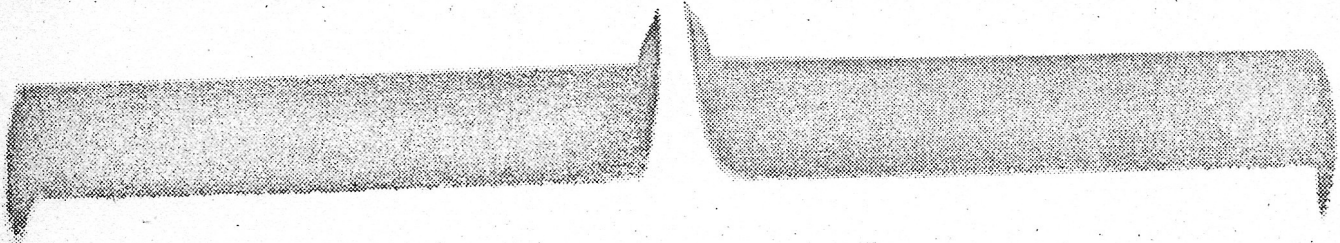


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CYRUS EATON
Merchant of Peace

by John Barden



AS CUBA SEES IT . . *Carleton Beals*

ARE HOUSEWIVES NECESSARY? . . *Eve Merriam*



The crimes of the Batista Government were not merely against the persons and property of Cuban citizens. As I dig deeper and talk to labor and business leaders, the cesspool of corruption under Batista proves to be immeasurable. Scarcely a transaction, a contract or a concession was negotiated here without incredibly large percentages going to Batista and his entourage. The telephone company (American-owned) got its rates raised with a pay-off to the regime of \$3,000,000, according to documents found in the office of Edmund Chester, Batista's press agent and go-between. Also found was a sickeningly adulatory letter from the top officer of the company: "Thank you, Mr. President." No wonder the populace on November 1 smashed up telephone coin-boxes.

And now a U.S. Ambassador who once worked for this same telephone company! And in a revolutionary situation such as exists here!

For nearly fifty years, the United States has scarcely ever had a true diplomatic representative in Cuba. Nearly every man sent down has been closely connected with American business concerns operating in Cuba. The new Ambassador, Philip Bonsal, is probably one of our ablest

diplomats, but why in the name of common sense send him here? For much of his life, he was an officer of this same Cuban Telephone Company, which is currently under grave attack, the latest scandal being the theft from the national archives of all documents relating to the company's relations with Batista. Even if Bonsal acts in the most upright manner, he is going to be crucified before long by the Cuban press, and relations between the two countries will be worsened once more. This is more Dulles blundering.

THE THEFTS of the Batista regime run not into millions, but billions. In the light of examination of government records the past two weeks, it is estimated that Batista's take alone was more than \$400 million. Cubans say that is a drop in the bucket of what he milked out of the country in other ways.

Besides demanding a cash graft for granting concessions or permitting the formation of new companies, he took 50 per cent of the stock. In cooperation with the dictator, labor leaders have gone into business in a big way. Large amounts of tax money were funneled into union pension and benefit funds; these were then

used to promote new industries, the labor funds being replaced by stocks and bonds. The unions have financed big hotels, radio stations, construction enterprises, plantations. But for each dollar they paid out, they got only ninety cents in paper; the remaining ten cents were divided up among Batista and the labor chiefs. The unions have promoted about \$800,000,000 of such new enterprises, which means that \$80,000,000 have stuck to corrupt fingers. Besides that, Batista usually exacted a 50 per cent share of each undertaking. One of the most shocking stories of all is that of the deals to set up two atomic-energy plants on the island.

As sad as is the story of the Cuban situation, it is perhaps even sadder that at no time was the American public told the truth about affairs. Apparently—or so the Cubans believe—it was to the interest of the Pentagon, the State Department, American business *not* to have the truth told. Honest newsmen could not tell the truth and stay in business on the island. The failure even now to present the Cuban picture properly, plus the lack of knowledge of what went on previously, have led to these outbursts in Congress against the new Cuban Government.

