

# SOCIALIST REVIEW

NEITHER WASHINGTON NOR MOSCOW, BUT INTERNATIONAL SOCIALISM

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

8th YEAR No 20

NOVEMBER 1, 1958

SIXPENCE

## THE INDUSTRIAL STRUGGLE

**T**HE INEVITABLE showdown between Capital and Labour is becoming more apparent day by day. The desire of the employing class to utilise labour as and when it thinks fit has once again become an immediate issue which the working class must face up to. As unemployment flows through the veins of their economic system, the employers and their Tory spokesmen are becoming bolder; the old evils begin to reassert themselves as the strait-jacket of full employment loosens.

### Easy come, easy go

For a decade since the war, union organization, wage increases and general improvements in conditions were comparatively easy to come by due to the tight labour market. Now the tables are turned. Shylock, the employer, is demanding his pound of flesh. He has begun the offensive. For the workers to withstand the assault successfully and, ultimately, go forward again, we must evaluate our forces, recognize our weaknesses and attempt to overcome them.

The official figure of registered unemployed now stands at 476,000 (see Peter Morgan's article in this issue for the reasons for believing the real figure to be

somewhere around double that). And the Tories at their annual Conference let it be known that the figure would continue to rise throughout the winter (the *Economist* predicts 600 to 700 thousand). Workers who in many instances have become flabby in their belief that full employment would continue are now looking for the leadership which the trade unions and Labour Party should be giving.

Sad to say, it is at this crucial time that the leadership necessary to inspire and guide working class action does not exist to any great extent. The General Council of the TUC which should act as the workers' General Staff in this fight, showed themselves to be a spineless collection of individuals during the first skirmishes earlier this year between the busmen and the London Transport Executive and its Government.

### Cost of TUC

The failure of the TUC to give effective leadership has already cost us dearly. Nearly all outstanding wage claims have been settled for an amount equal to that which the busmen managed to wring from the Government, but which in no way has compensated for the rise in the cost of living. By backing out of an in-

dustrial dispute which was at the same time a political fight against the Tories, the TUC gave the green light to the Government to increase its offensive and gave a moral boost to those sections of the employers which were not then convinced that the time was ripe.

The employers are already considering what next steps to take. MacLeod, Minister of Labour, has announced the abolition of compulsory arbitration which restricted the employer to a certain extent. Macmillan told the British Employers' Confederation at their meeting of October 16 that unemployment, now 2.2 percent, "may well go a bit higher" and prefaced the

remark with: "another blessing is that there is no difference between the main political parties, or at any rate their more responsible members, over our basic economic objectives."

However, these general aims of the employers and their government have still to overcome one serious obstacle before they can use the working class as they want. **It is not enough for them to have many of the top union leaders licking their boots and jostling one another in the queue for knighthoods; it is necessary that the power of the union on the workshop floor — the shop stewards' committees — be**

(turn to page two)

**PETER MORGAN** editor of the **Birmingham Trades Council Journal** asks: are there **1,000,000 UNEMPLOYED?**

**W**ITH THE APPROACH of a General Election, the Tory Government is striving might and main to present an atmosphere of calm and normalcy at home. Naturally, great attention is being paid to the question of employment.

Full-time trade union officials have for long suspected that pressure was being exerted on local offices of the Ministry of Labour to present as rosy a picture as possible. But even the figures appearing in the Ministry of Labour Gazette reveal a steadily deteriorating situation—both as regards unemployment and under-employment.

One of the most significant statistics is the continual fall in the size of the working population in Britain. The total number in work at the end of July (the latest figure available to me at the time of writing) was 24,086,000. Twelve months previously it was 24,210,000.

In other words, there were 125,000 less people at work. Does this mean that there were less

available for work? Certainly not. The population of this country has never been higher. What it does mean is that redundancy forced OUT of employment a number of married women, older workers, West Indians and Irish who returned home, and so on.

### Not comprehensive

But this is not the whole story. For the purposes of these figures the Ministry adds a revealing footnote: "Part-time workers are counted as full units." In other words the total would not be affected by the reduction of a married woman's employment from a full week's work to Saturday afternoons only.

Nor are the statistics given by the Ministry fully comprehensive. It is known, for example, that some people would not dream of approaching the Ministry if they fall out of work. They prefer to make their own efforts independently or through their trade union office.

(turn to back page)

## SOUTH-BANK

pages 2-3

## HAULAGE

page 4

## DOCKS

page 5

## ANTI-STRACHEY

pages 6-7

## INDUSTRIAL

SR Industrial reporter JOHN PHILLIPS reviews

# The Southbank Sellout

LOOKING from the outside, the struggle on Shell-Mex House, Waterloo, has changed since the last issue of *Socialist Review* from a mere assessment of past facts into a period of positive action and mixed feelings for the future.

For some of the men, particularly the younger ones, it has been a perfect lesson on the role of the State machine, epitomized by the foot and mounted police who have acted with such brutality and clear purpose in their efforts to break the picket line.

## Two sides of the Law

When McAlpines tried to open the site on Wednesday, the 8th, the strength of the picket lines, ably supported by lads from other jobs, was such that only a handful of scabs were able to get in and many prospective scabs were turned away. On this day the police allowed any number of pickets at each gate so long as there was room enough for anyone to walk through. Wednesday night they must have worked overtime and by Thursday morning a new set of rules had been drawn up by which only two pickets were allowed at each gate. This, however, was only a sign

of things to come. Friday morning the city traffic was allowed to come to a standstill and the boys in blue came to Waterloo in coach loads (some even brought their horses).

