

Wall Street Grab Bag



No U.S.
colonies
in Africa?
Take
a closer
look

By MASON ROBERSON

A COMMON pretence of U.S. reporters writing of foreign affairs is to present the agonizing struggle of the people of Africa to throw off their foreign rules as if those rulers resided almost exclusively in London, Paris, Brussels and other European capitals. America's huge investments in Africa (and the role played by the U.S. State Department in aiding their expansion) gets only casual mention.

U.S. bankers are far from newcomers in Africa. They moved in on the looting of that continent on the heels of Cecil Rhodes and the King of Belgium in the 19th Century. The House of Morgan, the House of Rockefeller and other U.S. financial giants have been in there ever since—and yearly increasing their influence.

Africa is a paradise for them. It produces 98 percent of the world's diamonds, 80 percent of the cobalt, 75 percent of the sisal hemp, 75 percent of the palm oil, 70 percent of the cocoa, 60 percent of the gold, 35 percent of the phosphates, 30 percent of the chrome and manganese, 20 percent of the copper, 15 percent of the coffee, all the cloves.

It is rich in oil, grain, rubber, lumber, fertile land, unused water power—a tempting target for the attention of what Dr. W. E. B. DuBois, the great American Negro writer, describes as "the familiar cormorants of world graft, theft and murder."

The campaign U.S. capitalists are waging to wrest ever larger portions of this vastly profitable loot from their European partners picked up intensity a few years ago when uranium, following mastery of ways to extract power from the atom, became one of the world's most precious commodities. Some of the world's richest uranium deposits lie in the Congo and around the gold mines of South Africa.

"LOANS" FOR SOUTH AFRICA

THE House of Morgan typically levered its way into the lead in the race for control of this enormous fortune by arranging to channel huge U.S. "foreign aid" loans to South Africa. Just one such loan was reported in a dispatch from South Africa in The Wall Street Journal (May 25/53):

"Chief customer for this country's (South Africa's) uranium output will be America's atomic energy program. . . . By 1956, experts say, close to 40 percent of American uranium supplies will come from South Africa. . . . The U.S. Government is picking up the check for most of the cost, a check that will probably run something like \$500 million in the next eight years. . . . American taxpayers will be tapped to supply these dollars, of course."

The House of Morgan has already dug in to the Congo uranium setup. Congo mineral exploitation is divided up between two or three world cartels. The cartel that dominates the Congo's fabulous copper output is controlled by Morgan-Guggenheim money. Morgan and Rockefeller money is deeply invested in the Union Minière du Haut Katanga, the trust that directly controls the Congo's copper deposits together

with cadmium, gold, platinum, silver, tin and zinc. In Katanga province is the biggest pitchblende mine available to the Western powers.

ALL OVER AFRICA

THE money of the huge U.S. firms is spread all over Africa. The interlocking directorates of U.S. and British banking houses has concentrated most investments in Britain's African colonies but you can hardly place your finger on Africa's 11½ million square miles of territory without finding the name of a U.S. firm.

Riding on the back of U.S. Government "aid" loans to Portugal, Wall Street moved into Mozambique and Angola. The millions now being poured into Franco Spain by the State Department and our armed forces opened the way for U.S. investments in Spain's North African holdings.

Liberia has always been a colony of Firestone Rubber Co. Thomas Fortune Ryan, the House of Morgan and the Guggenheims were early partners in the world diamond monopoly centered in the Congo and South Africa.

The House of Morgan is an important member of the giant De Beers-Oppenhheimer trust, which is one of the top investors in South African plantations, railroads, utilities, communications, banking and industry.

NORTHERN RHODESIA

Profits of the copper belt area of Northern Rhodesia are split between a British firm and the (Morgan) American Metal Co. (The copper belt, The Wall Street Journal reported, "is so rich and labour so cheap that producers can reduce prices 50 percent below the U.S. break-even point and still make money." In 1953 they split \$65 million profit. The 40,000 African miners they employ earn about 3/6 a day.

