

# SOCIALIST REVIEW

NEITHER WASHINGTON NOR MOSCOW, BUT INTERNATIONAL SOCIALISM

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SIXPENCE

**FORTNIGHTLY**  
for the  
**Industrial Militant —**  
for  
**International**  
**Socialism**

## Labour's Annual Conference must show the **WORKERS' ANSWER TO RACISTS**

**THIS MONTH** local Parties are discussing draft resolutions to be submitted at the October Annual Conference. As in past years there will be many vital topics considered—nationalization, foreign policy, disarmament, colonial policy. But there is one major problem Labour cannot afford to ignore—racial tension in Britain.

Once again Notting Hill is in the public eye; a murder has been committed and once again the Tory press has to admit that a problem exists. But it is not only London that has to be watched. A potential problem exists also in Nottingham, Manchester, Liverpool and other centres where West Indian migrants are to be found.

\* \* \*

No one is better at smelling out potential trouble-spots than the Fascists. In Notting Hill they agitate ceaselessly—desperately trying to build and sharpen race antagonisms. It is no coincidence that Mosley has chosen North Kensington in which to stand for the coming General Election. And it is no coincidence that one of his henchmen stood, at the recent municipal elections, in the Moss Side ward of Manchester where there is the largest West Indian concentration.

Who can solve the problem of racial tension in Britain? Not the Fascists, certainly. Not, either, the Tories and the Tory press. And the well-meaning "liberals" who "deplore" what is going on.

The responsibility lies fairly and squarely on the shoulders of the organized labour movement. The vast majority of the West Indian immigrants are workers. True, they have different backgrounds and customs, a different colour skin. But workers nevertheless.

\* \* \*

For this reason no one but labour can have their genuine interests at heart. Our job is not just to defend our West Indian brothers. Our job is to work consciously to break down all the barriers, to integrate our immigrants into the ranks of the British working class and the labour movement.

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The best defence against Fascist provocations and hooligan attacks is by a joint front of worker, white and black. Together, and only together, can we win, and in so doing, lay a foundation for harmonious living, side by side.

The Labour Party must give this question serious and urgent attention. It must be raised at Conference, and before. Local Parties in trouble areas must be given every encouragement and assistance. Above all, the initiative lies with labour. We must seize it, quickly and firmly.

### Life is bitter with the Conservatives say

#### The Unemployed

**THE** TORIES have never denied, indeed they have claimed credit for the fact that they deliberately "damped down demand" though the meaning of this has been more clearly expressed by non-politicians. "In our opinion," said the Cohen Council:

"it is impossible that a free and flexible economic system can work efficiently without a perceptible (though emphatically not a catastrophic) margin of unemployment of this kind . . . . The decline in the intensity of demand, working through a decline in realised and anticipated profits, must certainly be expected to stiffen the resistance of employers to claims for increased wage rates."

To say that the Tories meant to start it, however, is not to say that they know how to stop it. The drop in unemployment in the last few months has been hailed as if it were the end of the recession. But unemployment is still higher, the relation between numbers out of work and jobs available worse (particularly for young people) and the proportion of longer-term unemployment greater than in any other year since the Tories came in.

#### How much?

Moreover, a large proportion of the small decrease in unemployment between March and April was seasonal—i.e. building, hotels and catering, etc. It is significant that in some industries unemployment has gone on increasing—e.g. engineering, shipbuilding and electrical goods, and furniture.

Even in the south there are

now more workers out of work than there are jobs available, but for those who fall out of work in the north or in Wales it is a different world. In London and the south-east there are about 1½ workers out of work for every job available, in the south-west and the midlands, about 1½, but in the East and West Ridings of Yorkshire and in the north-west there are 3½, in the north\* and in Wales 5½ and in Scotland 9½. Over all the post-war years there have normally been far more jobs for young people than could be filled. For girls in most areas except Wales there still are. But there are two boys looking for every job that is going in the north, nearly four in Wales and nearly six in Scotland. And the peak of school leavers will not be reached till 1962.

#### How deep?

Apart from the big question of whether unemployment in general is going to fall to more normal levels there is cause for alarm in the fact that some factors have been worsening even over the last few months when the total out of work has been falling. The proportion out for more than eight weeks has been rising steadily (in March nearly 124,000 had been out for more than six months) and it seems to be becoming \*Durham, Northumberland, Cumberland, Westmorland, North Riding of Yorkshire.

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## TU COMMENTARY

## ● Railway cuts and wounds

**A**NOTHER of our fine democratic public services is being squashed out of existence by Tory Policy.

The latest conspiracy against the nationalized industries has been brought to light in a report by the British Transport Commission in which it "modestly estimates" that 8,000 out of 127,000 workers in the British Railways workshops are to become redundant within three years. In 1956 the Commission prophesied that with minor exceptions the workshops would be fully employed for five years. But since then "various factors, some of them outside the Commission's control, have necessitated an acceleration . . . in the process of shaping workshops' policy to meet the requirements of the future".

And what a future. The report goes on to say that the workshops will be used "on the proviso that their costs are competitive" for the manufacture of certain equipment and components and for repair work. But new diesel and electric power equipment will be bought from outside industry, and "complete locomotives and rolling stock from industry as programmes require, and when circumstances justify such a course".

### Star resolution for Transport & General Workers Union Biennial Delegate Conference July 1959

*That this Conference declares its opposition to the growth of unemployment and the attacks on the standard of living of the working class by the employers and the Tory Government. Conference thinks that to combat this threat we should, in the event of redundancy, demand that all available work should be shared among all the workers without loss of earnings, if the employers cannot afford this, we demand that the factory or industry opens the books to the Unions and if the factory or industry cannot keep men in employment, then it should be nationalized with workers' control.*

(Branch No. 1/927)

## John Phillips

The final rub of salt in the wound is the agreement covering compensation for redundant workers. A man with 40 years service will receive two-thirds of his pay (less unemployment benefit) for 13 weeks. A man with less than three years service gets sweet Fanny Adams.

### This is the way

The shopmen's section of the National Union of Railwaymen voted unanimously at its conference at Southport to take strike action unless the British Transport Commission stops contracting work out to private firms, which is forcing the closure of railway workshops.

A similar motion will be put forward at the union's conference in July, and the national executive is being asked to demand a change in the commission's policy.

**If Jimmy Porter were in the Labour Party he would look back in shame as well as anger at the 1945 Labour Government for putting the nationalized industries on such a basis as to allow the ex-shareholders to run the boards and suck the industry dry by passing the gravy to their old school chums in private industry as well as to their own firms.**

Every year from 1948 to 1955 British Railways made a working surplus. But this was not enough to meet roughly 40 million pounds still being paid out to shareholders. Of the estimated 85 million pounds deficit for 1958, 30 million is due to the fall in coal, iron and steel traffic—a direct result of Tory policy which cut industrial demand for all three materials. Of course we've been told that we weren't stagnating, just preserving the pound!

If any further proof is needed for this betrayal of our public services just look at the sentence in the report which demands competitive costs from the railway workshops. In other words everything in our society, whether a public service or not, is to be run according to a profit and loss balance sheet. Never mind the workers', it's their fault for wanting nationalization in the first place.

