

in power. It is impossible to have a clean government because the wealthy few will always bribe politicians to do their bidding and to maintain the *status quo*, and there will always be those who can be bribed under the present society because that is the ethics of capitalism, under which scholastic ideals become a convenient and hypocritical screen. And in our country all of these things are aggravated and made more intolerable by the vicious influence of American imperialism, which can only perpetuate its control here by the use of such methods."

THE foregoing is an extract from a letter "written in the field" by a Huk leader and sent to Senator Lorenzo Tañada in reply to a recent academic commencement address of his. The Senator published the letter and answered it in another address. The whole exchange is worth reading, but we have space here only for the paragraph quoted which expressed the central theme of the letter and for some comment we desire to make.

The difficulty in this, as in other similar cases, is that an assertion may be made in a few pithy words which, though entirely wrong, may take considerable argument to refute. Logically, all that such an assertion merits is a flat counter-assertion,—for example: "It is entirely possible for a businessman, a capitalist, to make a profit without exploiting and cheating workers of the fruit of their toil". The first assertion may be false, and the counter-assertion may be true, but no proof is contained in either assertion.

And a false assertion may, if it creates a false belief, do considerable damage, though happily it generally fails to gain credence, or if this is gained, it fails to sustain it, truth being supported by the universal integration of fact, while a lie is exposed by every fact.

Nevertheless, propaganda,—particular ideas and doctrines disseminated without reference to their truth but to influence action on behalf of special groups and interests, is a dangerous thing even if it is only temporarily successful, because harm can be done during the period of confusion and obfuscation. It is in fact not so much the aim of propaganda to convince as it is to create such a period during which the plotters and connivers may fish in the troubled waters.

The Huk from whose letter we have quoted, was saying nothing new, was merely repeating political and economic theories exposed as false long ago. One of these was the labor theory of value generally credited to Marx and Engels. It has long been recognized as wholly untenable. It is indeed obvious to anyone that value is not created by labor alone, but by the various elements of production working together, each of which element is rightfully entitled to a share in the fruit of production.

And is a worker "exploited" and "cheated" because he works for a wage? Many a man out of work in this country today would like to be so "cheated". A worker is paid a wage in accordance with the prevailing labor market, the need for labor and the supply of labor. And the need for labor is in turn determined by the demand for goods and services, or rather, the effective demand, that which can be paid for. And to be able to pay, we have to produce. The more we produce, the more there is to be shared.

The absolute animal need and urge to consume and therefore first to produce, lies at the bottom of the economic process, and almost equally fundamental is the necessity of recognizing the right of private property if men are to have any incentive at all to produce beyond their most immediate needs, if there is to be any accumulation at all, any progress and civilization at all. That is the very oldest lesson which humanity has had to learn.

What can be fairer and more just than the free market in which men may bargain freely for their labor, for their produce, for their land, for their capital; buy and sell, lease and loan, seek employment and quit it; enter into this or that enterprise, beneath what they have to their loved ones, all as each may find to his own best interest, without

interference or dictation from master or lord or king or tyrant.

Freedom has been the age-old search and struggle of man,—freedom to live and eat and dress and think and speak and worship and work and build and move about. President Roosevelt spoke of freedom from want and fear; the first we are gaining, as in America, through a magnificent system of production; the second we shall gain when we shall have succeeded in establishing the power of the present United Nations.

The Huk mentioned wealth and power; naturally the two go together, though government is therefore not necessarily plutocratic. There are various types of government, and the general evolution of government has been toward democracy, for, when all is said and done, the many are more powerful than the few. And it behooves the many today to be careful lest they deliberately and foolishly resign their power again to the few, as under every form of totalitarianism.

It was Thomas Jefferson, one of the prime movers of the American Revolution and one of the founders of the great American democracy, who wisely said that the least government is best, but under socialism, and especially under communism, the government is total, and freedom, individual, political, economic, is tyrannically suppressed and reduced to nil. Communism is not truly revolutionary; it is the blackest of reactionism, even more drastically reactionary than fascism.

What the Huk said about American "imperialism" is so patently belaboring a straw man in order to distract attention from that most vicious form of imperialism the world has ever known, that of the Kremlin, that we here, in the Philippines, who know at first hand how noble the American policies have always been, must stand astounded at the effrontery of such openly false propaganda.

True it is that things are not so good with us in the Philippines as they should be. We still suffer from many evils, of which poverty, which carries so many handicaps in its train, including ignorance, is the most fundamental. But the activity of the totalitarian reactionism here, headed by the Moscow-inspired Huks, has surely already sufficiently demonstrated its demonic nature, has surely conclusively shown that it is wholly and inherently criminal, holding out neither dream nor hope.