CYRUS EATON: Merchant of Peace . . . by John Barden

CYRUS S. EATON of the United States and Canada, the dominant figure in enterprises worth at least \$2 billion, has set his formidable abilities to bringing peace to the world and composure to the United States. The project has the earmarks of an Eaton operation, though larger and more public than any heretofore undertaken. There is a plan which sets out the objectives and the practical action calculated to reach them. The mere utterance of sentiments, how-

JOHN BARDEN, former newspaperman and now on the administrative staff of Fenn College in Cleveland, Ohio, has had a long but (until recently) distant acquaintance with Cyrus S. Eaton.

ever wise and experienced, is a frivolity to which Eaton is not addicted. His approach to peace in the world and composure for the United States is about as frivolous as the organization of Republic Steel Corporation, one of his youthful accomplishments.

An Eaton operation is one in which Eaton generally has his way. Major and minimal objectives of both a public and private character are postulated. The opposition seems always to be overwhelming, a situation which brings assiduity to Eaton's work and joy to eventual victory. The choice of weapons is always Eaton's, and he knows the value of surprise. Wonderful coincidences occur, so favoring the Eaton operation at hand that in retrospect it is plain

that Eaton coincided them. Powerful allies, well-motivated by their interests, suddenly appear from unexpected quarters; opponents are likely to spend time on frolics and detours especially arranged for them.

Eaton assesses the possibilities of defeat as carefully as the potentialities of victory. New situations are estimated from a constant flow of information from reliable sources and skillfully exploited. Last ditches to fight from are constructed in advance; all retreats are tactical; all losses salvageable. The worse his situation, the more formidable he becomes. Even when suffering staggering losses at the outset of the Great Depression, he kept the Kuhn-Loeb bank's Bethlehem Steel Cor-

poration from merging with Youngstown Sheet & Tube Company — a twenty-eight-year-old precedent the federal courts are still enforcing today. The results of an Eaton operation are likely to have remarkable permanence.

Though a reader, writer and thinker, Eaton's characteristic mode of expression is action — and no public talking. He works seven days a week, and it would take a better man working seven days a week to beat him, but this has never happened. Eaton has been down (though not out) just once. It took the 1929 Depression to do it. That catastrophe only added strength to impressive talent.

In international politics, talking is a weapon, and so for a quiet man Eaton has been doing a great deal of unaccustomed public talking. He has been described as courtly, courteous, austere, dignified, assured, white-haired, tough-minded, intellectual. It's all true, but does not explain his hold upon even hostile audiences. What makes them sit up and listen is the nonconformity of a man plainly answerable only to God. Convincing moral indignation runs through his talk like the denunciations of the prophets. He keeps it convincing by getting down to cases. Eaton's program for the peace of the world and the composure of the United States is specific and barbed. [See opposite page. — Ed.]

Although most of Eaton's stated objectives have an oddly left-wing ring in right-wing ears, and a few ring wrong bells in left-wing ears, the right-and-left distinctions, however usefully applied to the French Chamber of Deputies, have no sensible application to Eaton. He believes productive people are the most important people in any society. His audience, as he sees it, is composed of industrialists, labor leaders, farmers and intellectuals. He knows the constituencies they influence constitute a workable majority. When this majority, doing the world's work, sees that the world is unsafe for its interests — human productivity in every form — they will change it. Eaton is sure they can if only they will, and he has set out to make them see their danger.



Cyrus Eaton

These notions are basically conservative, though tinctured with the radically democratic assumptions that any man is entitled to ask people to change things and that the people, if persuaded, are entitled to do so. Just how Eaton proposes to do this is becoming clear.

"The United States of America," he told the Third Pugwash Conference of Scientists in Vienna, "has reached greatness, not through its soldiers or statesmen, but through the genius of its scientists, industrialists, agricultural experts, and labor leaders." He closed the brief speech with this statement of the Eaton strategy:

The eighteen influential conference participants from the United States come from the great universities and institutions that have played a major part in the development of atomic energy. I am particularly anxious that they and their colleagues in the powerful institutions with which

they are associated will raise their voices boldly and loudly so that superlative achievements of science, industry, agriculture and labor in America will not be destroyed by the lack of wisdom of statesmen.