That morning the pickets saw the other side of the Laws' face, and many of them will remember for a long time the kicks and punches they received at the hands of the "hard core" of professional strike-breakers, the specially picked, more experienced policeman who knows how to deal ruthlessly with any worker who "gets out of hand." Some ten arrests were made after the most blatant provocation and intimidation. It is known that some policemen actually asked the scabs to go in and work.

So it continued for the next few days. Massive forces of police trying to get the scabs in, and failing miserably. It is estimated that no more than twenty got on to the site on any day for the first week.

During this period trade union officialdom was moving in many different directions. The Constructional Engineering Union, which caters for a small minority of men on the site (but who are nevertheless key men) was the first to black the site by instruct-

## Prices and Profits

Between June, 1957, and June, 1958, the Government's index of retail prices shows that prices have increased by 5 per cent. Fuel and light have increased by nearly 8 per cent and rents by nearly 12 per cent, while the cost of rail and bus transport is increased by nearly 5 per cent. During this period, industrial profits for the manufacturing industries have increased by 11 per cent, and dividends by 15 per cent, whilst with very few exceptions, share values in all our basic industries have increased, on average, by over 20 per cent.

ing its members not to cross the picket line. Similar action was taken by the No 1 Divisional Council of the Amalgamated Union of Building Trade Workers, who told their members not to work on the site while the men were still in dispute with McAlpines.

The members of the Electrical Trades Union employed on the site refused to work whilst there was still a picket line. On Friday, 17th, they returned to work, held a meeting the same day and agreed to withdraw their labour on Monday, 20th, if all stewards were not offered employment by that date. This offer was not forthcoming, as expected, and to date the ETU members on the site are still out. **Their hierarchy have not made it official.**

**On Monday, 20th, the No 1 Divisional Council of the**

**AUBTW rescinded its decision to black the site and an official of that union went on to the site and tried to elect a steward amongst the scabs.** It is interesting to note that of the eight members of the council, four are Communist Party members and another couple are "fellow travellers." A week previous to this the Communist Party had declared its fervent support for the locked-out stewards. The only conclusion to draw from this is that either the Party has done a neat somersault (which is not unusual) or that the Party members on the council have aligned themselves with the right-wing leadership of the AUBTW (was the change due to the alleged "Trotskyist" leadership of the strike?).

Tuesday, 21st, brought another blow to the men. The General Secretary of the CEU declared that as far as the officials of his union were concerned the CEU members were no longer bound not to pass the picket line.

## Scab's rule-book

While all this movement was going on, the great bastion of immovability, the T&GWU, clung to its scabs' constitution like a leech. Even though they were aware of the fact that the stewards had offered themselves to McAlpines for employment four times and had been refused, nothing was done. **There is concrete evidence that there are steel fixers working who have no union card, labourers (also non-unionists) who are using steel fixers' tools, and, of the total number working, a good proportion who have never worked on the site before.** What did the T&GWU do? Two things. First, the employers' bootlickers, the Civil Engineering Conciliation Board, to which the T&GWU is a party, issued a statement on October 15th, the relevant points of which are:

"... there will be a progressive build-up of the labour force in numbers and trades as quickly as the rephasing of the job permits. To date the firm have already offered employment to some 500 men, all of whom were previously employed on the site.

"Any difficulty arising out of the operation of this arrangement shall be the subject of discussion between the firm and the district official of the union concerned, and if subsequently deemed necessary by the executives of any of the trade unions concerned, referred to the joint machinery..."

When it was known that McAlpines had broken this agreement regarding men who had not previously worked on the site, there is no evidence to suggest

## The industrial struggle—from page one

smashed. What good does it do the employers if they can count on the "services" of the union big guns, but find that the men on the shop floor pay more heed to the shop stewards?

The employers know this for certain. Instead of sticking to the points at issue in the BOAC dispute, namely, the sacking and the conclusion of a wages agreement, the management introduced a totally new point by condemning "the existence at London Airport of the joint shop stewards' committee." Amongst other things they attacked "the extension and abuse of facilities provided to shop stewards beyond those laid down in council agreements."

## Trial of strength

The employers' press caught on. *The Times* leader of October 16 hid nothing. It was called **Trial of Strength**. Of the BOAC management, it wrote: "They aim not merely to enforce the observance of contracts but also to end the domination of the shop stewards' committee." It ended: "November is the worst month of the year for flying. A trial of strength must always be costly, but it may prove that the employers have not chosen their time badly." *The Daily Telegraph* of the same day lined up the unions against the shop stewards' committee, about which the editorial stated: "... for what

they have done is, in fact, contrary to the unions' pledged word and against the authority of their own officials." The editorial continued: "... Happily, on the South Bank, the firmness of the union leaders is having its effect. The unofficial trouble-makers are drifting away in defeat."

## All right, Jack

Those mighty defenders of trade unionism, *The Times* and the *Daily Telegraph*, fully recognise the role some of our union leaders play and the danger to their own interests constituted by the shop stewards' committees.

Unable to get "authority" working on their behalf at London Airport, the Government trotted out its next line of attack. A Court of Inquiry, with the usual impartial chairman, Professor D. T. Jack, of Durham University, is to be set up. So successful has Professor Jack been in the past that the chairmanship of such inquiries almost invariably falls to him. It will interest BOAC workers and others to know Professor Jack's views on full employment. In his Presidential address to the economics section of the British Association not so long ago he said that Britain's economic difficulties were due to "the effects of a full employment policy pushed beyond its natural bounds" (quoted from the *Economist*, September 13, 1952). His qualifica-

tions to adjudicate between Labour and Capital are apparent.