We must congratulate the Chamber of Commerce of the Philippines on the success of the Second National Convention of Filipino Businessmen held under its auspices in Baguio from April 28 to May 1. It was attended by some four hundred fifty delegates from various parts of the country, a number of excellent addresses were delivered, and over a hundred resolutions were passed. As the *Journal* goes to press, the text of none of these was as yet available, so comment at this time is not possible.

The power of communism as a political and economic ideology has always lain in its idealism,—in the fact that it was believed by many men of goodwill to project a form of social organization which would promote greater freedom of the individual, greater equality between the classes, and greater economic security for all. It was conceived of by many as a system which would provide for economic as well as political democracy.

That this is an error,—that democracy is only to be preserved by checks and balances in the social organization, that a totalitarian government is inevitably tyrannical,

(Continued on page 174)

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How's this?

"My dear H:

"Article in TIME, May 7, 1951, ECA policy on remitting dollar profits.

"To encourage U. S. investment abroad, the Economic Cooperation Administration provides that any profits earned in Marshall Plan nations may be converted into dollars. Last week, to lure still more foreign investments, ECA boldly broadened its insurance. It announced that in the future, for a yearly fee of 1% of the amount involved, it will insure U. S. business ventures in Marshall Plan countries against expropriation (but not against war damage or normal business risks).

"The above item suggested an idea to me. I do not know how Marshall Plan assured American investors of the remission of profits in dollars. A similar plan could be adopted here much easier to enforce.

"Let every American citizen who wants to withdraw dollar profits register his investment with ECA, supported by proper evidence that the investment had been made prior to the adoption of the proposed system.

"Upon ECA's certification, the peso profits could be deposited to the credit of ECA in a local U. S. depository bank. ECA in Washington would then draw dollar checks payable in the United States, at the official exchange rate. The pesos accumulated here would be transferred to Veterans' Bureau and other Federal agencies making peso payments, and these agencies in turn would reimburse ECA in dollars at Washington.

"In other words, instead of the United States turning over all its dollars to the Central Bank for free, they would be earmarked for paying profits to United States citizens. Central Bank wouldn't like it, but it would certainly stimulate American investments in the Philippines. If the dollars available are not sufficient, priority should

be given to profits from new investments, and the profits from previous investments could be pro-rated.

"It's about time the United States should look after its own people.

"I do not have the sources of information to enable me to judge the possibility of the idea. So I am passing it on to you to use if you wish, without attribution.

"Yours truly..."

Here's pretty high praise!

"Mrs. Marie Willimont
American Chamber of Commerce

"Dear Mrs. Willimont:

"Thank you very much for your letter of March 10 advising me that my application for active membership in the American Chamber of Commerce has been approved, effective May, 1951.

"It is indeed a pleasure to become a member of this organization which is doing such good work for the American business community in the Philippines, and has also been of great assistance to me personally in the past.

"Your bulletins, as well as the monthly *Journal*, are the 'bibles' of many business firms here. I assure you that we use them daily, and find that your releases are the best way of keeping abreast of developments in this country.

"Enclosed please find our check for P310.00 which covers your Statement No. 2963. This is one statement which we enjoy paying.

"Very truly yours,

"A. R. CUMMINGS
Vice-President

"Vick International, Inc.
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Success and Failure . . .

(Continued from page 142)

as well as so inefficient in economic production as to deepen the general poverty, was not clearly enough understood, and for that reason mainly, communism constituted a terrible threat to democracy and was greatly to be feared. For if the error persisted until it was too late to rally the forces of democracy, then all freedom and all it guarantees now and for the future, might be lost.

Fortunately for mankind, communism in practice is destroying itself. Communism as an actual governmental regime in Russia and in those countries to which its iron yet blundering rule has been extended, is itself serving to expose the error and to clarify the true nature of democracy. Communism's appeal to idealism is everywhere rapidly fading. As a form of state organization it is demonstrating, for all men to see, that it is a poverty-stricken slave regime under a few dominant men who rule by terror.

The only remaining strength of communism, therefore, is the strength

of evil, and, as we wrote in these columns some months ago, the atavistic evil in man's nature is still demonically powerful. Yet all civilization is proof that it has always in the long run been overcome.

So long as communism could appeal to the good in man, it was greatly to be feared; proved to be evil, it may be feared much less.

And when the representatives of our democracies, in international conferences, face the spokesmen of the Kremlin, it should be no matter of dismay, but rather a source of refreshment and renewed strength, that they can not agree. That such conferences have failed to lead to concord between the democratic and totalitarian states does not denote failure on the part of the representatives of the democracies, but their determined maintenance of the great values of civilization. Individualism and communism, democracy and totalitarianism are irreconcilable. The only outcome conceivable as successful could never be a compromise; it would have to be a Kremlin surrenderer.