positive influence upon the viewpoint of other countries in which I. G. property was confiscated."

This is a reference to the Paris reparations agreement of 1946 in which the Western allies agreed to keep seized German properties in their respective countries in lieu of reparations. The annual report thus proves the contention of Senators opposing restoration that return of GAF to I. G. Farben would be a breach of this agreement with our Western allies because it would be used as a precedent by I. G. Farben to demand the return of properties taken over in Western Europe.

The translation and circulation of this report on the eve of the Adenauer visit was embarrassing to the Chancellor

since one of his objects in coming is to try and get legislation to return seized German properties. The Johnston bill which would do so is still bottled up in committee but another bill, S.1639, has been hastily reported out without hearings to block the proposed sale of 75 percent of the General Aniline & Film stock held by the government.

Five Senators on the Judiciary Committee signed a minority report opposing the bill. They are Kefauver, Hennings, O'Mahoney, Neely and Wiley. They point out that the bill in effect tries to do what Interhandel failed to do in the courts. Interhandel sued to block sale of GAF and to recover the property on the ground that it was really Swiss and not German owned. The courts held against Interhandel.

#### The Same Cast of Characters

Another embarrassing revelation in the annual report of I. G. Farben is the appearance of Dr. August von Knierem in it as president of I. G. Farben. Von Knierem was a member of the inner governing circle of I. G. during the 30's and 40's. As its general counsel, he arranged the transaction by which I. G. Farben—as soon as the war broke out—tried to cloak the relationship with its Swiss holding company affiliate.

Von Knierem was tried but acquitted at Nuremberg of complicity in the waging of aggressive war but lesser executives of I. G. Farben in separate trials were convicted of mistreating slave labor in the notorious labor camp and crematorium of Auschwitz. Much of the human experimentation in the Nazi camps was under I. G. Farben direction.

Though Jews were turned into soap by this German chemical cartel, the Jewish public relations firm of Julius Klein and the Jewish law firm of Ginsburg, Leventhal & Brown here in Washington are working for the lobby behind the Johnston bill.

Senator Smathers of New Jersey in a speech to the Senate on April 4 said the Ginsburg firm in a Foreign Agents Registration statement disclosed that it was getting a \$25,000 retainer plus a contingent fee to be based on the value of all German properties returned.

*This Issue Had to Go to Press Early Because of Memorial Day*

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