Newmount Mining Corp., another Morgan controlled outfit, is busily turning French Moroccan zinc into gold; Republic Steel Corp. is dug in to Liberia, the French Congo and Sierra Leone; Bethlehem Steel in Nigeria; American Aluminium Co., through its Canadian affiliate, is working the bauxite deposits on the Gold Coast; the Morgan controlled Newmount Mining Corp. reaches into South Africa's copper mines, French North African lead mines, Southern Rhodesian gold mines and the copper-cobalt riches of Western Uganda.

New York's Kuhn, Loeb & Co., Lehman Bros., and the Hochschild family have heavy investments in Anglo-American combines reaching into Africa's copper and molybdenum wealth.

The rate of profit of U.S. cor-

porations with investments in British Africa ran 31.3 percent in 1952.

RECENT REPORT

SOME measure of the extent of U.S. penetration of Africa can be found in a recent report on the activities of U.S. oil firms. Standard, Royal Dutch Shell (Morgan), Gulf, United Petroleum, Southern California Petroleum Corp., the National Petroleum Corp. of Egypt

(Glenn McCarthy, Texas Oil man, owns 51 percent of its stock) together with several other U.S. oil firms were busy in Algeria, Egypt, Kenya, Morocco, Mozambique, Nigeria, Liberia, Ethiopia, Rhodesia, Nyasaland, Somaliland, Tunisia and South Africa.

Wall Street's multi-billion dollar investment in Africa is well protected by the chain of fighter airfields set up by the U.S. Air Force

since 1946 on that continent. (The U.S. "aid" program to Europe, the Middle East and Africa, which pried open Africa for U.S. investors, cost U.S. taxpayers \$50 billion—and built the airports).

IT IS TRUE THE U.S. OWNS NO COLONIES IN AFRICA. BUT IT IS ONE OF THE LARGEST STAKE-HOLDERS IN THE COLONIAL SYSTEM.

CHURCHILL DISCLOSES HIS OWN HYPOCRISY

Reputation as "Peacemaker" Collapses

PARIS.—The decision of the French Upper House of Parliament to approve the Paris Agreements providing for the rearmament of West Germany completes the humiliation of France in the face of the enemy who three times in the last 85 years has brutally attacked her and laid waste her territory.

The French nation has throughout the whole four-year-long discussion on German rearmament remained opposed to the project. The French politicians, however, have been bullied into submission by the threats of Britain and America that France would be isolated if she did not cooperate.

This much has been made crystal clear in the exchange of correspondence between Sir Winston Churchill and Mr. Mendes-France which was recently made public. Mendes-France wrote to Churchill on January 5—after the French lower house had passed ratification of the Paris Agreements by a small majority—explaining that he would still be faced with great difficulties before the upper house followed suit.

SOVIET NOTE

France had just received a note from the Soviet Union warning that ratification of the Paris Agreements would result in the annulment of the Franco-Soviet Treaty. Mendes-France told Churchill that he felt it imperative for the French Government to make some concession to French public opinion, and to the Soviet Union, "by renewing its offer of diplomatic negotiations with a view to preparing for a four-power conference in May, given that by this date France will have ratified the Paris Agreements."

Mendes-France reveals the cynical and hypocritical attitude of the Western powers to talks with the Soviet Union in the following passage in his letter:

THE RISKS

"The French Government . . . is convinced that the Western powers will only be able to retain the indispensable support of public opinion for their policy by continually taking the initiative in favour of a relaxation of international tension. The risks implied by a passive role in this respect would not only be great in France but equally so in Germany, as the latest Bundestag debate shows."

But Sir Winston, despite his attempts to present himself to the British public as the one man among Western leaders who was always ready to talk to the Russians, replied to Mendes-France with brutal frankness:

NO NEGOTIATIONS

"I cannot feel . . . that at this juncture any negotiation with the Soviets about a four-power meeting, even though conditional on the agreements having been previously ratified, would help our common cause. Weakness makes no appeal to the Soviets. . . . I and my colleagues are wholeheartedly resolved that there shall be no meeting or invitation in any circumstances which we can foresee between the Four Powers, either on the Foreign Secretaries level or that of the heads of Governments, until the London-Paris Agreements have been ratified

by all the signatories. In this we are in the closest accord with the United States.

