

# What Took Place

THE main feature of the recent conference of Commonwealth Premiers in London during July 8-15 was neither its successes nor its failures. Rather, it was the sharp divisions which exist among the members which make up this unique institution. Among the member states there is no economic unity, vast differences in living standards, no united political outlook, no agreement on military strategy, different conceptions of racial equality, and conflicting attitudes to imperialism.

Earlier in 1964 there was no intention of convening another conference before the General Election in Britain. At the 1961 Conference South Africa was forced out of the Commonwealth. In 1962 the majority of member states were against Britain joining the European Common Market. There was growing opinion that British ruling circles were more concerned about Europe, and that the Labour Party in Britain was more enthusiastic about the Commonwealth.

This growing trend seriously disturbed British ruling circles. It was this that prompted Sir Alec Douglas-Home, British Prime Minister, to convene a new conference before the General Election, due in October 1964. His main aim was to propose a Commonwealth "new deal" to assist the "poor" nations of the Commonwealth. It was certainly far from his intention to have prolonged discussions on Southern Rhodesia, South Africa, and British Guiana. It was only the pressure of the new member states of the Commonwealth which forced these issues to the forefront.

## RHODESIA FIRST ISSUE

Even before the conference commenced, Ghana put the spotlight on this problem by circulating its attitude in a printed pamphlet entitled *Britain's responsibility in Southern Rhodesia*. Its main theme was to contest the argument that Britain had no power to intervene. It emphasised that Britain had its own Governor in Southern Rhodesia for forty years, that it was not self-governing in respect of the African majority, and that it was Britain's responsibility to ensure majority rule before independence was achieved.

Sir Albert Margai, Prime Minister of Sierra Leone, used these arguments on the first day of the conference, and started the ball rolling. Jomo Kenyatta, President Nkrumah, Dr. Milton Obote and others, joined in the debate. Dr. Eric Williams of Trinidad, sharply contrasted the intervention of Britain in British Guiana against the Dr. Jagan government which had won the majority of seats in elections based on universal suffrage, as distinct from the refusal of Britain to intervene in Southern Rhodesia, where the government had been elected by a small white minority.

The first three days of the conference were fully occupied with strong criticism against British policy in relation to Southern Rhodesia, South Africa, British Guiana, and Cyprus. This was a setback for Sir Alec Douglas-Home, whose main concern in his opening address on the first day was to combine "cold war" propaganda with the strategy of extending so-called economic aid to the newer members of the Commonwealth.

## THE "COLD WAR"

Next day President Nkrumah made strong objections to this aspect of Sir Alec's speech, and started off his own speech with these words:

"Mr. Prime Minister: I am sorry that so much of our time yesterday was taken up by a discussion about communism, as if

this was an important issue in Commonwealth affairs. On the contrary, the troubles of the developing world are more often caused by attempts to introduce cold war politics into parts of the world which are not concerned with these issues. To introduce the cold war into the politics of developing nations is to do them the greatest disservice. Perhaps the greatest enemy of the Commonwealth is the cold war, which I believe must at all costs be kept out of Commonwealth politics."

Sir Alec's cold war strategy was designed to divert attention from the crucial issue of Southern Rhodesia. But it did not succeed. This issue was raised time and time again during the first three days, and could not be ignored. Many hours were spent in preparing the final statement put before the members on the last day of the conference. Its language betrays the frantic efforts made to find the most subtle phrases which give the appearance of giving in to the pressure on this problem, but which in fact commits the British Government to nothing.

## FINAL STATEMENT

The relevant part of the final conference statement adopted, reads as follows:

"Britain said that Southern Rhodesia would attain full sovereignty as soon as her Governmental institutions were sufficiently representative.

"They recognised that the authority and responsibility for leading her remaining Colonies to independence must continue to rest with Britain.

"At the same time, Prime Ministers of other Commonwealth countries expressed their views to the Prime Minister of Britain on the question of the progress of Southern Rhodesia towards independence within the Commonwealth.

