

graves of interventionists if the fighting does not come to an end"—that is, if the United Nations does not abandon its efforts to end the criminal communist aggression there.

The hope of halting such aggression is the only hope of the world, and, ready or not, or only partly ready, the free world must meet the challenge voiced by Gromyko. The United Nations must send more troops to Korea, and they must be equipped with and permitted to unleash the ultimate in force there, and if necessary not only in Manchuria, but in Siberia.

When we must use force, it is a fatal contradiction to use it gently. We may adhere to a "limited objective" if we can, but we must reach it by the shortest route.

Korea is the testing ground where the United Nations must win or lose the war against aggression everywhere.

New laws and new executive orders with respect to the government import control, the abolition of PRATRA

The Growing Damage and Evil of the Import Control

and the creation of PRISCO, changes in the membership of the Import Control Board and the Import Control Administration and in the person of the Import Control Commissioner, the appointment of businessmen as expert advisers, transfers of jurisdiction, amendments to the rules and regulations, alleged relaxations,—all these various developments have throughout a period of two or more years been hailed as promising improvement in the control, but none has actually resulted in improvement; inefficiency and corruption still increase. The "ten-percenters" of a year ago have become "fifty-percenters."

Men speak well of the new members of the Board and the new Commissioner, but they spoke well, likewise, of their predecessors. There would always be a few weeks of hope that conditions would indeed take a turn for the better; and then the hope would die.

And that is not because the men who have successively been in charge of the control were inefficient and corrupt, but because the system itself is unmanageable and therefore inevitably inefficient and a breeder of favoritism and corruption.

According to a statement of the new acting Import Control Commissioner, Mr. Demetrio S. Santos, himself, "there are many applicants who have not obtained a single license since the establishment of the Import Control Administration and there are others who have already been allotted licenses for the second quarter of 1951".

There are tens of thousands of license applications, acted and unacted upon at every stage of the processing, signed and unsigned, and un-released. Licenses granted have been suspended, invalidated, revalidated, and cancelled outright. It is reported that at the present time licenses totalling \$90,000,000 in amount have been issued against a total exchange available of only \$25,000,000. The control is in a state of hopeless confusion and, in our opinion, will remain in such a state as long as the impossible continues to be attempted.

Even if certain limited controls of this nature are possible in other countries, here we have neither the personnel nor the equipment for such a task, nor has the Government the means to meet the high cost that would have to be met in instituting even a much less comprehensive system. It is a notorious fact that in a number of the divisions of the Import Control Office there are only one or two calculating- or adding-machines. Even filing-cabinets are lacking!

At a recent meeting with businessmen, the control

*Just after this was written, the newspapers reported that a strong movement had started among both Senate and Lower House members of the Commission on Appropriations to reject the appointments of these men on the ground that they had been allowed to take their oaths of office before the confirmation of their appointments.

officials, in apparent desperation, suggested that the various chambers of commerce donate personnel and equipment, and even that the chambers themselves look after the processing of applications, pass on them, and make their recommendations concerning them to the Control Office.

The latter suggestion, though well meant, is also wholly unpracticable, for chambers of commerce are not staffed or equipped for such work; furthermore, there are thousands of applicants for licenses who do not belong to any chamber of commerce.

Conflicting announcements have recently been issued as to the cancellation of "unused" licenses already granted, one official announcement stating that this affects only "luxuries and non-essentials" and the other that the invalidation applies to all licenses. To the question what protection or recourse our importers have with respect to possible suits for breach of contract, no satisfactory answer has been given.

Exporters in the United States and other parts of the world read reports of improvements made in the control administration here and of various supposed relaxations in the application of the control, or they receive copies of official announcements which seem favorable before they learn of diametrically contrary rulings, but they receive no orders, or only trifling orders, or the orders they receive are later cancelled, yet, surely, they can no longer be in doubt of what actually is amiss or place the blame on their representatives and agents here.

The import control in the Philippines is not only an unmanageable and impossible thing, but it has become an outrageous evil,—economically, politically, and socially. It and it alone is responsible for the greater part of the scarcities which exist, for much the largest fraction in the truly vicious increases in all prices, and for much of the present graft and corruption in the Government.

In its attitude to this question, the public should not be misled by such terms as "non-quota" and "ex-quota" goods, for all goods regardless of this classification are subject to licensing, nor by such announcements as are published in the newspapers from time to time that certain commodities have been "de-controlled" or will be allowed to come in in "unlimited" quantities. So far, the measures taken to deal with the present fatal scarcities and ferocious prices amount to no more than the transfer from the ICO to the PRISCO of the licensing of certain imports; applications for licenses must still be filed; import licenses granted are still but a small proportion of the licenses asked for; and after they have been granted, it is still necessary to apply for exchange licenses to cover them, and these may still be denied, though, of late, the Central Bank has honored all the licenses issued by PRISCO. In practice, the so-called "de-control" means only that licenses are granted a little more readily, but there has been no real abandonment of control in any case, or even any real relaxation of the control itself.

We do not like to discourage the undoubtedly earnest efforts the new control authorities are making to improve the system and we regret that it may be thought that we are unappreciative of the spirit behind these efforts. But we are strongly convinced that it behoves us all to give up thinking about possible improvement and to recognize that the system is an unqualified evil which demands outright and immediate abolition.

IT is impossible for a businessman, a capitalist, to make a profit without exploiting and cheating workers of the fruits of their toil. It is impossible for a landlord to be prosperous or influential in our present society without robbing the peasants of their share of the harvest. 'Social justice' is a demagogic propaganda phrase under a society in which practically all of the Propaganda wealth and the means of making wealth are concentrated in the hands of a few individuals who, having wealth and power, fear that the poverty-stricken many might dispossess them, and therefore are ready to resort to any means to stay

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,

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