In order therefore to meet the continued attacks from the employers and their government, workers must strengthen their own organizations both industrially and politically. **It is necessary to involve an increasing number of rank-and-file union members in workshop organizations, to maintain and strengthen the existing shop stewards' committees as the first line of defence and, finally, members of trade union branches must exercise their right through the ballot box to remove the "mis-leaders" from office and replace them with workers who are pledged to fight on behalf of their class.**

## Political Struggle

With such a change in the leadership of individual unions will come the necessary change in the leadership of the TUC and, therewith, a change in the overwhelming influence it has on the Labour Party. Hand in glove with this process on the industrial side of our movement must come a parallel process in the political wing. **Trade unionists must make it a priority to propagate our ideas in Labour Party wards and General Management Committees, so that in the next few years Mr. Macmillan will not be able to count his blessings as he is reported to be now doing.**

that the T&GWU did anything at all about it. What made the position worse was the second action of the union. On Tuesday, 21st, two officials (one of whom had previously been barred from the site by the pickets for his actions) went on to the site to investigate the position. Whilst they were there a general foreman held a meeting to elect a steel fixers' steward. The two officials were present at the time and yet did nothing about it. This leaves no doubt that the T&GWU are helping the employers to victimize the shop stewards. Their constitution has been substituted by a colander through which officials can slide whenever they are asked to lift a finger for the rank-and-file. It is worthwhile mentioning that when Bro Cassidy, the Federation steward, went to see Frank Cousins on the first day the men were sacked, Cousins gave an assurance that if McAlpines did take lock-out action then he would intervene personally. So much for the promises of our great "militant."

The authorities are doing their utmost to smash the morale of the pickets by other methods than police violence. Firstly, no one who was sacked can get unemployment benefit from their labour exchanges because (here's the joke) they say that the men are in dispute. Who are we to believe? The authorities who say there is a dispute, or the unions who deny it? Secondly, one of the pickets, Kenneth Weller (AEU), who was arrested on a charge of using insulting language, etc., was convicted at Tower Bridge Magistrates Court even though there was no evidence against him and despite conflicting evidence of two police officers.

**New enemy**

What conclusions can we draw from the events so far? The main one is that out of the mists of arbitration, conciliation and disputes tribunals there has arisen a new enemy of the working class: the union officials who are paid by their members to act on

**Prices and Wages**

Since the beginning of last year retail prices, import prices, and wages, have moved as follows:

(Averages, January, 1956=100)

| Indexes           | 1957     |          | 1958     |          | Per cent change<br>1st half 1958 on<br>1st half 1957 |
|-------------------|----------|----------|----------|----------|--|
|                   | 1st half | 2nd half | 1st half | 1st half |  |
| Retail Prices ... | 104.6    | 107.0    | 108.9    | 108.9    | + 4.1  |
| Import Prices ... | 105.2    | 101.0    | 94.3     | 94.3     | -10.4  |
| Wage Rates ...    | 108.4    | 111.7    | 112.8    | 112.8    | + 4.0  |

(Treasury Bulletin for Industry, September, 1958)

What kind of support have the lads been getting from other quarters? Fifteen members of Parliament were contacted and asked to come and observe the police deliberately interfering with peaceful picketing. Not one turned up! Mr H E Matthews, chairman of the Civil Engineering Conciliation Board issued a statement at a crucial period in the struggle, saying that there was no dispute with McAlpines and that it was the duty of every trade unionist to be a good boy, go back to work with scabs, and never mind the irresponsible minority outside. Mr Matthews, by the way, as a member of the General and Municipal Workers' Union, hasn't had at any time one member of his union on the site.

**Support from all over**

The rank-and-file organizations and shop stewards' committees have given wonderful support. Money has been coming in from all over the British Isles. Resolutions have been pouring in from branches of all sections of the industry. The march on Sunday, 19th, from Waterloo to Hyde Park was joined by lads from Liverpool, Coventry and all parts of London, and something like a thousand people attended the meeting in the park. The steel fixers have stuck to their guns despite intimidation from McAlpines (the steel fixers working at Baker Street were told to go and work on the Shell-Mex site, they refused to scab and were sacked).

Special mention must be given to the lads from Belvedere Power Station who, even though they have been sacked wholesale, are still giving magnificent support,

their behalf have betrayed and sold them down the drain in such a despicable and cowardly way that there can be no doubt as to which side of the fence they are on.

The men on South Bank are fighting for a principle of working class solidarity against a profit-mad employing class, supported by the State and the union bureaucrats. (I think it is hardly worth mentioning the Labour Party "nobles" who live in another world.)

**The scourge**

It is the scourge of unemployment arising out of an inevitable crisis in the capitalist system that has brought the class struggle into bold relief against the almost deserted site on Waterloo.

The lads who are leading the struggle are still confident and full of optimism. Let the bloody-handed employers see such an example of solidarity from other sections of the working class that we shall not only bring McAlpine to his knees but also the Government and system that backs him up.