The scientists understand Eaton. He is trying to make scientists help make the world safer for scientists.

He said the same thing, differently, to a blue-chip industrialist group, The Economic Club of Detroit, last November. The industrialists understand Eaton, too. His support in his own constituency will be scattered and quiet, but it will be there, and it will be effective.

Eaton will restate his theses to conventions of labor and farm groups when invited, and he will be invited when the time is right. This has not yet occurred because the emergence of powerful allies from unexpected quarters gets careful advance planning in every Eaton operation.

The decisions Eaton has made as

'For World Peace and the Composure of the United States'

Here are Cyrus S. Eaton's proposals for an American foreign and domestic policy as outlined to John Barden for The Nation.—Ed.

Foreign Policy

1. Dismiss Secretary of State John Foster Dulles.

"Mr. Dulles goes gaily on gambling with the destiny of the world without restraint from any quarter. He evidently is impervious to the 1958 election returns, which his inflammatory activities helped render catastrophic for the Republican Party. He blithely courts the ultimate world catastrophe of the bomb without consulting even the Senate Foreign Relations Committee and the House Foreign Affairs Committee."

2. Have President Eisenhower visit the Soviet Union and Premier Khrushchev visit the United States.

"Mr. Khrushchev told me he would like to see for himself the great cities, industrial companies, railroads and agriculture of the United States and Canada. With America spending \$50 billion annually for defense and the fate of humanity at stake, surely the head of our government, with his fine personality and his infinite capacity for friendship, can afford to make an attempt to deal directly with his Russian counterpart on the Russians' own ground."

3. Recognize Communist China and admit her to the United Nations.

"We have elected to invite the enmity of the 600,000,000 Chinese on the mainland and have substituted for our old friendship with that proud and powerful nation a futile alliance with Chiang Kai-shek, an exiled has-been whom we have installed and maintained on a neighboring island at fantastic expense to the American taxpayer."

4. Strike a treaty of peace and friendship with the Soviet Union.

"Certainly the risk in such a treaty is fraught with far less hazard to humanity than the cold or a hot war."

5. Halt the nuclear arms race.

"Present stockpiles are enough to put to death every human being on earth. Any day, by accident or design, some fool, some fanatic, even some fumbler may touch off the explosion that will cause the holocaust."

6. Quit meddling in the affairs of other nations.

"The newspapers of such countries as Denmark, France, Germany, Austria, and England are unanimously critical of our policies. Our high government officials can no longer visit the republics of South America without inciting riots. In Canada, our near neighbor and best customer, the latest federal election was won by the party that proclaimed its lack of warmth, if not its downright hostility, to the United States."

7. Bring the influence of the world's scientists and scholars to bear on their governments in the interests of peace.

Since 1955, Eaton has been host or sponsor of twelve Pugwash conferences of intellectuals working in a variety of fields at great institutions throughout the world. The last, composed of eighty nuclear scientists from twenty-two nations—the largest delegations coming from the United States and the Soviet Union—met in Vienna last September. "These conferences cannot be held in the United States," Eaton declares. "The Chinese would not be permitted to enter and the Russians could enter only by subjecting themselves to humiliations no self-respecting scientist or scholar would submit to."

Domestic Policy

1. Abolish the secretive practices of American police organizations and confine them to legitimate police work.

"Blackmail" is Eaton's word for the purpose of the FBI dossiers on every prominent American in or out of government, not to mention those of city, county, state and other federal police including Congressional committees. "There are no secrets in the industrial or scientific worlds. Investigating and fingerprinting, surveillance and wire tapping, espionage and counterespionage—these keep alive the spirit of suspicion which is one of the evils that plague us. I am just as sure as I am alive that one of these days there will be an enormous reaction against secret police in the United States."

Eaton cited with praise Fred J. Cook's article, "The FBI" (*Nation*, Special Issue, Oct. 18, 1958), exposing the myth of that organization's infallibility.

2. Forget anti-communism as a security measure.

"All this is folly," says Eaton. "We are the only major nation that doesn't have a single Socialist in its national legislature, the only nation without a large parliamentary representation of people who believe in government ownership of everything. I disagree with the police and politicians whose careers are based on the lunatic belief that the American people are so stupid as to embrace communism unknowingly. Our proper posture is not anti-communism, but enlightened capitalism."