"They also noted with approval the statement already made by the British Government that they would not recognise any unilateral declaration of independence, and the other Prime Ministers made it clear that they would be unable to recognise any such declaration.

"The view was also expressed that an Independence Conference should be convened which the leaders of all parties in Southern Rhodesia should be free to attend.

"The object would be to seek agreement on the steps by which Southern Rhodesia might proceed to independence within the Commonwealth at the earliest practicable time on the basis of majority rule. With a view to diminishing tensions and preparing the way for such a conference, an appeal was made for the release of

all the detained African leaders.

"The Prime Ministers called upon all leaders and their supporters to exercise moderation and to abstain from violence; and they affirmed their belief that the best interest of all sections of the population lay in developing confidence and co-operation, on the basis of tolerance, mutual understanding and justice. In this connection they recognised the necessity for giving confidence to the minority community in Southern Rhodesia that their interests would be protected.

"The Prime Minister of Britain said that he would give careful consideration to all the views expressed by other Commonwealth Prime Ministers. At the same time he emphasized that the Government of Southern Rhodesia was constitutionally responsible for the internal affairs of that territory and that the question of the granting of independence was a matter of decision by the British Parliament."

(Daily Mail 16/7/64)

Even in face of the, strongly expressed views of the majority of the member states, there is still no guarantee that the British Government will insist upon African majority rule in Southern Rhodesia, and upon a new constitutional conference to decide the date for independence. Still less is there any prospect that Britain will stop sending arms to South Africa, and operate a trade boycott.

The member states can only express their views. They cannot impose majority decisions upon Britain. The British Government alone will decide whether or not it will translate into practice the majority viewpoint expressed at the conference. So the struggle for African democracy in Southern Rhodesia, and the end of apartheid rule in South Africa is not ended. It will possibly be carried a stage further at the Cairo Conference of independent African States on July 17. But the real struggle for victory is still to come.

## THE COMMONWEALTH

What is this British Commonwealth?

It is a unique institution which has grown and developed from the victories of national liberation and the winning of political independence in so many former British colonies since the end of the second world war. On the surface, all its members are equal. But in reality, British imperialism is still at the centre, and in key control.

Formerly it was the British Empire. Of its original members, only four remain. They are Britain and the "White Domions"—Canada, Australia, and New Zealand. After political independence in 1947, India, Pakistan and Ceylon became members, and the name the "British Empire" was changed to the "British Commonwealth". After 1954, Ghana became a member and was joined by all the other former British colonies which have since won their political independence.

Apart from the four ori-

ginal members, there are now fourteen other members. The population of the original four is only 80 million. The population of the fourteen new members is over 660 million, all of them non-white peoples. They also happen to be the "poor" nations, which Sir Alec Douglas-Home pretends to be so anxious to assist. In reality the British imperialist aim is to maintain the Commonwealth as a channel for continued economic exploitation of the new member states, while trying to conceal this with talk of "equal rights" and phoney schemes of "economic aid".

Even stalwart supporters of the Commonwealth have to admit that it is incapable of united action by all its member states on any important international issue. There is little in common among its member states. A well-known Labour journalist, John Hatch, writing in the *New Statesman* on the eve of the conference pointed out that:

"The only common foundation which this association has ever possessed is its descent from the British Empire."

(3/7/64).

Until now all the machinery of the Commonwealth has been in the hands of the British Government. It controls the Commonwealth Relations Office from London; decides all matters for the Commonwealth Parliamentary Association; and directs the activities of all the special committees of the Commonwealth—economic, agriculture, science, air transport, shipping, tele-

communications, and many others.

It was possibly with this in mind that President Nkrumah proposed the formation of a "Commonwealth Secretariat", so that other Commonwealth members would be able to exercise control over its affairs. It is quite likely that the British Government will accept this proposal in principle, but it is extremely doubtful whether this will mean a great deal in practice.