"I cannot believe there is the slightest chance of any change of attitude on this point in either of our two countries. Indeed, I fear that an indefinite process of delay may well lead to the adoption of other solutions which are certainly being studied on both sides of the Atlantic."

WITHOUT FRANCE

What were those "other solutions"? Churchill hinted that the Western powers were strong enough, with a rearmend Western Germany, to proceed without France, and concluded: ". . . having ever since 1910 worked and fought with and for France, for whose people I have a deep affection, I should feel the utmost sorrow to see her isolated and losing her influence with the rest of the free world. I hope indeed that it will fall to you to save your country from this evil turn of fortune."

As it happened, Mr. Mendes-France fell instead. But his successor, Faure, did his job for him, using the same argument to intimidate the French Senate—that if they did not ratify, Britain and France would go ahead without them.

The myth of Churchill as the great "peace-maker" who wants to devote the closing years of his life to the task of bringing about agreement with the Soviet Union was also exploded recently when the exchange of letters between Churchill and Molotov in 1953 and 1954 was published in Moscow.

ELECTION PROMISE

It will be remembered that Churchill was brought to power in the 1951 elections in Britain on the promise that one of his first tasks would be to negotiate with Stalin and put an end to the cold war.

The first pretence he made to implement this promise—and then only as the result of what amounted to an outcry from the British people—was to tell the House of Commons on May 11, 1953: "I believe that a conference on the highest level should take place between the leading powers without long delay."

On May 24, 1953, the Soviet paper Pravda, in an official comment, welcomed the proposal and said it reflected the peaceful efforts of the British people.

By June 9, 1953, however, Churchill was already backing down and indicating that any Big Three meeting would have to meet with U.S. approval. Evidently the U.S. did not approve. But it was to take a fur-

ther 20 months before Churchill was to take the House of Commons into his confidence and tell them—as he did three weeks ago—that "It was not found possible to persuade President Eisenhower to join in that process."

On July 4, 1954, after the British House of Commons had unanimously passed a resolution calling for Big Power talks to be held, Churchill wrote to Molotov asking him whether, in spite of all the difficulties, he thought any purpose would be served "if we met in a friendly fashion without agendas, with the sole purpose of trying to find a sensible way of living side by side in an atmosphere of growing trust, ease and happiness."

MOLOTOV'S REPLY

On July 6, 1954, Molotov replied: "You may rest assured that your initiative will meet with the friendly welcome entirely due to it. . . . We think that such a friendly contact could help toward bringing about a larger meeting on the highest level, if judged opportune by all parties concerned with order and the consolidation of peace in the world."

"Why, if during the war years relations between our countries were of such importance not only for our peoples but also for the fate of the world, can these relations not develop similarly now? As far as we are concerned, we are striving in this direction and we view your letter exactly in this light."

Churchill replied on July 7, 1954: "I am very grateful for your letter, which I shall answer in a few days."

He answered on July 27, but once again he found an excuse for not coming together with the Russians.

BAIT ONLY?

Now that the Paris Agreements have been ratified by France, there is once more talk of a Four-Power meeting with the Soviet Union. But although this is the bait which has been held out to induce many Western politicians to vote for the Agreements, the holding of such a conference is still entirely in the realm of speculation.

The Soviet Union remains willing at all times to meet with the West. The Soviet Premier Bulganin said last week:

"The Soviet Government, as it has done previously, takes a positive attitude towards the idea of a big-power conference, as expressed by the President of the United States, if such a conference could contribute to decreasing tension in international relations."

In view of the Soviet Union's previous warnings, what would be the agenda of such a conference? Marshal Bulganin suggested an Austrian peace treaty, for a start.

The final responsibility for ensuring that such a conference takes place now lies with the West.

COULD IT BE THAT MR. PRINSLOO WAS AFRAID?

WHAT are Mr. Prinsloo, Chief Information Officer of the Native Affairs Department, and his colleagues in the Bantu Education Department afraid of? That is the question which over 600 Africans indignantly asked recently in Orlando at a meeting organised by Orlando Residents' Protection Association.