3. Establish a warmer understanding between capital and labor.

"In every important industry in the United States there should be a meeting at least once a month between top management and labor leaders to discuss their mutual problems in a friendly spirit. Wisdom and restraint are required on both sides. The business leaders responsible for putting right-to-work legislation on the ticket last year hopefully learned some lesson from the defeat not only of this phony measure, but also of the candidates who went down with it."

4. Strengthen our banking system.

"In the financial panics of 1907, 1914, 1921 and the depression which began in 1929, the banks fell over one another to see which could sell out their customers fastest in an effort to keep liquid. I am not saying there would have been no 1929 readjustment if our banking system had been stronger, but I firmly believe we could have avoided the depths to which the combination of weak banks and our own emotionalism carried us. We need larger, more powerful banks, established regionally and competitively."

5. Find new leadership toward an enlightened capitalism.

"With all due credit to the politician, who must be elected, and to the editor, who cannot get too far ahead of his constituency, I think we must look beyond these old sources of leadership. I nominate the industrialist, the labor leader and the farmer as representing the indispensable elements of dynamic capitalism. Let the teacher, the preacher and the scholar add their best thinking, and I know we can look forward to a new era of enlightened capitalism that will excite the admiration of the entire world."

chairman of the Chesapeake & Ohio Railway Company, and the simple hospitality of his Acadia Farms near Cleveland, have won important friends like Guy L. Brown and W. P. Kennedy in the powerful railroad brotherhoods. He also has a friend in the United Mine Workers, a fellow named John L. Lewis, to whom he lent effective help in the 1946 coal strike. As for the AFL-CIO, there is not much in Walter Reuther's public statements to which Eaton would object, and what there is may also be unacceptable to George Meany.

By persistently exerting quiet influence favoring open-minded and expeditious bargaining in the steel industry, Eaton has an important friend in David J. McDonald, president of the United Steelworkers. Those interested in how to make friends with labor leaders on the basis of labor's prime interests ("What have you done for us lately?") could do worse than watch the Eaton approach to the AFL-CIO.

A gentleman-farmer, Eaton is the son of a prosperous merchant-farmer in Nova Scotia. Yet the "country squire" aspect of Eaton's Scotch Shorthorn cattle-breeding at Acadia Farms and Deep Cove Farm near Chester, Nova Scotia, is not irritating to plain farmers. He knows cattle-breeding. He has shown PS Troubadour, the Shorthorn calf which took the 1956 International Grand Championship over all breeds, throughout eleven states and Eastern Canada. The trip covered 100,000 miles. More than 75 million people came to see the memorable Troubadour, among them most of the agricultural experts and farm leaders of both countries. Since Troubadour can't talk, they talked with Eaton who, what with one thing and another, chanced to be there when they were. They were likely to learn, among other things, that he had been invited by the Soviet Government to bring Troubadour and representative cattle from his Shorthorn herds to Moscow for an agricultural exhibition. Editor Earl W. McMunn, after meeting Soviet Ambassador Mikhail Men-

shikov at Acadia Farms, went back to his influential *Ohio Farmer* and wrote an editorial in support of mutual understanding with Russia. Whatever the gambit, agricultural experts and farm leaders understand Eaton is trying to make the world safer for farmers.

EATON's conclusions about the world — the place is unsafe and the needed repairs, though not easy, are obvious — come as a shock to the politicians. He has moved in on their territory, and they are frankly at a loss to know how to deal with him. After his attack on the FBI on the Mike Wallace TV show last May, the House Committee on Un-American Activities moved against him. Eaton was only too eager to use the committee as a national sounding board for his views. Though its chief snooper, Richard Arens, stated May 19 on ABC-TV that a subpoena had been issued for Eaton, the subpoena was never served. The hard-nosed politicians who might have been expected to lead the secret-police bureaucracies and the jingoists against Eaton, didn't feel up to it.