### No compensation

How can we stop the rot that is fast setting in under the onslaught of both parties—

**First of all I think by passing a resolution at this year's Labour Party conference to end the payment of money to the ex-shareholders in nationalized industries. This would be one in the eye for the right wing of the party who still insist that the true decent British thing to do is to think of the poor widows who have their hard earned life savings tied up in shares and who would simply whither if they were taken away.**

**Secondly we must continue to press for full workers control in**

**all nationalized industries, for without that the workers as well as the industries will always be the losers.**

## ● Work study

**T**HREE cotton spinning mills in Paisley have been out on strike for two weeks over a time-and-motion study dispute. It started when two vacuum strippers in one of the mills were suspended for not fulfilling their work quotas, which were recently increased after a time-and-motion study.

The union concerned, National Union of Dyers, Bleachers and Textile Workers, made the strike official and contacted other unions, AEU, ETU and transport workers, to get active support. The response was quite good. Men at the shipping depot where the firm's exports are despatched came out 100 per cent, and the above-mentioned unions told the strikers that no goods from the mills will be handled by their members.

### Quit clock-watching

Mr James Feeley, Scottish Secretary of the NUDBTW, said that his union wanted full reinstatement; no application of disputed workloads until they are proved; and investigation into all workloads in dispute; the union work study officer to take part in the investigation, etc. While applauding Mr Feeley's action of

getting support from other unions, **all this flannel about getting officials to regulate time-and-motion studies is clouding the issue.**

The Union's general secretary, Mr Leonard Sharp, said that the "executive believes it is the culmination of unrest concerning

### One step forward

The Municipal and General Workers union made a surprise — and welcome — decision at their conference to demand unilateral disarmament by Britain now.

The wind sets fair for reversing Labour's H — Bomb policy this year of conference.

work schedules which has been growing for some time". Come now Mr Sharp, what about a more definite statement that that?

The workers in the cotton mills, and anywhere else for that matter, know full well that time-and-motion study benefits nobody but the boss. This is more apparent in the areas of high unemployment as in Scotland where this can be seen as a deliberate attempt to exploit the situation to introduce speed-ups, etc.

**With the cotton industry in such a precarious state it is too much to hope that the union will demand a reduction in the working week as well as perhaps? ? ?**

## ECONOMICS John Crutchley on Monopolies . . . and

**T**HE intention behind the Tories Restrictive Trade Practices Act is most clearly shown in the cotton and cables industries. The "official" intention of the act is to bust price rings. The actual effect is to increase the power of the big firms and drive the small ones to the wall.

Amalgamations in the cable industry prove this. Enfield Rolling Mills and Enfield Cables have been merged into a single unit. AEI the giant armament firm have recently increased their grip on the cable industry as is shown by the *Economist*, April 18, 1959:

"the appearance of Associated Electrical Industries as one of the largest units in the industry, by adding WT Henley's Telegraph Works and the London

Electric Wire Co and Smiths to their original cablemaking subsidiary, Siemens Edison Swan, has been the chief feature of this regrouping . . . a more significant factor in encouraging weaker companies to amalgamate is the impending end of two of the four main price-fixing agreements of the Cable Manufacturers' Association on April 30th, those covering chiefly domestic electric wires and mains cables."

The article goes on to show how the two big boys, AEI and British Insulated Callender Cables are preparing to drive out the little firms that have only survived till now because of price-fixing. So much for free competition.

## Cotton

The Government have no doubts that the circumstances of the cotton industry . . . justify the exceptional course of direct financial assistance from public funds. David Eccles, April, 23, 1959.

**W**ITH these words the President of the Board of Trade promised £30 million, at least, to the Lancashire Cotton industry to scrap its excess capacity and obsolete equipment and re-equip itself with modern machinery. This £30 million is in addition to the £33 million given to cotton between 1952-57.

### The Horse's Mouth

The Restrictive Practices Act will tend greatly to curtail collective price maintenance . . . I believe that on broad lines this is for the future health of British industry, but that it will lead to amalgamations and larger units to face keener competition seems certain. (Lord Chandos, Chairman A.E.I., letter in *Financial Times*, April 20).

# Engineering Employers — no change

**INDUSTRIAL**

by Karl Dunbar A E U

IT seems to me a terrible tragedy that an organization of nearly one million workers can be so ill used by their elected representatives. Never since the days of John Tanner has there been such a spate of anti-leadership feeling in the branches and factories. What is more alarming is the almost contemptuous attitude that is being adopted towards the membership by our executive. Take, for example, one of the latest incidents. On the request of our executive council the engineering employers furnished sufficient copies of their anti trades union document, **Looking at Industrial Relations** (quoted in SR, May 1) for every branch of the AEU to receive one copy. An accompanying letter from the General Secretary, made it perfectly clear that no correspondence would be entered into on this document. In other words, we have before us a forty-eight page document based on deliberate lies, half truths, smears and distortions and we are not allowed to make any comment.

## Two lockouts

What earthly use is there in circulating such a piece of trash, as this document is and why waste the precious funds of our union in such a manner, if our natural inclination to sort out

Since 1955, 435 cotton mills have closed. Between 1954 and 1958 workers employed fell from 333,000 to 250,000.

The British cotton industry has been hit from many directions. The re-birth of the Indian cotton industry after 150 years of imperialistic subjection. Hong Kong's growing output. And the Lancashire bosses own mismanagement, as shown in their failure to hold their share in the West African and Australian markets in face of Dutch and Japanese competition despite the added advantage of Imperial preference. In face of these blows, Lancashire since the war has staggered from crisis to crisis.

This perpetual crisis was climaxed by the decision of the Restrictive Trades Practices Court in January to end price fixing in spinning. As shown below the Court's decisions are aimed at creating larger industrial units, that is, a greater degree of monopoly.

## Compensation terms

Three months after this decision, Eccles, the abominable showman of coronation fame announced the following generous terms of compensation: each mill owner will be given by the government two-thirds of the cost of destroying his mill. He will also be given one quarter towards modernizing existing machines or installing new ones. Later this was increased to one-third.

The two-thirds redundancy compensation is sheer profit as the original cost of the mills was covered years ago: in fact this old

man 16 weeks and over 65,

the truth and expose the employers' lies, is gagged? Let us examine, briefly, the documents for such highlights as will show just how impossibly arrogant the employers can become, if once we give them the opportunity.

Firstly, we find the statement, "the industry has an enviable record of industrial peace". Four pages of the document tell us, in recounting the history of the two great lockouts 1898 and 1922, "the employers imposed a lockout which ended with a resumption on their terms". These lockouts lasted for thirty weeks and three months respectively and it is true that industrial peace was secured, after the employers had starved the engineers into submission.

The employers claim that both these lockouts were imposed simply because the Union challenged their "right to manage their factories as they see fit". This "principle" is quoted no less than eleven times in the document, and it is evident that the employers see every dispute, every challenge from the workers as an attempt to put an end to the employers "right to manage as they see fit".