They asked it because Mr. Prinsloo and the "big-shots" of Bantu Education had promised to come to Orlando to tell the people what the "new" Bantu Education was all about. In fact they went so far as to have their proposed visit announced over the Orlando Radio Diffusion service. And so more than 600 people waited to hear the gospel from the mouths of the Bantu Education prophets themselves. They waited expectantly and with many questions. But Mr. Prinsloo and his friends did not come.

As time passed the audience became more and more impatient. Then they rose to sing the anthem. But there was still no Mr. Prinsloo. A hushed tone fell over the eager and expectant faces as the Chairman started speaking.

Yes, he said, Mr. Prinsloo was supposed to come and tell the people what the "new" Education was all about, but now he was nowhere to be found.

"UNFORESEEN CIRCUMSTANCES"

Then Mr. Alfred Mahlangu, Secretary of the Association got up and announced that a rough pencil-written note had been received late on the afternoon before the meeting. Not an official communication. Just a little note in pencil, said Mr. Mahlangu, which said: "I regret to inform you that due to unforeseen circumstances we cannot attend the meeting tomorrow. . . . We would prefer to speak and discuss the educational question with you personally. We suggest that a deputation of your Association meet us either in Pretoria or Johannesburg, whichever is suitable to you. No other officials will meet you tomorrow."

"Shame," cried the audience. "What a cheek, what an insult!" declared Mr. Mahlangu. "These people bring to us a 'new' Education, but they are afraid to bring us the facts. It means that they want us to be slaves with no questions asked."

A speaker from the floor jumped up and declared: "Their education

is rotten. And they are afraid to appear before us, because they are afraid we will not accept this Education. Our leaders must not meet these people, because Mr. Prinsloo must come to us. He must come and tell the parents themselves why he wishes to enslave their children. We know this education and we refuse to accept it."

NO DEPUTATION

Thunderous applause greeted these words, and despite the attempts of two members of the audience to persuade the meeting to send a deputation, nearly all those present stormily outvoted the proposal and the meeting declared that they refused to go and see Mr. Prinsloo.

The lack of speakers from the N.A.D. in no way hampered the meeting for a number of speakers then addressed the gathering and explained the meaning and content of Bantu Education, and of Apartheid.

One of them, Mr. Mseka, carefully explained how the poll-taxes of the Africans were being used for education and how now Verwoerd proposed taking more money from the people to pay for this 'slave' education. "Verwoerd is doing away with the principle that education should be the same for all, and is substituting a different kind of education just for non-Europeans. A man can be educated in many ways, at home and at school for instance. We want a proper school education for our children, because at school we can

learn to read and write, we can learn what makes the day and the night, the winter and the summer. But most important of all, we can learn about other human beings. It is because we are human beings that we reject this barbaric education."

A resolution was passed by the meeting totally rejecting Bantu Education, and reaffirming the decision to withdraw children from school when called upon to do so by the A.N.C.

AND POOR MR. PRINSLOO STILL WASN'T THERE TO EVEN RECORD HIS VOTE AGAINST.

THE WAGES OF AMERICAN WORKERS have declined during the recent recession, according to the Bureau of Labour Statistics. Average earnings of workers in manufacturing industries fell from 72.36 dollars a week in December, 1953, to 71.06 in August, 1954. In the same period the consumer price index rose considerably. Profits also continue to rise. U.S. News estimated that corporate profits would rise from an estimated 17.6 billion dollars in 1954 to 19.6 billion in 1955.

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Three-Year-Old Handicap—IRRADIATE. Danger, Liberal Son.

Ascot Handicap (Tops)—ONWARD. Danger, Riverton.

Ascot Handicap (Bottoms)—CURI-IOUS. Danger, Rebuke.

Juvenile Plate—BLUE ISLE. Danger, Desert Man.

Progress Five—RANGPUR. Danger, Neapolitan.

Maiden Stakes—FLANEUR. Danger, Windmere.

HERE AND THERE IN PARLIAMENT

By PETER MEYER

SEVERAL important matters were raised in the House of Assembly last week. I want to mention them in the order in which they occurred:

"Vote" Instead of "Note": Sir de Villiers Graaff, speaking on behalf of the United Party, looked at a copy of the Criminal Procedure and Evidence Amendment Bill that had been handed to him by a colleague and read the words "Vote for third reading." But his eye had deceived him. The actual words were "Note for third reading." Sir de Villiers, unaware of the awful mistake he was making, told the Assembly that the United Party would vote for the third reading of the Bill. The U.P.'s Chief Whip, Mr. J. W. Higgerty, had to get up and announce that Sir de Villiers was wrong—the U.P. would vote against the third reading.