The newspapers, with some notable exceptions, are in a quandary about Eaton. He enjoys influential and accurate reporting from the *Washington Post*, *Louisville Courier-Journal*, *Milwaukee Journal*, *Cleveland Press* and the *Knight* newspapers. The rest cannot ignore him. He is news. He stands at the top of a class the press most admires—businessmen and industrialists. His deviations from the American line have to be explained to the public. This cannot be done by calling him a fool, since it is axiomatic that anybody who makes a fortune in industry has brains or luck, and in Eaton's case it wasn't luck. He's done it twice.

Some papers would like to call him a Communist and let it go at that, but too many people traveling in the same circles as the editors and publishers know enough about Eaton to laugh that charge out of the papers. So the standard journalistic approach is to cover the Eaton rhetoric without the substance, then write him off as a well-intentioned

tycoon lost in the fog of higher politics through-which-we-see-so-clearly.

A recent example was the favorable Cleveland *Plain Dealer* story (Dec. 14, 1958) on an Eaton talk before the Men's City Club. The sharp questions from the audience, duly answered, and a standing ovation for Eaton, were fairly reported. But in reporting the speech, the *Plain Dealer* quoted Eaton's reference to John Foster Dulles as an "insane fanatic" without quoting the evidence Eaton brought to its support, of which there was a wide assortment. One was a discussion of the recognition of Red China. Eaton fairly stated the Dulles argument that to recognize Red China would dismay our friends, the non-Communist nations of Asia, then proceeded: "Who are these friends? Well, the biggest one is India. India recognized China long ago. . . . Pakistan, Ceylon, Burma, and Indonesia have recognized China. Japan is the only major nation in the Far East which hasn't and it has been restrained from doing so only by pressure from the United States. The whole Dulles argument is misrepresentation almost beyond belief. . . ."

THE assessment of Eaton's capabilities, motives and prospects in bringing peace to the world and composure to the United States is not easy. According to Eaton, his capabilities are modest, his motives altruistic, his prospects excellent.

Enough has been said, perhaps, of the Eaton capabilities to establish that the only modest thing about them is his disclaimer. He brings to his present objectives fifty years' experience in international commerce, industry and finance. It is reasonable to suppose that a man who put together \$5 million in U.S. public funds and \$5 million in Canadian public funds with about \$5 million in private funds and emerged in full private control of the fabulous Steep Rock Iron Mines, Ltd., understands the basic principles of treaty-making.

Eaton's German industrialist partners in the development of his Canadian iron-ore properties on Ungava Bay — as shrewd and hard-

headed a lot as there are in the world — would be surprised to hear Eaton charged with amateurism in international negotiations.

John Foster Dulles, even with a State Department commission, is just another New York bankers' lawyer to Eaton. He has defeated platoons of lawyers like Dulles on their home grounds, the federal courts and commissions. He did it to Newton D. Baker's firm in the Bethlehem-Youngstown merger case and to Robert A. Taft's firm in the Cincinnati Union Terminal case establishing competitive bidding for the issuance of railroad securities.

He has no high opinion, either, of potential adversaries like generals and admirals. "One who reads their memoirs," he says, "cannot help but wonder at their vanity."

It has been laughingly asserted that Eaton thinks Khrushchev can be trusted. What Eaton thinks is that any man, or group of men, can be bound by their own interests. He believes that the Soviet Union, if relieved of our inimical encirclement, could be bound by its interests in building up its own economy to a consistent policy of friendship and trade with the United States. Coming from one who has had exceptional success in binding men by their interests to his own enterprises, this opinion seems worth serious examination.

EATON IS, of course, just one man opposing the policies of large governments. His case depends in the main on his persuasive abilities. Though these are considerable, he is operating in a field of public relations and politics in which he is supposed to be an amateur. This argument overlooks what Eaton did to the political careers of Newton D. Baker, Wendell Willkie and Robert A. Taft.

Baker came into the 1932 Democratic convention as the candidate who could win the Presidential nomination in the event of a deadlock between Franklin D. Roosevelt and Al Smith. Eaton came to the convention with a solid victory over Baker in the Youngstown case and a natural reluctance to see him made President. He joined forces with

James A. Farley and helped persuade William G. McAdoo's California delegation that Roosevelt was their man. The result was that Baker's opportunity never came up.