At the time of the 1898 lockout which the employers imposed because the Unions were seeking the reduction in working hours, the Glasgow District Committee

old machinery is the main cause of the industry's troubles. The mill owners for years did not modernize their plants, because the cost of their old machinery had been written off. This, and

*7,000,000 householders in this country have no bath of their own, according to the latest figures available.*

the absence of technological innovation in the 1930's meant the old machinery paid its way. Meanwhile the rest of the world built new cotton mills while the cotton bosses failed to re-invest their profits. Maybe they knew a Tory government would come along one nice day and give them £30 million for doing nothing.

A month later the agreement the cotton spinning and weaving unions had reached with the bosses was announced. It should be remembered that the Tories' dole to the bosses was dependent on the displaced workers being "compensated". Compared with the bosses slice the workers compensation is a farce.

A worker aged 23 gets one week's pay as compensation. That's £8 if he's a ring spinner. Approximately, for every two years work you get one week's pay. Thus a 44 year old worker gets ten weeks' wages. A 54 year

issued a statement, quote, "The more we concede to the employers, the more frequent and exorbitant are their demands and each reduction submitted to seems but to act as an incitement to further attack".

The employers claimed that the Unions were only challenging their "right to manage", but during the dispute the newly elected president of the Employers Federation, Mr Siemens in an interview with the press stated: "the object of the lockout was to get rid of trades unionism altogether".

## Same tactics

The employers adopted the very same tactics in the 1922 lockout as they had in 1898. The document states that the employers were forced to take action when their "right to manage their establishments as they saw fit", was challenged by the Unions. They claim, in the document, that this was, "a managerial functions dispute". The truth is made evident in a statement issued by the EC of the AEU on the eve of the 1922 lockout, "the real position is that unless we are prepared to submit to the employers, we are to be threatened with a national lockout of Federated firms. For the employers to claim to be the sole arbiters as to when overtime shall be worked at a time when over 55,000 of our members are unemployed, indicates that they have learnt nothing, that circumstances are of no account, that they still harbour the old idea of master and man".

What the document fails to tell us is firstly that there were over 50,000 engineers unemployed, secondly that the kind of employers were still demanding that overtime be worked and third that they had posted notices on every Federation factory on March 11 of that year to the effect from that date no member of the union would be employed in a Federation firm. The employers do not want us to remember that they had not the slightest compunctions in locking out 260,000 workers for thirteen weeks, in losing 13,650,000 working days and more important, in bringing into every home the

30 weeks.

But this isn't the end of the story. If you get another job at your old rate of pay your "compensation" ends. If your new job is less than your old rate you get the difference. Do you think a cotton shareholder loses his compensation as soon as he re-invests his money? Of course not. He does not even have to re-invest in cotton. But remember he gets one-third of a new mill free if he does.

Even the top management will get a flat rate of compensation which won't be taken from them when, not if they get new jobs. Conservative freedom works but it makes some a lot more free than others.

hand of starvation and dire poverty.

Having dealt with two of the most savage employers' attacks upon the engineering workers it is perhaps opportune now to bring up to date, as it were, the present attitude of the engineering employers. Remember that every day of our lives we hear and read of the terrible plight that is being brought nearer and nearer (like the great big saw) by the attitude of the unions. We are told that every strike is another nail in the coffin of our national economy, that the industry cannot stand any more disputes, and that if only the Unions would refrain from wage claims, requests for longer holidays, reduction of working hours, equal pay, better conditions and so on, then the patriotic employers will pull the old country through.

Now, here are the employers' real intentions so far as both the unions and the national economy are concerned. "Twice in four years the Federation had been prepared to fight it out with the unions. Clearly the unions capacity to pay strike benefit was limited. Such a course, involving as it would have done the virtual closing down of the industry might have been a worth while calculated risk. It was no occasion for the kind of compromise which would inevitably emerge from a Court of Inquiry".

It is just as easy to say, damn the consequences, we can hold out long enough to smash the unions, to ruin the industry and to bring misery into thousands of homes.

There it is, the employers brought up to date, what they think, how they think, and more important, the realization for all that these employers are not one jot different in their approach to the unions as their predecessors. More than anything they still want to smash the unions, they are still prepared to plunge the nation into chaos in order to achieve this result.

## Act ourselves

Let every engineering worker be warned from this document that they face a coming struggle no less bitter and prolonged than that of 1922. In that coming struggle they must have an elected leadership which is thinking and acting decisively on behalf of the membership. I put it to my brothers in the trade, have we got that leadership today? **To defeat the aims of the employing class we must have a real, fighting policy, which includes equal pay, a forty-hour week, and more important no redundancy without a united struggle. Let us waste no more time, put forward the demand WORK OR FULL MAINTENANCE as the rallying call for the whole movement. This is what we must have, this is what we will have. I believe the rank and file of our movement will, as always rise to the occasion. If we cannot get the lead we want from the leadership then we must act for ourselves.**

## FORUM

## THE LIMITS OF REFORM :

a reply to Ken Alexander

by Michael Kidron

KEN ALEXANDER'S arguments\* amount to an overall strategy for the Labour Movement and go beyond the wages plan which is the immediate subject under discussion. The strategy is simple and plausible: "A radical social policy would probe the limits of reform within capitalism, but strike hard at those points of private economic power which obstruct reforms that have democratic support" (pamphlet, p 7). Of course, "a national wages policy is central to such a strategy". Alexander means by this "an alliance of government and trade unions" to redistribute incomes by taxation at the expense of "unearned incomes", to maintain stable prices and to raise real wages and salaries by "at least" 3 per cent annually (pamphlet, pp 7, 32).

We can ignore the finer constitutional details, such as the formation of a National Wages Advisory Council representing the 'three sides' of industry — Government, TUC and British Employers' Confederation — or the provisions for 'moral pressure' and 'public opinion' to be brought to bear on any of the recalcitrant 'sides' by the others and by other members of the same 'side'.

We can ignore, likewise—for the moment at least—the extraordinary modesty of the plan. If 3 per cent plus stable prices is an example of capitalism's 'sticking point' beyond which "democracy must retreat or capitalism must be replaced", we are wrong, very wrong, in thinking capital in one form or another rules the world.

## Goal and achievement

Compare Alexander's goal with the actual achievement by, say, the Japanese working class of a 7 per cent per annum increase in real wages while prices kept steady between 1951 and 1956 (GC Allen, *Japan's Economic Recovery*, Oxford, 1958, p 201), or by the Germans of 8 per cent annually or the Dutch of 5 per cent between 1950 and 1955 (United Nations, *Economic Survey of Europe in 1956*, Chapter IX, p 4)—and all this without the benefit of a Labour Government pledged to a 'socialist wages plan.'

But these are incidentals. Let's accept as desirable the aims of the plan, however limited: Let's forget the finer points of con-

stitution-mongering. What we are after is an appraisal of the overall strategy of 'probing the limits'. What does it mean in practice, or in terms of a socialist wages policy, how is it to come about? What is the social agent that will implement it? These are fundamental questions. Their answers will help to explain the differences between SR's 'What we Stand For' and Alexander's strategy, between a transition program of revolutionary reformism, if you like, and a reformist program of accepting the status quo.