**Numbers Unemployed in Building and Contracting**

| Month    | 1956   | 1957   | 1958   |
|----------|--------|--------|--------|
| January  | 35,412 | 52,831 | 58,409 |
| February | 45,062 | 55,167 | 61,763 |
| March    | 31,289 | 48,189 | 68,552 |
| April    | 24,776 | 41,065 | 54,995 |
| May      | 22,416 | 38,250 | 49,367 |
| June     | 21,853 | 32,804 | 46,961 |
| July     | 22,046 | 30,197 | 45,705 |
| August   | 23,797 | 31,516 | 47,768 |

(The Building Worker, October, 1958.)

**Eric Heffer reports on**

**INDUSTRIAL**

**Solidarity Action on Merseyside**

MERSEYSIDE building workers recognise the lock-out of over 1,200 builders on the Shell-Mex site on London's South Bank as much a threat to their interests as it is to those directly involved. It is quite clear that a pattern of attack is emerging that will be applied to all workers in dispute, especially if McAlpine wins. It is with this in mind, and also remembering the solidarity shown by the London men when Merseyside workers were engaged in past struggles, that Merseyside men have established a solidarity committee with a very broad basis of representation.

**The committee**

The committee has stewards from many sites, plus militants from many unions. It has also, despite political differences amongst its members, shown a surprising degree of unanimity of ideas, the main point being that all our efforts are strained towards victory for our South Bank comrades. The old slogan "Your fight is our fight" has become a reality.

Since its inception the committee has held a number of organizing meetings, and at the same time have sought the fullest support amongst the wider movement. It invited the South Bank workers to send a representative to Liverpool and was successful in getting Bro O'Hea of the T&GWU to come.

The NFBTO, Mersey Branch, have given their support and have sent a substantial cash grant, as have many TU branches, shop stewards' committees, etc. Also, the Liverpool Trades Council has passed a resolution of support, have protested at the Police brutality against the pickets, and also decided to send delegates to the solidarity demonstration held on October 19.

The shameful lack of support from the NFBTO leadership must be condemned by all who are really concerned in the development of the TU movement. The original cause of the dispute

— non-unionism — is something which is a basic issue as recognized recently by Mr Victor Feather, Assistant Secretary of the TUC, who, in talking to an Employers' Association, said: "If managements recognize the so-called right of an individual to work without being a member of a union, they must also recognize the right of a majority to refuse to work with a non-unionist."

Unfortunately, not only do the employers not recognize that right (which is to be expected), but neither do many trade union "leaders."

All those in the NFBTO, in particular, must demand that the job be declared "Black." The lead of the ETU, CEU and London District Committees of the ASW and AUBTW must be supported. Strike pay must be provided, and the entire TU movement brought in to support.

Just as recently the busmen and the dockers were holding the front line, so now the South Bank workers are doing so. The attitude of the BOAC to their workers, plus the South Bank dispute, and the earlier strikes prove conclusively that the employers are now developing their offensive.

**The green light**

No one wishes compulsory arbitration, it has been criticized often enough, and correctly, from the workers' angle, but it is ominous when Ian McLeod, Minister of Labour, tells the employers that the Government intend to stop it. The green light is being given—the BOAC strike, the McAlpine lock-out, the sackings at Belvedere Power Station, must all be seen against the background of rising unemployment and economic blizzard. The ruling class are taking the only way they know how.

**Solidarity spells success**

The worker must meet the challenge, sharpen their weapons, and fight back, as they are doing in London. We on Merseyside say support our Brothers—it may be our turn next.

Naturally, this is being written before the termination of the dispute, and no one as yet can clearly see the final outcome. I am quite certain, however, that the South Bank men can win. But it depends on the support they receive, not only from the London workers, but from all over the country. Solidarity really does spell success.

## TU COMMENTARY

from the Road Haulage front

# "One out, all out" is no longer expedient

writes Joe Kelly

THERE IS no doubt at all that the employers are fully organized to combat future strike action, being actively, albeit secretly, supported by the present Government. **That being so, the extremely admirable principle of all militant trade unionists, to give instant support by immediate withdrawal of labour, can no longer be termed good tactics.**

The recent meat trades dispute proved conclusively that the employers were being actively subsidised by "outside sources" and it is my belief that the old maxim of "fighting fire with fire" is no more effective than fighting "money with money."

It is impossible for any impartial person to question the solidarity of the meat workers as demonstrated during the strike, and although they accepted a recommendation to terminate the dispute without material gain, they did, in my opinion, achieve a moral victory.

### Cynical prating

Of course, the cynical reader might say, "if they call that a victory, then thank Heaven they weren't defeated," but to that remark, my reply is that one should remember that not only did the men have their employers against them but also the Government itself, aided and abetted by the men's own union. And after nine long weeks without any money, they still had the desire to continue the struggle with a resolution undreamed of over the past few years, so that the most biased of the employers, the Government and the union cannot fail to give them credit for their stubbornness.

Maybe, the cynic might say that it doesn't require a lot of brain to be stubborn, nevertheless, under the circumstances of the time, it most certainly required a concentration of backbone and so I say to all meat drivers, "Pat yourself on the

backbone, brother, you earned and obtained the admiration of every militant in the country." The cynic may interpose again, saying something to the effect that you can't spend admiration, but I would add that even if this is true, you won something that no increase could buy.

### Up hill drive

Since the return to work, however, the representatives on the workers' side of the Joint Industrial Council for Drivers and Mates have been finding the process of negotiations even more of a stiff uphill battle, with the most just claims failing to obtain concessions; in fact, very definite wheelskids; procrastination, the red herring of artificial redundancies aggravated by the temporary recession in trade, allied to the actual handing over of so-called "unremunerative traffic" by United Carriers, are some of the methods introduced by the employers to obstruct progress.