Some people have been wondering whether it was a "genuine misunderstanding," as Mr. Higgerty claimed. I see no reason why this explanation should not be accepted. It really was a mistake. But it was a mistake that could only have happened to the United Party.

The United Party has been sitting on the fence so long, that it is always a matter of guesswork as to where it will jump. The dividing line between agreement and disagreement has become so slender that a "mistake" was bound to happen. That Sir de Villiers was the person concerned is no surprise. He is one of the U.P.'s arch-compromisers.

One hopes that the U.P. has been taught a lesson, but on the other hand we all know that it hasn't.

Passports: The Departure from the Union Regulation Bill is straightforward: if you leave the country without first getting Dr. Dönges' permission, then when you return you will be put in prison for at least three months; and if anyone has helped you, he, too, will be severely punished. Dr. Dönges gave the names of a number of people who have left the country without passports, and he stated that most of them had visited the People's Democracies. He took the opportunity to put the blame on Britain—for accepting travellers without passports if they were British subjects.

Dr. Dönges was unusually frank. He spoke about a "net" that was being cast to catch Communists; he said the Bill was part of the "cold war"; and he told the United Party that the real issue was: did they want Communism to be spread in the country or not?

Dr. Dönges turned the debate into a harangue against Communism. Only a few Communists would be affected by it, he said. But he failed to convince even the United Party, now struggling to recover its lost prestige. It shows the ferocity of these fascist measures, that even the stupefied, helpless U.P. is compelled to make a protest.

A few days later, Professor W. H. Hutt, Dean of the Faculty of Commerce at the University of Cape Town and "an out-and-out critic of Russian Communism since I first entered economic life" (his own confession), revealed that he had been unable to get his passport renewed.

The net is cast wider and wider. One day that old U.P. jellyfish will become entangled in its mesh, and then you'll hear the squeals (if that is the noise that jellyfish make).

Budget: The people who annually kick up a fuss about the Budget have never to my knowledge spared a thought for the non-Whites who make up four-fifths of the population. Mr. Louw, of course, does not even mention them; but neither do the professional Budget critics.

Study the Budget and the comments of the critics, and you will see that the yardstick by which all the financial proposals are measured is: does it add up to good business? There is no pretence even at treating the Budget as an instrument to promote the welfare of the people. Human beings play no part in the Budget. They are a minor and rather inconvenient factor, and as for human beings with Black or Coloured skins, they are simply ignored.

It all comes down to a matter of accounts and appropriations, debts and deficits, and the rest of the technical jargon. The idea is subtly cultivated that accounting is an end in itself, and that the people on whose behalf this accounting is done are of no importance.

The presentation of the Budget has become such a ritual, accompanied by learned controversies and involved calculations, that the man in the street feels he should apologise for his existence, because it adds to the worries of the rulers.

Mr. Louw—so the newspapers tell us—has produced a conservative Budget. Naturally, Mr. Louw is a servant of the economic system just as much as Mr. Havenga was. It has not taken Mr. Louw long to learn that capitalism does not encourage individuality.

Fourth Surprise Removal

JOHANNESBURG.

The fourth surprise removal of families from the Western Areas to Meadowlands was sprung on the people last week.

A Tucker Street resident came home from work the evening before the removal to find that a notice to move had been left with his wife.

Early the following morning he went to his place of employment to report that he would not be able to work that day. By the time he returned to his home he found his furniture had been piled on to one of the removal lorries.

He told officials of the Native Resettlement Board he was not prepared to move to Meadowlands. Police approached him and asked for his passes. These he produced. Then he had to show his tax receipts. He was told he would "get into trouble" if he did not move.

He replied, "Wherever we go there is trouble. Look, here is trouble already. You want to move me against my will."

He was asked where he would live if he did not move. "That is my business," he replied. The officials had then no option but to unload his furniture from the lorry.

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