## The agent

Alexander is quite explicit about the method, the agent of reform. It is a Labour Government that has worked out a wages policy with the unions and obtained a promise of support for its implementation; that has, besides, obtained a clear mandate for it from the country (pamphlet p 58 and elsewhere).

Then he stops: Nowhere does he so much as suggest that a future Labour Government would be any different to its predecessors. Nor does he analyse its predecessors. He gives no reason to suppose that another Labour Government will not try to repeat the Crippsian wage-freeze of 1948-49, will not give way to rising prices as did the last one in its final phase, will not adopt as do-nothing a policy on income redistribution as its predecessor\*. Nor does he give any grounds for supposing that a new Labour Government will deal more firmly with the monopolists, be they midgets like Tate & Lyle or mammoths like the steel firms. He shows clearly enough how monopoly profits and profit margins soared throughout Labour's last administration (pamphlet, pp 60-5). He does not outline a guarantee against repetition.

## Trust busting

The plan rests on the Labour Government's ability to squeeze monopoly profits, to prevent prices from rising. A strengthened Monopoly Commission, government fiscal measures — differential taxes, investment allowances — will be used to induce business to keep profits below "prescribed maxima" (pamphlet pp 43-5). That is all. Whether a Commission can bust monopolies which

are capitalism's normal form of organization today, is left vague. Whether profits can be controlled by a (presumably) hostile government without destroying private capitalism, is neither asked nor answered.

Alexander does recognize that capital might offer opposition. "Clearly", he writes, "it would be dangerous to rule out the possibility of a 'strike of capital' at some point . . ." But what should be done? How prevent it and keep the capitalist machine running despite the capitalists? Ah, "it would be necessary for a Labour government embarking on such policies to prepare public opinion for such a possibility, and to make clear that it would know how to meet such a crisis".

And how would it meet such a crisis? How would a Labour government, pledged to pushing capitalism to its 'sticking point' while retaining the basic fabric of class control, lack of planning and so on prevent, say, a massive desertion of capital from Britain? Can a program of redistribution, unacceptable to the ruling class, tally with recognition of the chits of paper and other capitalist property conventions which are dynamite for a 'legalistic', 'constitutional' Labour government?

## Capital flight

No answer. Not the briefest reference to the last attempt.

It is worth recalling. As long as the Labour government was in power there was a constant — and illegal — drain of capital abroad. As *Challenge to Britain*, the Party's policy statement published in 1953 stated, "of £645 million of private capital which left Britain during 1947-49 only £300 million represented genuine investment in new projects. Some £350 million was 'hot' money quitting Britain because its owners disliked the Labour Government's policy of fair shares or were engaged in currency speculation (p 6).

That was until 1949. Export of capital became disastrous in 1951 when, in conjunction with panic stockpiling of raw materials, it led to the balance of payments crisis which pushed Labour out of office. Not exporting sufficient to cover the rising costs of imports, the country had to pay £344 million out of its precious gold and dollar reserves. (The sum was originally thought to be £521 million). At the time, the rise in prices was blamed; nobody in authority thought of paging through the capitalists' books to check whether there was any other reasons.

Subsequently it was shown that in the same year £315 million (£100 million more than was estimated at the time) was shipped abroad in 'hot' and 'cold' investments and that stocks worth £610 million (a full £370 million more than was estimated at the time) were laid up during the same period (T. Balloch, "Pitfalls for a Labour Government", *New Statesman*, December 19th, 1953). The extra £470 million spent abroad illegally and semilegally was more than enough to cover the balance of payments deficit.

## Did not know

But the Labour government did not know. It could not know, not without infringing capitalist 'property rights' by opening the books of companies and by using the information so obtained to control their activities in detail. At a later date, Gaitskell could do no more than look back regretfully at "the really deplorable ignorance about stocks and works in progress. I have little doubt myself," he wrote, "that our policy in 1950 and 1951 would have been more successful had we had accurate and up-to-date information on this point". (*Fabian Journal*, No. 14, November 1954).

In the light of this, would Alexander agree to nationalize the banks and foreign trade? No! Open the books of capitalist concerns? Oh no! Appeal to workers to report on destination and source of all goods, to take control? Certainly not! That would not do. Remember, we are probing the limits of reform, not cleaving to the heart of revolution. Therefore, "prepare public opinion" and make it clear that Labour "would know how to meet such a crisis" as, presumably it knew in 1931\* or 1951 or 1961(?). Once again, inducements will be lavished on business to 'restore confidence' and Britain turned into a haven for Capital. What then of the wages plan? The 3 per cent? The stable prices?

## The state

The handcuffs Alexander prepared for capital have turned into cufflinks. And no wonder. His executive agent, the next Labour Government, can no more curtail the workings of the capitalist system than a butler dismiss his Lord.

This Alexander refuses to admit. His whole analysis tends to give the state independent power, above and beyond the classes.

\*See P. Mansell's useful article on the 1931 crisis, *SR*, June 1.

\*"Socialist Wages Plan" in *SR*, June 1; together with John Hughes, in the pamphlet, *A Socialist Wages Plan*, published by *New Reasoner* and *University and Left Review*, called here, pamphlet; his review of *Conviction* in the *New Reasoner* No. 7.

\*Here Strachey is our authority. He states that the post-war Labour Government did nothing but "maintain this new and markedly, though not enormously, more equalitarian pattern of distribution" which "took place mainly during, not after, the war" (*Contemporary Capitalism*, p. 137).

When he tried to define its function he is compelled to recognize social reality, but nevertheless manages to emasculate the state, to make it neutral, classless, the instrument of whosoever wishes to use it: "The state in a mixed economy," he writes, "... will carry out policies either primarily in the interests of capital, or in the interests of wage earners" (pamphlet, p 57). After Eric Heffer remonstrated in his critical article (SR, mid-April) reminding him that "the British state is a class state, created by and for the British ruling class," Alexander retreated once again: "I accept," he writes, "that . . . I could have been more explicit and thorough (as if anything could be more explicit—MK) in our treatment of this crucial issue. We did not make it clear what I think is an important distinction—between the policies that can be wrung out of a capitalist state and which can favour the working class relative to other sections of the community, and the ultimate policy question of the abolition of capitalism and exploitation the defence of which is the main function of the capitalist state" (SR, June 1st).

#### Business controls

Admission is not, however, understanding. To give us that the defence of capitalism and exploitation "is the main function of the capitalist state" is not to think out the myriad interconnections between business and state regulation, business and law; it falls far short of analysing the effect of the state's class nature on reforms such as are implied in a socialist wages plan.

We needn't theorize. There is a wealth of experience to summon, and precisely from the period of the last Labour government.

Probably its most shocking feature—shocking to any socialist who retains illusions as to the socialist character of the Labour government in office — was that Big Business itself administered the controls over Business. Even the Civil Service had to make way. The following facts, taken largely from Rogow and Shore's excellent work, **The Labour Government and British Industry** (Oxford, 1955), are revealing:

The Chief Planning Officer, 1947-51, was Sir Edwin Plowden, a director of British Aluminium and two other companies. The Capital Issues Committee (which approved or vetoed any major investment plan) consisted of seven bankers, stockbrokers and industrialists plus one Treasury official who, being Secretary, took no active part in the proceedings. The chief industrial adviser to the Board of Trade was Sir William Palmer, Chairman of the British Rayon Federation. Most of the advisers and commodity directors at the Ministry of Food were representatives of business interests, **paid by their firms**. Unilever alone filled ninety posts in the Ministry of Food, twelve of them senior posts. A director of the Iron and Steel Federation headed the Steel Rearmament Panel of the Ministry of Supply and the personnel of the various metals controls was drawn largely from the Non-Ferrous Metals Federation.