The real position is that Britain is the only imperialist country among all the eighteen members of the Commonwealth. Canada, Australia and New Zealand have the closest relations with Britain because they are also capitalist countries. But capitalism has not found deep roots in any of the countries of the other fourteen members, although there are varying degrees of capitalist development in India, Nigeria, Sierra Leone, Jamaica, Cyprus, and Trinidad.

## BRITISH "NEW DEAL"

Although these fourteen members have won political independence they still remain as spheres of economic exploitation for British imperialism. The imperialist strategy of neo-colonialism is the basis of Britain's relations with them. Not only is British imperialism anxious to maintain close relation with the white minority in Southern Rhodesia and South Africa, in defiance of all United Nations resolutions on these matters, it is also anxious to increase its profits from overseas investment.



President Nkrumah . . . "the advance of every individual independent African state depends primarily on driving out colonialism and neo-colonialism from every part of Africa."

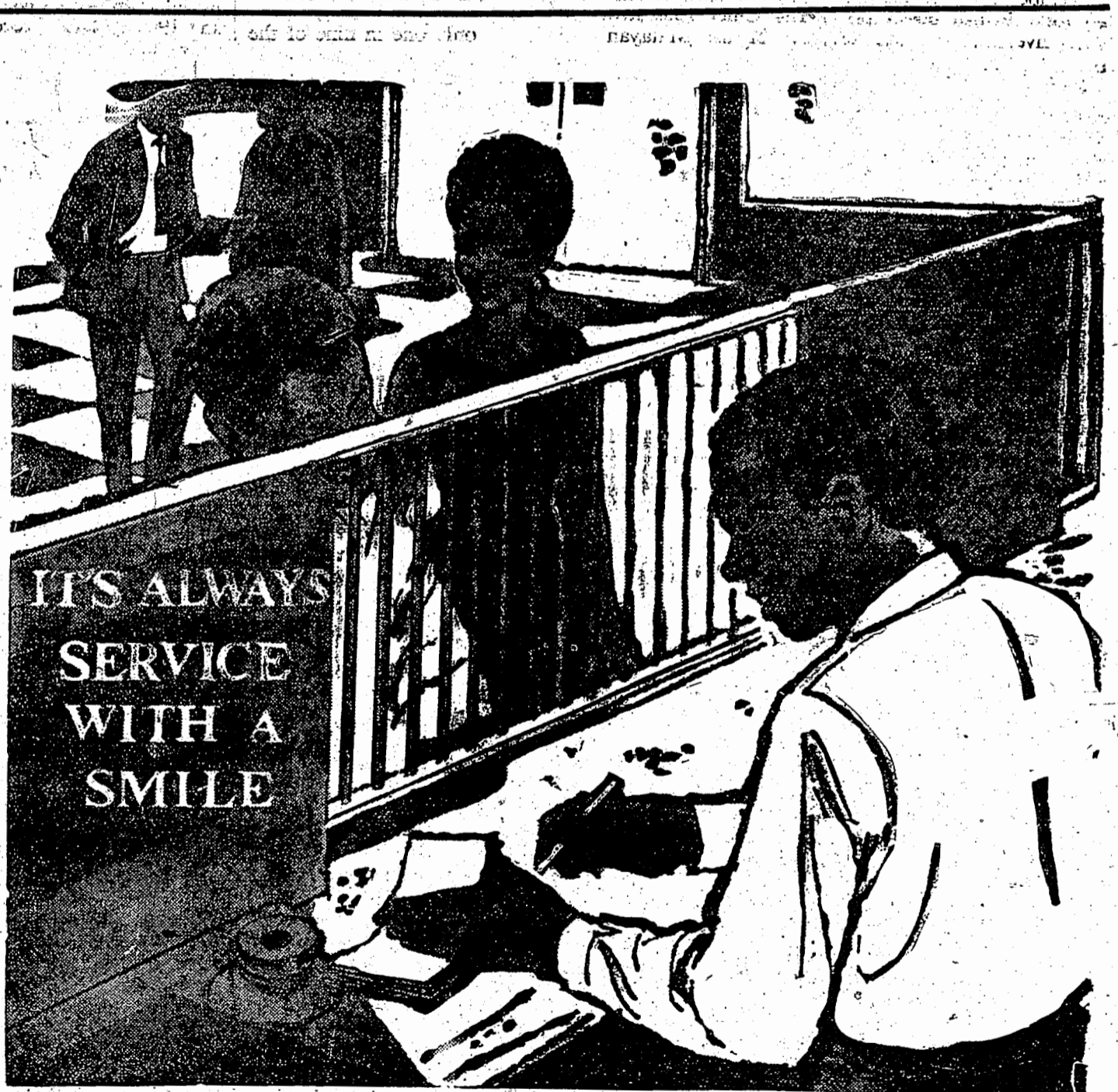
For several weeks before the Conference Sir Alec Douglas-Home shed crocodile tears about the sharp contrast between the "rich" and "poor" nations of the Commonwealth. With a great fanfare of trumpets the British press and radio forecast that he would announce a "new deal" for the "poor" nations. When this was announced at the Conference on July 13, the trumpets died down to a whimper.