Wendell Willkie's political life would have been much happier had he not tangled with Eaton. Their relationship went far back into the 1920s. Eaton had known Willkie, somewhat intolerantly, as a cigar-chompin', whiskey-drinkin' public-relations man and lawyer-lobbyist for the Ohio Edison Company, which serves the Acadia Farms.

IN 1939 the New York financial community, its eye on the control of the Presidency, found or invented a Galahad in Wendell Willkie, president of the Commonwealth Southern Corporation, a public-utility holding company. Eaton watched this process gloomily, then caught wind of a deal in which Commonwealth Southern was about to buy 125,000 shares of common stock in its wholly owned Michigan subsidiary, Consumers Power Company, at \$28.25 a share, the book value. The idea was to fatten up Consumers' equity so it could simultaneously float a \$28 million bond issue. Willkie had arranged the underwriting with the usual gentlemanly syndicate of investment banking houses. There was to be no raucous competitive bidding. The underwriters would make \$500,000. The deal was classic New York banking practice and was approved by the SEC and the Michigan Public Utilities Commission.

Eaton, who believed in competitive bidding, offered in writing to pay "substantially in excess of \$28.25 a share" for the Consumers' stock, politely noting Willkie's oft-repeated complaint that the public wasn't buying utility stocks. If Willkie accepted, the gentleman bankers might walk out on the deal; if the presumptive Republican Galahad rejected the offer — well, his deal was something less than a quest for the Holy Grail.

Willkie rejected the offer, and both sides took to the newspapers. In the end, not only did Willkie have to drop the deal, but the SEC promulgated Rule U-50 establishing

competitive bidding for all utility issues under SEC jurisdiction.

Willkie turned to easier things like getting to be President. Eaton never let go. He turned pamphleteer and wrote "The Third Term Tradition" for the Oct. 5, 1940, issue of the New York Post in support of Roosevelt's third term. When all three Cleveland papers came out for Willkie, Eaton wrote Secretary of Interior Harold Ickes an open but widely unpublished letter. Cleveland, he said, badly needed another newspaper. Since Eaton could afford the expense personally, this sentiment gave pause to the Forest City Publishing Company, which owned the *Plain Dealer* and the *News*, and to the *Press*, the prosperous keystone of the Scripps-Howard organization. They decided Willkie was not much of a Republican anyway, a feeling which gradually spread among influential Republicans.

Willkie's political career came to an abrupt close in the Wisconsin primaries of 1944, a state in which Eaton had numerous friends engaged in the business (and politics) of utilities, iron ore and shipping. Willkie ran last in a field of six.

The disappointments of Robert A. Taft, a perennial Presidential aspirant, clinched the rule that no serious Eaton adversaries ever become President. Taft, who had told Eaton his application to enter a competitive bid for the \$12 million Cincinnati Union Terminal bond issue was "preposterous," twice came so close to the GOP nomination he could taste it. Each time a small windfall of delegates could have put him over, but he found the Eaton influence carefully marshaled against him, and there were no windfalls.

THIS RECORD surely jeopardizes Eaton's amateur status in the field of politics. It suggests the Eaton objectives of peace and composure are in the realm of the possible, and this raises the next question: What are the Eaton motives?

The motives in typical Eaton operations are apt to be a deft combination of public and private interests. In 1952, Eaton financing enabled the Cincinnati *Enquirer* employees to outbid the Taft family,

which already owned one of the city's other two papers, in a probate court sale of the *Enquirer*. Eaton's Portsmouth Steel Corporation, which put up the \$7,600,000 purchase price, made \$250,000 as a fee for Eaton's time in less than four months. Eaton's time also covered arrangements for common-stock financing of the *Enquirer* and the sale of *Enquirer* debentures to the public. The proceeds paid off the \$7,600,000 purchase price and the \$250,000 fee. This account oversimplifies a series of complex transactions, but is a fair statement of the results.

Eaton, when asked, explained that most businessmen act from some combination of public and private considerations and that the money involved in the *Enquirer* transaction was of no great importance. Though modesty well becomes Eaton, this is not an analytical statement. What he did was stop a possible newspaper monopoly, hand a newspaper to its employees, defeat an old enemy, and make a quarter of a million dollars. Without these elements, the opportunity might not have interested him. Certainly the \$250,000 was just one factor.