G. R. White, an official of the United Tanners' Federation, was leather controller at the Board of Trade. The match controller in 1946 was employed by Bryant and May and even had his offices on that firm's premises. The paper controller was Sir Ralph Reed, Chairman of one of the largest paper manufacturing firms in the country. Major F. J. Stratton, a director of Dolcis, was footwear controller, and the hosiery, furniture and tobacco controllers or advisers were trade officials. Employees of Distillers Ltd. occupied the top posts in the Molasses and Industrial Alcohol Control of the Board of Trade, and Liverpool's cotton firms supplied the bulk of Cotton Control personnel. Timber Control, the largest of the lot, was almost completely staffed by industry people, working to a large extent on an honorary basis, i.e., paid by private industry.

Newsprint was allocated to a trade body, the Newsprint Rationing Committee. The Meat Importers' National Defence Association and the Wholesale Meat Supply Association distributed imported meat. Rationing of clothing was the concern of trade associations, while controls over the 'sweets' trade was in the hands of the cocoa and confectionery trade associations who, by 1950, were allowed to classify and distribute the raw materials without further authority from the Ministry of Food.

The Mond Nickel Co. imported all nickel and rationed it to users through "an unofficial system working between the Mond Nickel Co. and the Ministry of Supply". Sulphur was purchased by the National Sulphuric Acid Association which consisted of three sulphuric acid producers. When the Ministry of Materials became the sole importer of tungsten ores and concentrates it proposed to form a company whose management would include representatives of three private firms in the trade.

The Ministry of Food worked with private companies in a big way . . . But why go on?

#### Alexander and workers

This was a Labour government! a government supposedly dedicated to working-class interests, supposedly riding roughshod over those of the capitalist class. This was Labour in power **before** the rejection of nationalization as an instrument of policy, **before** the leaders had accepted the Tory program of pound-first-employment-after implied, **inter alia**, by convertibility, **before** the Gaitskellite emasculation. That was then. To expect the present aspirant to power to form an alliance that will "probe the limits of reform within capitalism" (assuming, for the moment, that the concept meant anything in practice) is ludicrous.

We must be fair. If one can discern a naivety, a vagueness, a hopefulness and a fine liberal optimism in Alexander's approach to state/capital relations, there is nothing like it in the other plank of his "socialist wages plan".

On the contrary, when it comes to the Labour government's relations with workers, he shows a finesse, a grasp of detail, a "realism" that would put many a

labour relations officer in private industry to shame.

He writes: "low income groups are in some circumstances to be asked not to press to the limit their influence on money incomes, arising from strong bargaining positions" (pamphlet, p 32). (We are not, of course, told the circumstances). Workers are to be restrained from pressing claims where profits are high but to "tackle this through fiscal policy, or anti-monopoly investigation and controls, or possibly direct price control . . ." (pamphlet, p 35). Workers—and this under capitalism, mind—should "concern themselves about increased economic efficiency and higher productivity" (pamphlet, p 38). There are to be no higher than nationally-negotiated rates since "we envisage a fiscal and price policy tough enough to reduce the ability of firms to push earnings faster than negotiated rates, whether by way of merit rates or other plus rates or bonuses . . ." (pamphlet, p 53) which means, of course, that sacking—here called "propulsion"—must be recognised as an instrument of policy: "re-allocation of labour between firms by propulsion rather than attraction based on high earnings differentials" (ibid).

#### Class state

This then is the sum total of Alexander's "socialist wages plan": dragoon the workers into accepting its stringent requirements, wheedle or bluff the capitalists into accepting its (for them) limited demands in order to present to the world a magnificently conceived "socialist" plan that has one-half the dimension and one-tenth the reality of recent capitalist wage behaviour in the rest of the world.

The **Socialist Wages Plan** alone need not have required so much critical space were it not that it represents a substantial trend of thought within the Labour Movement—that of the "enlightened" labour bureaucrat—and that it is a detailed exposition of a more general strategy: "probing the limits . . . within capitalism". I have tried to show that the major weakness in the plan and, by implication, in the strategy, is the attempt to substitute a concept—the state—disemboweled of any reality, abstracted from society, for a social force as the agent of reform. Alexander fails to see the state as a class implement, fashioned specifically and exclusively for the rulers. He fails to realize that under capitalism, workers will never be able to force the state to serve their ends. At most, they can hope to lessen its bite, to force it to retreat a bit here and there.

#### Reforms

This is to say that reforms are not impossible within the system. On the contrary, they are palpably with us and have been for a long time. But they do not derive from abstract planning of alliances between Party and Union machines, nor from slick attempts to inveigle an enemy state into part-expropriating its rulers. The matrix of reform is workers' strength in pursuing the class struggle.

## FORUM

It need hardly be said that we do not see in every worker a conscious crusader. Far from it. His gains come to him often, indeed, mainly, through compelling circumstances over which he has no control: labour shortages and bottlenecks during wars and booms, for example. But conscious or not, circumstances can only be turned into hard cash and soft conditions through working class action, through workers taking advantage of a favourable opportunity, of a sellers' market, to push up the price of their labour power.

#### Socialists' job

What, then, is the function of socialists? Is it sufficient to pronounce that class struggle is a fact, was a fact before Marx revealed it as such, and sit back to wait for history to unfold? Certainly not. Working class consciousness, working class action, is the philosophers' stone that transmutes favourable circumstances into better conditions; it is, equally, the sole agent in seizing power to change society, in building a workers' state to smash the capitalist state.

The socialist's job is to work with and on this consciousness, to deepen it, make it more inclusive; to make, in other words, working class action contradict the system more directly and unambiguously. He is not working with a lifeless concept. Class consciousness and action are two necessary aspects of being a worker under capitalism; they are always manifest in one form or another, in one degree of intensity or another. Every new machine throws speeds, rates, conditions into a melting pot, raises imperatively the need to determine new conditions, to resolve anew the precariousness of employment. Day by day workers are thus forced to battle for partial control over production. Every day, again, the chaos of capitalism shoves its ugly mess into the workshop, crying out aloud for order, efficiency, planning. Day after day, the labour bureaucrats — both from Transport House and King Street — sour workers' victories, engineer their defeats, shackle their mobility. Daily, workers thrust against these and other problems, sometimes fighting on clear issues, sometimes not; sometimes strong, sometimes feeble; but always, fighting.

#### Differences

These built-in conflicts within capitalism are the seedbed of working class consciousness. They are an inescapable struggle that claims real solutions, solutions that cannot but contradict the system.