One cannot deny that there is an unprecedented shortage of imported beef, which might perhaps suggest an excess of labour, but of one thing we may be sure, there is no shortage of profit, for in simple arithmetic it comes down to the extremely elementary principle of the employer saying: "If you can't get THREE hinds of beef to sell, then charge a higher price when selling two," which system, if I may be allowed to digress a little, might give some substance to the claim of the small carrier who says he is unable to find the money for the second week of accrued holiday due to the men, but simply doesn't hold water when applied to the bigger firms who are both importers and retailers.

### A solution

The latter fact is important, for it may so happen that sometime soon, the men working for the bigger firms, fed-up to the teeth with this procrastination, will cry "Enough!" and may once more find themselves put out on a limb, attempting to achieve what their Union should be doing, and is at present, hopelessly neglecting to do, which brings me to the substance of this article.

**I believe that it is vital to the interests of all workers, that no section of men, no matter whom they may be, should have to fight an industrial action faced by the bitterest and most formidable of the workers' enemies, namely, poverty. It should become the accepted responsibility of all workers whether they be in the garage, the warehouse, the cold store or the docks, to ensure that their fellows in dispute cannot ever again be starved back to work.**

I should like to see effective liaison between all parties of workers, with a Committee of mandated men and a concrete formula, to meet any appeal of distress from their brothers, with

immediate financial aid, such aid to be raised from among the men by fair and equitable levies. It must be obvious by now to all militant trade-unionists, that some small portion of their weekly wage, freely given, will do far more good than the complete loss of earnings to everybody.

The system of a levy will have the tremendous advantage of having an individual employer screaming "blue murder" whilst his so-called friends are taking over his work to his future detriment, whilst the old system only served to close the ranks of the bosses and increase their resistance.

To this end, I say, think it over brothers. Ask yourself that whilst there is seldom profit in anticipating trouble, in fact one could become a target for even discussing the possibilities, it must be far better to be once again in the "wrong," as we always are officially, but free from the spectre

## An appeal to coloured workers and a statement of solidarity

from the Defender, a colonial publication  
(135 Evering Road, London N16)

All colonials and coloured workers who are employed or are about to be employed must make sure that they are not being used as an instrument by the employers to undermine the struggle of the British workers in general, and the struggle which is now being waged on the South Bank site.

The fight which is being hammered out between the British building workers and Sir Robert McAlpine is a fight which the coloured workers of this establishment (McAlpine) must enter on the side of the British workers without fear of the employers and their police.

### Disregard prejudice

Regardless of the hostility we might have experienced from a section of the British workers in the past or even at this present moment, their struggle which is our struggle, (by the status of class) must not fall short of a single man as a result of such hostility and prejudice. In fact to overcome these prejudices it is necessary to help the British workers, if not to defeat, at least to hold in check the people responsible for the existence of these prejudices: the employing class of which McAlpine is a powerful member.

Throughout history the police (the instrument of the ruling class and in this instance the Tories) always operate against the interest of the workers or the oppressed and so it is in the case of South Bank. The actions of the police are not strange to us colonials. We have seen them in the colonies. The only difference is that those in the colonies are re-

### Getting out?

During the four crucial years from 1951 to 1954, when first the German yards and later the Japanese were going ahead with large scale re-equipment, British ship-building firms spent £4 million annually on their fixed assets. For an industry which was producing an average of £120m a year at this time and employing over 200,000 workers, this is a figure which is so low that it would suggest to the outside observer that someone was trying to get out of the business, and in the meantime was trying to spend as little as possible on it. In the normal course the cost of replacing worn-out plant and equipment in British industry is estimated to be around 5 per cent of the value of the output produced. (Andrew Shonfield, *British Economic Policy Since the War*, Penguin Books, 1958, p.42).

of want in our homes, than to be stuck once again on the wrong end of one of our priceless principles, but as usual, unprepared.

### Doubling your living standards in 25 years?

The latest official estimates of industrial output in the United Kingdom make it possible to see the full extent of the industrial recession that has been developing since the late spring. The provisional index number for July, adjusted for seasonal variations, is now put at 134.135 (1948=100), which is some 3½ per cent lower than in July 1957. Thus, after running at much the same level throughout the first four months of this year as in 1957, industrial production is now officially estimated to be 3½ per cent below May, 1957, 5½ per cent below June, and 3½ per cent lower than in July, 1957.

(International Financial News Survey, September 12, 1958.)

### Unite to fight

But we must be bold, because under a government which gives McAlpine & Sons the right to dismiss whom they like, when they like, police are taught not to think for themselves but to do as they are told. South Bank is one of the starting points from which the employing class are preparing to disorganize the workers, black and white. If the coloured workers are not in a position to give active support to the building workers, at least they must make sure that they are not an obstacle in their path.

# Porticus warns of threatened sackings in dockland

EXAMINING the wave of strikes and unrest which have beset the major industries over the last few months, one is forced to conclude that they are the inevitable result of the present Government policy of attempting to discredit and eventually smash all branches of Trade Unionism. No matter where you look or how impartial you may be, the answer is the same: **a political showdown is being forced upon all workers by the Government.**

Arbitration is a farce: the Government can reject a pay award for health service employees, but the busmen are completely unprincipled if they refuse any such offer. If the Government is to be believed, everybody is out of step except themselves and possibly a few trade union leaders who do not believe in industrial action.