"What's money?" asks Eaton. "A man can wear only one suit of clothes at a time."

IT would be a mistake, in assessing Eaton's present operations, to become so engrossed looking for private motives as to lose sight of his public ones. As the controlling figure in iron ore, coal, steel, lake shipping and railroad companies, Eaton would surely face a period of readjustment for his enterprises were the cold war and the armaments race suddenly to cease, as he advocates. He also knows, though, that he would lose everything permanently in a hot war and that cold war and armaments are heading straight for a hot war. Beyond this, any fair appraisal must grant him the altruism of worrying about the fate of others in such a world.

Eaton has had a hard, first-hand look at the Soviet Union (200,000,000 people), a distant look at Red China (600,000,000 people), and has been heard to say, "If installment buying is ever introduced — and my

hunch is that it will come eventually — the increase in demand for consumer products will create a mass market well worth American attention."

Coming from a man with substantial interests in the steel, electrical utilities, rubber, paint, oil refining and chemical industries, this means business — more business, Eaton believes, than American and Canadian industry will ever make in the cold war and armaments. It means business without the risks of death and total destruction now being taken.

With more confidence in his fellow-industrialists than most other observers can summon up, Eaton stated the case to Khrushchev: "I told Mr. Khrushchev that anyone who pictured the American businessman as encouraging war preparation in order to sell more iron ore, coal and steel misunderstood the United States. I expressed the view that we ought to reach friendship and understanding, and that we should trade with each other."

It can be positively asserted that Eaton did not negotiate, begin to negotiate, or even suggest to Khrushchev or any other Russian official any transaction which might benefit the Eaton enterprises in any specific way. He didn't have to.

If his efforts enjoy even limited success in opening up trade between the United States and the Soviet Union, the big foot in the door everybody will suddenly see will be Eaton's. Powerful and well-motivated allies have a way of appearing from unexpected quarters in every Eaton operation. If this was among the things in the back of his mind in his talks with the Russian leaders, it underlines rather than denies Eaton's belief that trade with Russia would benefit the United States as a whole and that the fate of humanity may well rest on which way this decision goes.

The lesser private motives detectable in any study of the Eaton career can be very easily exaggerated. He has in his time been harried by New York banks, politicians, newspapers, law firms, State Department embargoes on trade and travel, and Congressional committees. From them he's taken an unusual amount

of punishment: he has been investigated, subjected to surveillance, sold out, libeled, threatened with contempt proceedings, boxed and sandbagged with legal documents and court orders. He has scores to pay off, and he's just the man to do it provided the retributions can be arranged pursuant to bigger operations aimed at larger considerations. Many an Eaton sortie has sideswiped an eye or a tooth from somebody who once took an eye or a tooth from him, but no Eaton operation has ever been wholly devoted to this Old Testament pastime — with the possible exception of the last days of his association with Henry Kaiser. That one Eaton fought with his back to the wall, a fight ending in courtroom victories for Eaton and the closing of Kaiser's career as manufacturer of Kaiser-Frazer automobiles. The Kaiser lawyers, it is worth noting, were the New York firm of Willkie, Owen, Otis & Bailey, assisted by the usual correspondents, in this case the Baker firm in Cleveland and the Taft firm in Cincinnati. Eaton's instrument in the battle, Otis & Company, is still doing business as a private bank.

A well-read student of the Christian tradition, Eaton loves his individual, corporate, police and political enemies, though not with a love that surpasseth understanding. He is always willing to devote time to the improvement of their characters through adversity, but only incidentally and only when they get in the way. At the moment Dulles and his State Department are in the way. The David-and-Goliath aspect of this encounter pleases rather than dismays Eaton, but he isn't much interested in Goliath. He's after the Philistines.