Where Alexander sees a partial solution in a plan in which workers are assigned a passive role, in which they are required merely to adjust to changes in the system brought about by some other agent, we see no solution unless it rests on workers' action, on deepening consciousness. These are the sole agents of change within the capitalist system (reform) and of it (revolution). By ignoring class struggle in its pub-

See next page

# FASCISM IN BRITAIN

by Michael Millett

ON THE BORDER of Paddington and North Kensington the 28 buses have a remarkably irritating habit of taking long rests at Westbourne Park Station while, it is to be hoped, the more senior LTE staff conduct a desperate search for missing relief crews.

On a recent occasion while a somewhat incoherent middle-class man harangued the inspector for what was not the inspector's fault, three or four cheerful "Teds" made a half joking contribution by shouting "Send for Mosley." But they were only half joking.

The fascist movement is coming back to London in a big way. In a recent Shoreditch council bye-election, the labour candidate won 48 per cent of the votes. The Union candidate was second with 33 per cent of the votes, and the Conservative was nowhere with 16 per cent.

## Mosley active

In North Kensington, Mosley's electoral machine is already actively fighting the general election that is months away.

A crowded meeting was described by a local newspaper in the following terms: Mosley brought the audience "to the frenzy of a cup-tie crowd by brilliant political oratory. At the conclusion of each and every point a cheer went up louder than at Lotus Road roar when the Rangers have netted.

"Hats were thrown into the air. People stamped their feet in applause. A few men even stood on their chairs and jumped for joy." (Shepherd's *Busn Gazette*.)

The first fascist movement in England was founded 58 years

## KIDRON—end

lic and subjective manifestations, Alexander ignores the power of change. He is thus forced into accepting the system, to respect its limits, to present a plan and a strategy that are as static in conception as they are innocuous to the rulers.

This then is where we differ from Alexander. By building its propaganda and agitation around workers' control, not 3 per cent; full nationalization and national planning, not stable prices; independence from labour bureaucrats, not submission to them, SR helps to develop dynamic elements which contradict the bases of the system, which are therefore By 'probing the limits' Alexander accepts them, fixes them.

SR's program is one of transition from politically unconscious battles to conscious class struggle within our system; it is equally a program of transition from capitalism to socialism. It is a program of both reform and revolution. It is one of transition from the one to the other through class consciousness and action. Alexander's is one of acceptance, class collaboration around a common plan, a static program of reform which, by ignoring the workers, is as sterile as it is tepid.

We differ from Alexander. Fundamentally.

ago, under the name of the 'British Brothers League.' Significantly, its main object was the closing of Britain to the "Immigration of thousands of alien paupers . . . taking the bread out of English mouths."

Apart from various rumblings against "Liberal Jews" little more was heard until 1924, when an organization called "British Fascist Ltd." was formed, probably in admiration of Mussolini's coup d'état in 1922. During the 'twenties, racialism took rather a back seat. Fascist propaganda was aimed at "Bolsheviks" and "revolutionary elements." One "body of patriotic citizens" had an elaborate quasi-military organization—the Organisation for the Maintenance of Supplies (OMS)—against the event of a general strike. The Great Strike of 1926 was a field day for the miscellaneous fascists of the time. Strike-breaker-in-chief, Winston Churchill, had said the year before:

"I could not help being charmed . . . by Signor Mussolini's gentle and simple bearing and by his calm, detached poise in spite of so many burdens and dangers. Secondly, anyone could see that he thought of nothing but the lasting good, as he understood it, of the Italian people, and that no less interest was of the slightest consequence to him. If I had been an Italian I am sure that I would have been whole-heartedly with you from the start to finish in your triumphant struggle against the bestial appetites and passions of Leninism. I will, however, say a word on the international aspect of Fascism. Externally, your movement has rendered service to the whole world. The great fear which has always beset every democratic leader or working class leader has been that of being undermined by someone more extreme than he. Italy has shown that there is a way of fighting the subversive forces which can rally the masses of the people, properly led, to value and wish to defend the honour and stability of civilised society. She has provided the necessary antidote to the Russian poison. Hereafter no great nation will be unprovided with the ultimate means of protection against the cancerous growth of Bolshevism."

## Churchill I. Adolph

Right up to the outbreak of war the 'great anti-fascist' was continuing in the same strain. In a book published in 1939, he said of Hitler that:

"The story of that struggle cannot be read without admiration for the courage, the perseverance, the vital force which enabled him to challenge, defy, conciliate, or overcome, all authorities or resistance which barred his path . . . I have always said that if Great Britain were defeated in war, I

hoped we should find a Hitler to lead us back to our rightful position among the nations."

Racialism, however, was never dormant. One splinter group published this remarkable manifesto:

"The Jews are not wanted anywhere on earth. Unfortunately, they are on the earth and over it, destroying everything good and decent by their dominating influence.

"The alternatives are (1) to kill, (2) to sterilize, (3) to segregate. Our policy is the last one, conducted and maintained at their own expense."

The British Union of Fascists, led by Mosley, was formed in 1932. The ground had been well prepared for such an organization and membership grew at an unprecedented rate.

The new movement set out to impress the British public with its aggressiveness and "virility."

## Twenty years after

At great meetings, if one heckler were bold enough to interrupt, Mosley would stop speaking, the loud speakers would be silenced and the arc lights turned upon the interrupter who would be pounced upon and beaten up by a dozen or more blackshirts. This policy, although it attracted members, alienated many people who would have otherwise been sympathetic and, after a mass beating up of opponents at Olympia the working class arose in the biggest demonstration yet seen in Britain, when a BUF rally in Hyde Park was swamped by over a hundred thousand anti-fascist Londoners.

The movement then went back on its previous declared policy and adopted a strongly anti-semitic line.

**Twenty years after these incidents the same man, the same organization, are back in the streets. Circumstances have changed, and the immigration of West Indians has provided a more fruitful target for the racialists.**

## Easy meat

There are a number of technical advantages in nigger- as opposed to yid-baiting. Victims are easily identified. It is much easier to whip up prejudice against the possessor of a coloured skin than against someone whose sole offence against decency is a name like Morgenstern. The Jewish targets of hate in the East End were skilled workers and small traders, used to city life and well integrated with their neighbours, but many West Indians come from a depressed rural proletariat, and since their habits are not those of a Northern city, they are condemned as 'unclean' and 'uncivilized'. These immigrants, crowded into an area without the traditions of solidarity of the East End, with overcrowded housing of an incredibly low standard, amongst a population composed of "disassociated" middle

# BOOKS

## The next

In *The Causes of World War Three* (Secker & Warburg, 1959, 15/-), C. Wright Mills gives in concise, well-written and popular terms an analysis of the "drift and thrust" to the imperialist war of the two super-States. He also gives an example of a common predicament of Left-Wing Radicals at present. Having given a good working account of the politics and policies that have become so monstrous they dominate men and nations, of the even more monstrous theory that policy of mutual fright, of the attempt to maintain a reactionary world status quo that is a moving inertia of drift towards

The U.S. Government has a stockpile of 75,000 nuclear weapons, enough to wipe out all the people in the world 20 times over, according to Nobel Prize-winning scientist, Dr Linus Pauling.

Daily Worker, April 30

the nuclear war, Mills then fails to give anything but the palest suggestions for a policy to stop this war.