Why this attitude to industrial action cannot be imagined, for it is the prerogative of every single citizen in a true democracy to tell the Government of the day, exactly what it wants and to throw it out if it doesn't do the job it is required to do to his or her satisfaction.

Industrial tycoons, shipping magnates, farming interests, the motor-car industry, in fact all the bigwigs are represented in Parliament, so why all the fuss when the trade unionist takes action? Everybody, including the Prime Minister, says that they uphold the right to strike, and yet they are completely inconsistent when it happens. The busmen were wrong, say the Government; the dockers were wrong; the meat-drivers were wrong, only we are right.

Throughout the last few months, practically every branch of industry has had a difference of opinion with the powers that be. Some have backed down and crept away with their tails between their legs because of their leaders' reactionary attitude, others have fought for weeks on end in an endeavour to salvage trade union principles, only to find themselves defamed and discredited by the majority of the national press.

### Next step—the docks

It is, of course, natural to expect a Government to dislike orders contrary to its policy; but when a Government like the present, as an added attack upon working-class conditions, introduces a landlords' charter which increases rents up to 900 per cent and then tells the people hardest hit by this action, that they will get no pay increase to offset this new demand, they are simply inviting trouble.

They have it now on the air-fields where it is not becoming to their dignity for the employers to meet the unions; they have it on the Shell-Mex site where the men are too interested in safety measures for the liking of their employers; and at Belvedere, where the employers have seized upon the precedent created by the Mc-Alpine management to dispose of those men who have the temerity to speak for themselves and yet they still look elsewhere for more.

The next move may well be the docks where the men are much too militant for any self-respecting Conservative Government. They haven't forgotten that they couldn't break Tooley Street no matter how they tried. Suddenly, it has been discovered that the National Dock Labour Board is losing money, the Scheme is £1,000,000 in the red.

### The board says

Elsewhere the cry would be greater productivity, increase the volume of work, but not here. The answer is simple and fits in well with this Government's desire to increase unemployment. Work is falling off, there is still the same number of men registered, so let's reduce the register. The board says, in respect of this latter statement, "Some progress has already been made, and further steps are being taken, to bring the size of registers more into line with immediate requirements for labour."

### We resist

In view of this statement, it is more than possible that attempts will be made to get rid of the more militant element among the dockers by some device or other. Accordingly, it behoves every man in the industry, to resist with all the power at his command, any suggestion of a reduction in the number of men registered. The Government must be told, in no uncertain fashion, that they have gone far enough.

## SOCIALIST REVIEW SUBSCRIPTION FORM

I enclose 16s.  
8s.  
4s. subscription for 1 year's  
6 months  
3 months issue of

### SOCIALIST REVIEW.

Name .....

Address .....

Send to M Maddison

21 Aubert Park, London, N5

## LP COMMENTARY

# Conference backwash

I MUST HAVE READ a couple of dozen articles in the last few weeks on the significance of Scarborough. Some of them really made me stop and wonder whether after all I had been there, so completely different from my own assessment were their conclusions.

The Official ex-Bevanites seem to think that they scored some sort of victory, at all events "Scarborough is a challenge to the Parliamentary Labour Party" (Ian Mikardo).

### Disunity of the left

The thing which most struck me about the Conference was the demonstration of the continued disorganization and disunity of the Left. At the H-bomb composing meeting, for instance, whilst there was some attempt made to present the right issue before the Conference, namely, unilateral action by Britain, there were still too many composited resolutions put forward from that meeting for the real issue to be focused properly. Furthermore, the wording of the unilateral action one contained an Aunt Sally, in that it sought in words to "instruct" the next Labour Government. Far better wording would have been for Conference to have gone on record as itself being in favour of unilateral action.

One of the reasons for the disarmament of the Left is the fact that the Party leadership is openly quarrelling with the Tories on some aspects of foreign policy, such as Quemoy, Cyprus, and H-bomb tests. It has also drawn up a foreign policy considerably to the Left of what it was when Robens was shadow foreign minister. And Bevan talks very refreshingly about Dulles' religious bigotry. **But while the big issue—the Bomb—remains outside all this radical talk, such talk must be considered part of a program of dishing the Left.**

My chief impression of the Conference was the fact that the Party leadership no longer feel they are under any pressure at all from an organized and conscious Left-wing. And they are right. VFS because of its isolation from the workers is ineffectual, and the Marxists are still few and disunited.

**Yet the potential for a Marxist stream in Britain is, in my view, considerable. Quite a number of people in the Labour Party are groping towards some better means of promoting the struggle for socialism within the Party and would respond to a properly organized call for the unity of the Left.**

Ron Lewis

# 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, i.e., 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 instance 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, linked to a realistic cost-of-living index, 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 unification of an independent Ireland.

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

- A Socialist foreign policy independent of both Washington and Moscow.

## FORUM

Seymour Papert refutes

## STRACHEY'S 'REFUTATION' OF MARX

A HOST of superstitions and myths grow up around the ideas of any great thinker. In the case of Marx, two in particular have been cultivated with great dilligence. The first claims that Marx proved that under capitalism the working class must be increasingly impoverished and that temporary gains of one section could only be at the expense of another (e.g. of the colonial workers). The second has it that he proved the inevitability of a succession of overproduction crises which precipitate depressions more or less like that of 1929 and will lead to the eventual collapse of the capitalist system.