There is nothing in the "new deal" which gives direct aid for economic development. Sir Alec's six-point plan is intended only to provide "personnel" to the newly-independent states—a new, but crude

extension of the whole strategy of neo-colonialism. The essence of the plan is:

1. Commonwealth projects for technical assistance.
2. Capital aid for higher education.
3. Specialised staff to give training in public administration.
4. A "Commonwealth Foundation" to develop contacts between professional bodies (law, medicine, education, engineering, accountancy, etc).
5. A Commonwealth medical conference to consider medical services where most needed.

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People in all walks of life in Ghana SAVE with the National Bank, because they are sure of earning more—3½% interest on their savings.

### Services include

- \* Savings Accounts
- \* Current Accounts
- \* Letters of Credit
- \* Travellers Cheques
- \* Documentary Bill Facilities
- \* Foreign Transactions

## GHANA COMMERCIAL BANK

Branches throughout Ghana

# in London by IDRIS COX

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## 6. Greater assistance for the Commonwealth Parliamentary Association, and more exchanges between Commonwealth leaders, especially the youth.

There is not a single word about development grants and loans; about the huge profits drained by foreign monopoly firms, and certainly nothing on the colossal robbery of African countries by paying lower prices for their exports while pushing up the prices of goods which these countries have to import.

The "new deal" will do nothing to close the gap between the "rich" and "poor" countries of the Commonwealth. Britain still remains an imperialist exploiter. The fact that independent African states have become members of the Commonwealth has not changed the process of imperialist exploitation. In reality many of them are being exploited more than ever before.

## OVERSEAS INVESTMENT

Let us take first the direct profits from overseas investment. Government circles in Britain have always tried to conceal the extent of their investments abroad, and the scale of overseas profit. Financial circles interested in overseas investment have long been pressing for more official information. Though complete accounts are not yet available, the official Board of Trade Journal of November 5, 1963, estimated total British direct private investment abroad to be at £3,500 million.

This is only part of the story. Apart from direct investment by monopoly firms in Britain, there are also "portfolio" investments in British firms registered abroad, together with investments in oil, insurance and banking—

which are separate from both the direct and portfolio investments.

The quarterly report of the Bank of England for April 1964, gives a new estimate of total British investments abroad: direct, £3,500 million; portfolio, £3,000 million; oil £1,100 million; insurance £350 million; and official Government investments £2,071 million. The estimate for oil investment is incomplete. Insurance estimates are for the United States only, and no estimate is given for banking.

This gives a total British overseas investment figure of over £10,000 million, and even this is far from being complete. The Bank of England report points out that "The total shown is therefore a substantial understatement", and that "...the effect of the incompleteness or unavailability of statistics for several important items is undoubtedly to understate United Kingdom external assets more seriously than the external liabilities".

More than half the British overseas investments are in Canada and the sterling area, with Australia coming close behind Canada, then India, Rhodesia and Nyasaland, New Zealand and Nigeria. No information is available on the total distribution of these overseas investments. The November 5, 1963 issue of the Board of Trade Journal gives only the distribution of the direct private investment in the various countries abroad.