The book has a much greater value, however. It meets the pre-

## Angry

We had always wondered how an angry young man could be really angry unless he had suffered through the 20th Congress as well as disillusionment with the West. After all, many generations have made themselves angry over Western capitalism. The final refinement is to see the workers' revolution itself swamped by Slav peasant reaction and reduced to the same simpering industrial impotence as the West.

Hlasko feels this with a vengeance, and harks back to the fountainhead of Slav reaction, Dostoevsky, who, because the system he championed is now appearing, internally and externally, as the culmination of Western civilisation, is being hailed as the 19th century prophet of the present. Hlasko's artistic intuition when exercised on questions of power politics, have an oddly familiar ring, the final rationale of the very system he set out to challenge.

Dostoevsky appears in Stalinist garb with his "the West has justice. But the East has strength. And I am a Slav, I admire strength."

class elements and unskilled casual workers (A week at Joe Lyons and a week on the National) can be the rabble raisers' dream road to prosperity and power.

At the height of the fascist campaigns of the 'thirties' there were plenty of beatings up, but, so far as is known, no killings.

There has been one already in North Kensington.

## war and its causes

vailing official American mythology on its own ground, establishes that beneath the formal façade of democracy the US is ruled by a power élite, which has successfully tamed labour and peace can be kept by a tightrope liberal opposition, and dominates the emerging mass society of present-day USA. This ruling class, driven on by its economy, which can only stabilize itself by a permanent war build-up, and threatened by imminent slump and a superior Soviet alternative, consciously and unconsciously becomes one of the major causes of World War III.

### The audience

A partisan policy of division is needed within the US. Against a background of mass apathy, Mills addresses himself to his colleagues, so many of whom are complacently engaged in the "Great American Celebration." He sets out a series of demands, some of them rather woolly, for the intellectuals to serve on Washington. But it is plain that his principal aim is to meet the people he is trying to influence on their present level, combating the current ruling class ideology

by taking its logic to its own conclusion of world nuclear destruction. He suggests a policy of opposition, of speaking out against official policy, which could begin a wider mass opposition. He points to the courage shown by some writers, scientists and "culture workers" of East Europe and the Soviet bloc, whose ferment was able to stir deeper chemistry in the masses below.

But Wright Mills has also some pointed observations for a non-American audience.

"Were I British or German or Danish, I should demand that my Government 'contract out' of NATO in its present form; I should certainly demand that the US should not be allowed to place in my territory launching bases for intermediate - range missiles, and I should encourage the view that the only sensible defence today is a citizens' army of riflemen." It is with the system which is itself the main cause of World War III that Wright Mills seriously suggests we should find an alternative to, before the peace of mutual fright drives us all over the brink to nuclear war.

J. FOURROW

## beyond the curtain

"What does it matter? I am sure that if I am alive, I shall return to Paris and go to London. But that will be on the back of a Russian tank. And then when I ride down the Champs-Élysées, and the West's basic inability to grasp what are the world's real forces has been finally exposed, God will have such a laugh that two angels will have to hold his sides so that he shouldn't fall over."

To anyone leaving out the potential of the Western working class, Hlasko's estimation of the outcome of the struggle between Stalinist barbarism and Western capitalism is absolutely correct. And, indeed, if we reject the possibility of a working class victory in the West, or if the Western workers fail, through various nefarious machinations to achieve power, then we would be absolutely correct in seeing the victory of Eastern barbarism as preferable to the sure fascism of a nuclear destruction that would result in the West.

In the same fashion, Engels

welcomed the encroachment of barbarism on Rome, the harbingers of a new feudalism and serfdom, as a progressive factor after Rome had shown that the internal class forces were inherently incapable of raising its civilisation to a higher stage.

### Socialism or barbarism

Such would be the new industrial serfdom of Stalinism "if I am alive", and then the mystic nihilism of a Dostoevsky, the atheist believer, and his epigones, finally demonstrates its validity over the revolutionary humanist doctrines of Marx.

There is not, as is suggested, an opposition between the 19th century prognoses of Dostoevsky and Marx; the two are the embodiment, in their individual genius, of the alternatives of Socialism or Barbarism.

### Humanist tradition

Hlasko is in a tradition which is in no way inferior to Marxism, even if artistically expressed. But the essence of Marxism, which, we trust, will prove correct, is in the essential humaneness of human beings, which drives the modern industrial working class to revolt, continuously and in a many-sided way, against the monstrosity of a machine-driven mass society in which the system itself finally becomes embodied in the machine of the superstate. It is this factor which socialists would include to amend the otherwise commendable pessimism and anger of the last of the so-called "angries."

Bob Haworth.

## As simple as black and white

by Cressida Lindsay

"You are too soft," says Grandma. "Why in my day . . ."  
"All right," I say. "We're too soft, but we survive better, and that doesn't mean to say that we don't have our problems."

"Problems, what problems? You have enough vitamins, entertainment, even false teeth free."

"We have many problems," I continue. "In fact, we have one mighty problem now."

"Oh, what's that?"

"A colour problem."

"A what?"

"You know, colour—black and white."

"They're not colours."

"Well then, pink and brown."

"Should go well together," sighs Grandma, settling down in her chair and covering herself with a patchwork blanket.

"But they don't," I say.

"People always want to fight over something these days, it's all the communications, if you start breaking down the barriers one way, you've got to do the lot of them. Begin with the telephone and you'll end up with a common language. Oh yes, people want to travel all right, but they don't like the foreigners."

"It's not that," I say. "It's when the foreigners come over here that the trouble starts."

"There were quite a few Germans in my day," says Grandma reminiscently. "They had street bands . . ."

"It's not foreigners I'm speaking about," I interrupt. "It's coloured people."

"What's the difference?"

"Some people say they're inferior."

"Every enslaved race is inferior until it is liberated. Anyway you can't go on occupying a country unless you think that you are the superior lot. Women were considered inferior until . . ."

As Grandma seemed to be getting indignant, I went on—"Others say that once you start mixing the races, you get a kind of mongrel, an impure man."

"But at least," boasted Grandma, "they're not mad, like the inbred gentry of my day."

"But some of them live like animals, in mud huts and disease everywhere, terribly primitive."

"Reminds me," said Grandma, reminiscing again, "of the industrial revolution. Anyway, what are we doing for these so-called primitives, liberating or exterminating them?"

"Neither—just intolerating them."

Grandma is plainly irritated. "Why are they here, anyway?" she asks.

"Oh, that's a long story, most people have forgotten, or just don't know."

"That's education for you!"

"Anyway," I continue, ignoring Grandma's remark as I have no answer for it. "The main cause for this intolerance, apart from inherited prejudices of course, is the fact that these coloured people are not only taking up room in already overcrowded areas, but also need work, which leads to a great deal of friction when it comes to apply for jobs."

Grandma waves her hand at me. "Once it was the Flemish weavers, a short while ago it was the Irish, now it's the coloured people."

"Exactly. It seems that we really have to face it now, there is no hiding behind a mask for these people, we have finally to face up to the fact that they exist as nations and are not merely either just cannibals, or peoples of occupied territories. It is a great fundamental barrier we have to negotiate, to eventually pull down."