## The pauperization myth

In *Contemporary Capitalism* Strachey uses the pauperization myth as his main lever against Marxism. In this article we are going to be more concerned with the myth than with Strachey but shall find it illuminating to examine certain of his arguments which are specially deceptive because superficially half true.

One of the most interesting chapters of Strachey's book is the seventh which contains a review of the distribution of wealth between the capitalists and workers. He imagines all the goods (and services) produced during a year to be put together in a large heap, which is then divided into the parts which fall into the hands of the various social groups: wage workers, salary earners, capitalists, MPs, etc. It is then possible to talk, in a rough sense, of the **percentage share** of each social group. An extremely interesting question is to ask how the workers' share has changed during the course, say, of the last century.

Strachey cites the studies of Colin Clark, Dudley Seers and other economic statisticians who have come to the remarkable conclusion that in Britain (as in most capitalist countries) this percentage share remained fairly constant (about 40) from the nineteenth century right up to 1939. During the war it increased to between 45 and 50 per cent, remained stable under the Labour Government and declined by one or two per cent under the Tories. If we take the share of all salaries and wages the corresponding figure varies between 60 and 75. (This includes the Managing Director as well as the salaried clerk and the school teacher, but excludes profits, dividends, rent, interest, etc.)

Although these statistics must be treated with extreme precaution it seems reasonable to say that the workers' share has resisted all forces tending to push it down and has even gone up a little since 1939.

## Constant part of changing whole

It is important to stress that our 40 per cent represents a percentage of a changing total. Thus during the depression years total output fell and

a constant workers' percentage share meant a smaller total amount of goods coming to the workers. Since 1938, on the other hand, total production has gone up by about a third so that the working class would have a larger total quantity of goods even with a constant percentage share. There is another sense also in which the figure is a bad index of workers' earning power. This is that it expresses the **TOTAL earnings of ALL workers** so that an increased number of workers might express itself as a larger workers' percentage share even though average weekly wages remained the same. Thus in periods or countries where the size of the working class changes considerably the figure is meaningless. In England, however, this is not the case. A significant part of the increase in the workers' percentage share since 1938 has in fact shown itself by an increase in average real wages which is somewhat larger than the 34 per cent increase in total production. (This means that the workers' percentage share has increased faster than the working class population.)

How has it happened that the workers' percentage share has remained constant and even increased? Is it possible that some law of economics dictates that real wages must rise with increasing production? Or are the capitalists led by a sense of British fair play to hand out an equitable share to the workers? Obviously not. **The working class has maintained its share in the pile by a constant, relentless struggle.**

Even Strachey admits this in an abstract sense. But the very essence of his reformism comes out when we look at the picture he gives of this struggle.

## Class pressure on industrial front

In the first place he claims that a large part of the increase in real wages since 1938 is due to "the political rather than the industrial pressure of the wage earners" (p 143. Note that he doesn't like the phrase "working class"). He cites as the chief examples of these "political" measures food subsidies and taxation biased against the rich. On a superficial level it is, of course, true that these factors play a role. But this half-truth conceals the vital factor: **what determines the division of the product between the capitalist and the worker is the relative strengths of the two classes on the industrial front.** Faced, for example, with higher taxes the capitalist will try to pass this off onto the workers by increasing the intensity of exploitation in one way or another. He fails to do this only to the extent that the workers are capable of resisting these efforts. It is particularly clear in the present period that the working class has protected its wage packet by pushing up money wages rather than by keeping down prices through political pressures.

## Where to fight

This is not by any means to say that political measures of the sort cited are valueless to the working class. But they are the cogs of the machine and not the motor which drives it. Of course the workers will and should defend cheap food and cheap rents. But these are meaningless unless the wage packet can be defended, and are never obtained except when the workers are strong as a class. In the last analysis it is a matter of form whether the capitalist class gives in to the working class pressure in the form of granting higher wages or in the form of subsidising food. However it is also, very often, a matter of choosing the battle ground and the reformists always prefer to fight it out on the terrain where the class forces will be least naked. This is the real significance of Strachey's attempt to sell the idea that it is largely "political" pressure which has done the trick.

When Strachey does discuss industrial action he sees only the unions which he describes as "nation-wide cartels for the sale of labour power at the highest obtainable price, solidly confronting the... employing interests." In a sense how right he is! That the unions have become cartels for the sale of labour power instead of being instruments for struggle contains more truth than many of Strachey's insights.

## Labour power—a commodity with fists

What he ignores is that labour power is a peculiar commodity. A motor-car, once sold, does not have the habit of stopping until the price is increased; nor of refusing to travel on certain roads or at certain speeds; nor of bringing pressure on the salesman to increase its price. Had Deakin been running a cartel to sell cars instead of dockers he would have been saved the embarrassment of seeing a large part of his merchandise refuse to be sold by him.

The point is that the wage level is not determined by the fact that the trade union executives are good salesmen but by the fact that the goods

they sell are good fighters. In no period has it been less true that the trade unions "solidly confront" the bosses. In fact they are always ready to "sell" the workers in quite a different sense. They take action only when driven by pressures which find no mention in Strachey's book and many of the workers' struggles have bypassed them completely.

The complex triangular relationship between the rank and file, the union bureaucracy and the bosses is not treated at all, though this is evidently an important feature of contemporary capitalism.