For Malaya, the estimate was £104 million. British investment in 1962. The Chief Executive Officer of the Malayan Rubber Growers' Association wrote to the London Financial Times on July 13, 1964, giving conclusive proof that this estimate was far too low. The letter revealed that British investments in Malayan rubber alone that year were £130 million, and that total Bri-

ish investments were no less than £260 million, pointing out that: "In the view of many people, even the figure of £260 million is too low."

## HUGE PROFITS

It seems clear from this that even the Bank of England's estimate of £12,000 million for British foreign investment is too low. So it is not surprising that figures given of British profits from foreign investments are also far below the real total. The official 1962 Annual Balance of Payments, reports that new British foreign investments for the four years 1958-61 were £1,271 million, but the total profit for the same period, after payment of tax, was no less than £2,654 million—more than double. In the sterling area, the total profit was three times more than the new investments.

Even this figure is an under-estimation, for the 1963 Annual Report on Balance of Payments gives a total of £5,645 million for "British property income received from abroad" for the five years 1958-62. This does not include oil and insurance profits, or shipping credits. It seems clear that total British profits from overseas investment in 1962 were not far below £2,000 million.

It is the big British monopoly firms who get most of this. The Board of Trade Journal on April 19, 1963, revealed that 73 per cent of British overseas profits in 1961 went to 230 monopoly firms, each getting a minimum profit of £250,000—and these number only one in nine of the 1,720 British monopoly firms engaged in overseas exploitation.

These huge profits are swollen by the process of imperialist robbery going on in the capitalist world market today. The United Nations Economic Commission estimated that the

"primary producing" countries (those who have won political independence since 1945), lost no less than £800 million in 1959, due to the decline in the prices of their exports, and the rise in the prices of their imports. In the report of Mr. Raoul Prebisch, Secretary-General of the United Nations Conference on Trade and Development (UNTAD), held earlier this year, in Geneva, he estimates that by 1970 these countries would lose no less than £7,000 million.

## MARKET ROBBERY

The way in which this works out for Ghana and Nigeria is revealed in The Statistical and Economic Review of the United Africa Company Limited (April 1964). Taking 1954 as the basis (equal to 100) it gives the following table:

	1957	1958	1959	1960	1961	1962	% charge 1957-1962
<b>Ghana</b>							
Value	80	92	99	101	102	102	+ 27.5
Volume	123	102	122	144	171	189	+ 53.7
Price	65	90	82	70	57	52	- 20.0
<b>Nigeria</b>							
Value	85	91	109	110	116	112	+ 37.8
Volume	106	105	126	124	147	156	+ 47.2
Price	84	85	89	90	84	80	- 4.8

In the last decade the volume of Africa's exports has more than doubled, but its value has increased by less than 10 per cent. Primary products are the most seriously affected. Uganda's volume of cotton exports increased by 85 per cent during 1954-60, but its value by only 5 per cent.

The volume of Nigeria's cocoa exports rose 120 per cent between 1955-62, but its value declined 3 per cent. In 1962 Ghana received only £70 for the same volume of exports for which it received £100 in 1954; but had to pay £107 for imports which cost £100 in 1954.

At the London Conference on July 14, President Nkrumah pointed out that Ghana had made a big

increase in its cocoa output, but her foreign earnings were static because world prices had fallen. In contrast, big profits were being made in Britain in processing cocoa, and "manufacturing countries exerted a stranglehold through their superior economic power."

The result is that all the independent African States find it more difficult to earn from their exports to pay for their imports. Those African countries which rely a great deal upon loans from Britain and other imperialist countries, are unable to pay the high interest rates, let alone repaying the capital. The Overseas Review, November 1962, (of Barclay's Bank), had to admit that:

"It has been estimated that 34 countries, with populations representing 70

per cent of the under-developed world, doubled their external debt between 1956 and 1961; during the same period their total export earnings increased by only 15 per cent."

factories for sugar and fruit, a new radio station, a 200-bed hospital, and a technical college for 1,000 students.