"But you still haven't told me why they're here," exploded Grandma.

"Well, in return for exploiting and monopolizing the produce of their country we allow them to settle here with the same rights . . ."

"OK, well then ACCEPT THEM."

"We don't seem to be able to; we have been brought up to believe they are inferior, possibly we're a little afraid of them too, anyway people forget the reasons when it comes to jobs, houses and the rest."

"Well then, get out of their country, that's all I can say."

"If only things were as simple as that."

"They are," sighed Grandma. "As simple as black and white."

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# Unemployment facts and figures—end

almost a permanent feature that there should be more boys out of work than jobs available for them.

As various people, starting with Mr. H. A. Turner of Manchester University, have pointed out, the unemployment statistics do not tell the whole story. Between December, 1957, and December, 1958, unemployment in manufacturing industry alone fell by 242,600, but the unemployment figures only rose by 104,600—a difference of 138,000. The authors of the **National Institute Economic Review** point out in the March issue that:

"The provisional figures indicate that from the end of January, 1958, to the end of January, 1959, some 266 thousand people left their jobs, and 54 thousand left the forces—in all, 320 thousand. Only about half of these have been recorded in the figures for registered wholly unemployed: about 75 thousand men and 70 thousand women appear to have left the labour force."

Part of this is accounted for, they suggest, by earlier retirement—probably 50-60,000. A large part of the rest, no doubt, is married women who have opted out of the insurance scheme and therefore do not draw benefit and only register if they think there is a chance of work.

Provisional figures for civil employment (which includes employers and self-employed) are available up to the end of March, 1959. Between the end of December, 1958, and the end of March,

TABLE I. UNEMPLOYMENT, APRIL 1951-9

	All Unempl.	Vacancies	Youth* Youth*		Unemployed over 8 weeks	
			Unempl.	Vacancies	All	Youth*
1959	531	198	000	000	%	%
1958	444	218	30	69	45	16
1957	342	285	20	98	46	12
1956	252	390	14	127	39	11
1955	260	417	18	135	40	11
1954	317	326	21	106	47	14
1953	376	279	24	86	44	13
1952	468	321	32	95	30	9
1951	253	437	12	130	47	14

\* Under 18.

TABLE II.

	All Unemployed	Unemployed Over 8 weeks		Boys Unemployed as % of Vacancies
		Unemployed	Boys	
1959 April	531	53	113	
March	551	52	89	
Feb.	609	49	152	
Jan.	621	46	171	
1958 Dec.	532	47	72	

## Sagging Profits?

Spirax-Sarco Engineering Co in a recent prospectus (*Financial Times*, May 12th) says it has 400 employees and made a profit of £284,942. Not one of the big companies but a profit per employee of £712 for a year.

There are also £80 per head for each employee on account of Directors' fees. The net tangible assets of £420,000 earned a return (gross profit) of 67 per cent—two thirds in one year.

The increase in payments of rent—or of reception of rent—in 1958 was £m159 (over 1957) and £m219 over 1956. This includes all rents, including "imputed" rents of owner occupiers. Since 1951 rent payments have more than doubled, rising from £m511 to £m1,022. All Profits and Rents have risen 1951—1958 by 33 per cent (£m4,828 to £m6,428). In 1957 the total was £m6,353.

1959, the number in civil employment fell by 73,000. In addition, 11,000 left the forces, making a total fall in employment of 84,000. But the figures of wholly unemployed,\* so far from rising, actually fell during this period by 28,000.

Short-time working, too, is only to a small extent reflected in the unemployment figures. The Ministry of Labour's short-time survey for February showed 121,000 working for part of the week and 132,000 stood off for the whole week. The survey covered 5.6m. workers in manufacturing industry. If the same proportion held good for the whole of manufacturing there would be about 407,000 on short time. This survey covered a whole week. The unemployment count, however, is taken on one day and on that day in February there were only 59,000 "temporarily stopped."†

## Forty-hour week

What of the long-term outlook? One factor which cannot be ignored is the rise, in a number of industries, in output per man over the last year. Output a manshift in coalmining in the first 17 weeks of 1958 was 1.244 tons, in 1959 1.340 tons—a seven per cent increase. Comparing the fourth quarter of 1958 with the same period in 1959 we find that output in the vehicle industry was steady, but with 20,700 fewer workers. In engineering and electrical goods output rose nearly four per cent but the labour force fell by 33,800. In shipbuilding and marine engineering output fell four per cent but unemployment fell six per cent (by 17,200 workers). In chemicals employment fell slightly and production rose two per cent.

On these grounds alone the case for the 40-hour week is very clear.

[With acknowledgment to Labour Research.]

\* In the civil unemployment figures people "temporarily stopped" are included with the employed.

† In April the survey showed 116,000 on short time, but details are not yet available.

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# WHAT WE STAND FOR

The SOCIALIST REVIEW stands for international Socialist democracy. Only the mass mobilisation of the working class in the industrial and political arena can lead to the overthrow of capitalism and the establishment of Socialism.

The SOCIALIST REVIEW believes that a really consistent Labour Government must be brought to power on the basis of the following programme:

- The complete nationalisation of heavy industry, the banks, insurance and the land with compensation payments based on a means test. Renationalisation of all denationalised industries without compensation. — The nationalised industries to form an integral part of an overall economic plan and not to be used in the interests of private profit.

- Workers' control in all nationalised industries ie, a majority of workers' representatives on all national and area boards, subject to frequent election, immediate recall and receiving the average skilled wage ruling in the industry.

- The establishment of workers' committees to control all private enterprises within the framework of a planned economy. In all instances representatives must be subject to frequent election, immediate recall, and receive the average skilled wage in the industry.

- The establishment of workers' committees in all concerns to control hiring, firing and working conditions.

- The establishment of the principle of work or full maintenance.

- The extension of the social services by the payment of adequate pensions, the abolition of all payments for the National Health Service and the development of an industrial health service.

- The expansion of the housing programme by granting interest free loans to local authorities and the right to requisition privately held land.

- Free State education up to 18. Abolition of fee paying schools. For comprehensive schools and adequate maintenance grants — without a means test—for all university students.

- Opposition to all forms of racial discrimination. Equal rights and trade union protection to all workers whatever their country of origin. Freedom of migration for all workers to and from Britain.

- Freedom from political and economic oppression to all colonies. The offer of technical and economic assistance to the people of the underdeveloped countries.

- The abolition of conscription and the withdrawal of all British troops from overseas.

- The abolition of the H-bomb and all weapons of mass destruction. Britain to pave the way with unilateral renunciation of the H-bomb.

- A Socialist foreign policy subservient to neither Washington nor Moscow.

## THE DOORKEEPER

Mr. Wilson: Control is not ownership. We will not go in by the back door. If we need to control firms, we shall do it honestly and squarely in Parliament.— *Financial Times*, May 7.

Of course, if the Labour Party were really proposing that the State should take over the 500 largest firms in the country, by back-door or front-door methods, that would indeed be news.

This move would have our wholehearted support, for it would mean that a drastic change in domestic policy, in the direction of Socialism.— *Daily Worker*, May 8.

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