THERE IS something of the stiff-necked prophet in the Eaton character. In September, 1958, he uttered two prophecies to Khrushchev. "I ventured to suggest that, in due course, the American industrialist, the American labor leader, and the American farmer would demonstrate that they agree with me on friendship, understanding and trade with the Soviet Union. Meanwhile I suggested patience and forbearance on

the Russian part. I also invited Mr. Khrushchev to watch the election returns carefully in November to see if the American voters did not express strong sentiment in favor of fresher and wiser foreign policies." Eaton was surer of the first prophecy, which Mikoyan's visit tends to confirm, than he was of the second, which has been wholly confirmed.

Any estimate of Eaton's prospects for peace in the world and composure in the United States must begin with some definition of what would constitute his failure. World War III would constitute the failure, but who's going to judge it? Short of this, his prospects seem excellent for some measure of success. Muddling through more decades of brink-

manship with the successors of Dulles is not a reasonable alternative. No two great powers about equally balanced in military capability and mutual official hatred can maintain so hostile a balance for long. No great powers ever have.

Eaton is taking his case to the productive people of the world. They will judge him and it.

THE CLERGYMAN and the SLUMS . . . by Dan Wakefield

THE OTHER DAY I came across the story of a New York City family of twelve who lived in two rooms in a slum apartment and took in six boarders to help pay the rent. The report did not emerge, as might be expected, from beneath the headlines of the recent scandals concerning housing conditions and corruption in New York, the largest and richest city of the most affluent nation in the history of man. It came from the pages of *How the Other Half Lives*, the classic report of the New York slums written by Jacob Riis nearly seventy years ago. The Riis book chronicled the unsafe, unsanitary, overcrowded conditions that he found on the Lower East Side of Manhattan, and its grim revelations initiated the first great drive to clean up the slums of New York. Since that time, the main changes in the picture seem to be that there are more slums now than ever before and more agencies, both public and private, to eliminate them. The war on the slums has become bureaucratized and specialized, and one of its most frustrating and exhausting battles is that of the private agencies' constant fight to make the public agencies do the minimum job they were created to do.

The latest campaign in this running battle is being conducted by a thirty-five-year-old rector of an

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Episcopal church on Manhattan's Upper West Side. The Rev. James Gusweller came to the Church of St. Matthew and St. Timothy three years ago, and quickly found that miserable housing conditions were one of the major plagues on the people of his parish neighborhood, which as recently as ten years ago was still a comfortable middle-class domain. Since then, many of the buildings have been divided into smaller, often one-room, apartments, or turned into furnished rooms, and a great many Puerto Rican newcomers have been stuffed into them. It is not unusual for a family of six people to occupy a single room, with a toilet in the hall, for \$100 a month.

One recent afternoon, Pastor Gusweller sat in the basement of his church on West 84th Street and took time out between the unlimited assortment of problems being brought to him (the minister is one of the last remaining members of our society who can't afford specialization) to explain his story to a visitor. A young boy who didn't speak English and had been dispensed a pair of glasses that he couldn't see out of was waiting for the pastor to arrange an appointment with an oculist. Pastor Gusweller mentioned, between phone calls, that the faulty glasses were not the boy's only problem: "He lives in one of those one-room apartments with a family of six — and it's a very small room."

After sending the boy off to the doctor and answering phone calls from a newspaper reporter and a member of the district attorney's

staff, the clergyman took time out and began the story of his own education in the housing war. When he came to the West Side church in 1956, he began immediately to try to help the people of his parish and neighborhood get the minimum standards of decent housing to which they were entitled by law. When the people heard of this, they began to come in greater numbers (now as many as fifty people a week come to the church for help in housing) and a weekly "housing clinic" was set up.

"We soon found out," the pastor said, "that we couldn't get much help from the city Department of Buildings. About the only thing they would act on was 'overcrowding' complaints." This meant that when building inspectors were called to investigate complaints, they would often merely file complaints of illegal occupancy of small rooms by large families. The result was not an improvement of the building, but rather the eviction of the complaining tenants. Others, of course, would soon move in, and things would be back where they started. Landlords exploit this situation by threatening tenants in crowded rooms with eviction for illegal tenancy if they complain about the building's condition.

"We started calling on the Department of Health, whenever possible, instead of the buildings department," the clergyman said, "and found we could get action from them in cases where sanitary laws were being violated."

In addition to help from the health authorities, the pastor was some-