This is real economic aid. Compare it with the £60 million "grant" to Kenya. Over £13 million of this is a loan to compensate the British civil servants; £10 million is a grant to recruit British technical and professional staff; £12 million is for buying out the white settlers (of which £7½ million is a loan), and £3½ million is for arms equipment. Of the total, no less than £24 million is on loan, to be repaid at high rates of interest.

## STRATEGY OF "ECONOMIC AID"

The imperialist strategy is to offer "economic aid" schemes in an attempt to cover-up this gigantic robbery. Even this is cut down to the minimum, for the imperialists even grudge spending money to cover up their system of exploitation. In the twelve years from 1951 to 1963, the total amount of British "economic aid" to all countries was £1,180 mil-

lion—less than one year's profit from overseas exploitation.

This total includes military expenditure in Aden, Cyprus, British Guiana and North Borneo and special grants to serve overseas military air bases—Libya, Maldives Islands, etc. It also includes grants and loans (mainly for military purposes) to foreign countries, including that spent for United Nations military action in the Congo.

The recent grant of £60 million to Kenya was by no means intended for direct economic aid. It was prompted by the fact that the Chinese Peoples' Republic had earlier given an interest-free loan of £5½ million and an outright gift of £1 million, and by the fact that the Soviet Union had offered to construct a textile mill, a fish cannery and processing

tions with the Kenya Government in the hope that it will serve the interests of British imperialism throughout East Africa. Whether this strategy will succeed will depend primarily upon the attitude of the masses in Kenya and their pressure on the Government to pursue an independent policy against colonialism and neo-colonialism.

Nearly half the British "economic aid" was in loans, to be repaid at rates of interest varying from five to seven per cent, with the condition that the money must be spent to buy British goods. Until recently British grants-in-aid could be spent anywhere, but there is now also a condition that the money must be spent in Britain. In a report to the U.S. Senate Committee on Foreign Relations, in August 1962, it was stated that between 80 and 85 per cent of its "foreign aid" that year, had had to be spent in the United States. This is now a growing feature of Britain's "economic aid" policy.

What is more, total British "economic aid" was less last year than it was the previous year. In 1961-62, it was £160 million, but in 1962-63, it had dropped to £148 million. Less than ten per cent of this was for direct economic development. So much for all the talk about increasing "economic aid"!

Within this total the amount for "technical assistance" rose from £21 million in 1961-62, to £23 million in 1962-63, and is estimated at £30 million for 1963-64. All that is now proposed by Sir Alec, is that the present £2½ million a year for the capital cost of higher education should be increased to £5 million a year for the next five years, and that £125,000 a year should be provided to "develop contacts between professional bodies". Surely a sprat to catch a mackerel!

During 1962-63 "economic aid" for Africa dropped to £52 million from £71½ million the previous year. Loans dropped by £17 million and grants by £2 million, but "technical" assistance expanded with the supply of "experts, teachers and advisers", reaching 364 compared with 285 the previous year. Training courses and facilities were 745 as against 639, and scholarships, fellowships and other awards were 1,367 as against 891. The strategy of this is that from among this trained personnel there will be new recruits who will perform a similar political service of praising Britain's "generosity", as is the aim of the "Peace Corps" for the United States.

True, there may be many amongst this category who may be won over to support the economic and political aims of the independent states in Africa. But this will depend upon the conscious endeavours being made in Africa itself to influence their political outlook, and secure their cooperation in fulfilling the big tasks which lie ahead.

From the standpoint of Africa's future, the Cairo Conference of African Heads of State was far more decisive than the Conference of Commonwealth Premiers in London. As President Nkrumah has emphasised so many times, the advance of every individual independent African State depends primarily on driving out colonialism and neo-colonialism from every part of Africa. It will be in this struggle that Africa will achieve unity.

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# AFRICA SPEAKS THROUGH KWAME

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Mr. Chairman,

Two-hundred-and-eighty million people in strength with a common destiny and a common goal could give progress and development in Africa a new momentum and an impetus which could go beyond our wildest dreams. Do not let us speak and act as if we are not aware of the revolutionary forces surging through Africa today. Even the industrialised nations outside Africa recognize this now.

This would be a more realistic "step" towards the Unity of Africa.

Two-hundred-and-eighty million people in strength with a common destiny and a common goal could give progress and development in Africa a new momentum and an impetus which could go beyond our wildest dreams.

Today, there may be frustration, doubt and distrust in every part of our Continent, but tomorrow will see a new hope and a new march to glory, under a United Government capable of speaking with one voice for all Africa.

Mr. Chairman,

For a few moments, please permit me to refer to the pattern of economic structure which we inherited from the colonialists in Africa. All of us, under colonial rule, were encouraged to produce a limited number of primary commodities, mainly agricultural and mineral, for export overseas. Capital for development was owned by foreigners and profits were vigorously transferred abroad.

A trade pattern of this sort stagnated the rest of our national economy, and our resources remained undeveloped. In consequence, indigenous capital formation was negligible, leaving all our countries in a state of abject poverty.

Since independence, we have been making energetic efforts to reverse and overhaul these unsatisfactory features in our economy. In some of the Independent African States great efforts have been made to relax traditional economic links with the ex-colonial powers, but none of us can say that we have succeeded in breaking those dangerous links completely.

Another handicap which we suffered from colonialism was the restriction of our economies which has hampered economic development in many ways. The very fact that all the Independent African States produce and maintain development plans is an indication of our deep concern for realising nationalist aspirations and improving the conditions of living of our people.

But however deep our concern, however strong our determination, these development plans will avail us nothing if the necessary capital is not available. This capital, as we all know, is everywhere desperately short. The men with the know-how are few and scattered. It is by our coming together and pulling our resources that we can find a solution to this problem. In other words, only by unified economic planning on a continental

basis with a central political direction within a Union Government can we hope to meet the economic challenge of our time.

It takes millions of pounds to build the basic industries, irrigation and power plants which will enable us to escape from our present economic stagnation. Our various individual, separate, balkanized States cannot mobilise the enormous amount of money required for these major projects and industrial complexes. We cannot bargain effectively for the essential funds from foreign sources on the best possible terms. What we are doing now is to compete between ourselves for the little capital available from foreign sources.

In our scramble to get this capital we grant foreign firms extensive and lucrative concessions for the exploitation of our natural resources. These concessions to secure this capital exacerbate the colonial pattern of our economy. We invest more in raw materials output than in industrial development, and the continued drain abroad of profits which should have been re-invested in economic development retards the progress of our industrialisation plans.

In a continental federal union, we can easily mobilise the amount of capital available to the African States by the establishment of a Central Monetary Development Finance Bank. Already, our various States have agreed to form an African Development Bank. This, however, cannot succeed without a continental economic plan and without the necessary political direction which only a Union Government of Africa can provide.

An African Monetary Development Bank of the kind I envisage will enable us to formulate continental agreements concerning the terms of loans and investments by foreign interests. Together, we can bargain far more effectively with foreign firms and governments for investments and loans for the kinds of industries we desire and not those they desire. We can bargain on the terms of these loans and we can ensure that the increased savings which will arise from continental development of Africa's huge resources will enable us to develop even more rapidly. The unnecessary competition amongst us for capital would cease and moreover we can work up continental tariff policies designed to protect newly developing African industries. The great risks involved in investing in our individual countries will be reduced, for in an African economic union our development projects would be backed by all the African States together. But even this healthy sign of development is in grave danger of driving us against one another. As the general conditions of our economy are similar in all the Independent African States, and as our national development plans are not being co-ordinated, this can only lead to a concomitant expansion of our separate productive capacities in excess of the quantity which can be profitably marketed either internally or abroad. The result of this is obviously the certainty of establishing cut-throat competition among us with heavy financial losses to our respective economies.

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