## Slump or war—false alternative

Although the wage packet is the key objective in the battle for the division of the product, it is by no means the only one. In fact, a characteristic of contemporary capitalism is the importance of struggles over norms, speed-ups, demarcations, redundancy and so on, all of which have the effect of cutting back attempts to increase the bosses share. But Strachey avoids speaking of these phenomena as a prude hides from the existence of copulation. What he will not admit is that capitalism is a jungle in which two fighting classes neither give nor receive quarter. It is this suppression of the existence of a class struggle which pervades the whole fabric of a capitalist society which divides him from the tradition of Marxism... his incredibly fatuous quibbles about the labour theory of value are simply a cover to avoid even mentioning the real issues at stake.

We have seen that the so-called law of pauperization is false precisely because it does not take account of the class struggle. But this is only an example of a much more general point. ALL attempts to formulate purely economic laws which will make long-term predictions about capitalism are open to the same criticism. To illustrate this idea we shall digress to say something about the second "myth" mentioned at the beginning of the article.

In a series of articles published some time ago in *Socialist Review*, Mike Kidron sets out to prove that: "This then is all that capitalism can offer. Either a slump in which workers starve while

## Welfare State ?

The belief is firmly fixed in British minds that the United Kingdom has a welfare state well ahead of its continental rivals.

ILO surveys, however, indicate that holidays on the continent are longer than those in British industry, that social benefits covering sickness and retirement are, in several countries, more generous, and that only in the fields of medicine and housing is Britain ahead.

(The Times Review of Industry.)

they wait for the goods to rot, or a war... The argument, which is familiar enough, runs thus: Suppose that wages are 50 per cent of output. The working class can absorb only half of what is produced. What happens to the other half? The capitalist class can't sell it, so it must keep it. It can't eat it all. Suppose it invests the difference. This means increased production next year and the problem becomes successively more acute. In the end stocks and machinery will pile up to the extent that factories will close down while we wait for the surplus to rot away. The vicious circle begins anew. The only alternative seen by Kidron (and very many others) is that the surplus be invested "unproductively". It is then argued that the only sufficiently big channel of non-productive investment is arms production. Hence the alternative: slump or war.

## Workers can stabilize capitalism

But in all this theorising a possibility has been ignored. This is precisely that the workers will be able to extract higher wages. Depending on the extent to which they are able to do so, they will either "mop-up" sufficient of the surplus to prevent a slump, or keep its level so low that the "slump" appears in a mild form. But all this depends on the relative class strength which cannot be predicted in purely economic terms.

To make this more concrete we shall look at the way in which capitalist economies have actually expanded in recent times. In 1956 the U.S. produced about two and a half times its 1929 output. That means, very roughly speaking, that for every hundred units produced today, 40 duplicate the production of 1929 and 60 are "new",

## Contemporary Capitalism !

In the British population of 50 millions there are nearly 5,000,000 retirement pensioners, 500,000 widows receiving special benefits, nearly two million war pensioners, not far short of 250,000 people receiving industrial injuries and disablement allowances; almost 500,000 unemployed, and therefore around two million men, women and children dependent on unemployment benefit; and, on any average day, nearly one million wage-earners and their families dependent on sickness benefit. Altogether about 2½ million people are dependent at any one time on National Assistance allowances, most of them for extremely long periods. There are many more people, particularly the old (as a number of studies make clear) who would qualify for National Assistance, but do not apply.

There are 300,000 mental defectives and persons of unsound mind, most of whom are in mental hospitals and other institutions; over 750,000 disabled persons, including spastics and the blind; there are hundreds of thousands of persons in chronic sick hospitals, institutions for the aged, children's homes, and even more chronic sick living at home. There may be nearly a million old people who cannot leave their homes unassisted. Finally there are many adults and children in large families, among whom recent surveys have confirmed nutritional deficiencies; many young and middle-aged widows with children to support and many working men still earning less than £7 or £8 a week.

(P. Townsend in *New Statesman*, October 18, 1958.)

i.e. represent the increased production. What happens to these 60 new units? A rough calculation shows that they are divided up as follows:

|                            |                      |
|----------------------------|----------------------|
| Increased consumption :    | 36 units=60 per cent |
| Arms :                     | 10 units=15 " "      |
| Other government works :   | 7½ units=12½ " "     |
| Private gross investment : | 7½ units=12½ " "     |
|                            | 60 units=100 " "     |

Thus the greater part of the increase has been mopped up by salary and wage increases and there is no theoretical reason to suppose that the workers could not have fought for and won the further ten units which go into armaments.\*

In the case of Britain a similar picture can be seen. Compared with 1938, 25 per cent of present production represents new output. The subdivision of the 25 units is at least 12 for wages and salaries and about 8 for armaments. Moreover, of all capitalist countries, it is Britain where armament production represents the largest proportion of the new product.

#### Class relations—basic

Strachey, too, makes an attack on "purely economic" theories. But there is a profound difference between his position and ours. For him (v pp123ff) "economics" is insufficient because political, religious and other factors also have their rôle. For a Marxist none of these factors, nor the lot of them together, is enough because there is something deeper: the basic relations which exist between the social classes in the process of production. Strachey thinks that a part of Marxism is refuted by the failure of the pauperization theory. I say the opposite. The fact that it was the dynamic of the class struggle which enables us to see why this theory is not true CONFIRMS the key idea of Marx's thought. The historical importance of Marx was his discovery of the crucial historical rôle of the class struggle.

The reader will have noticed that we have said nothing to indicate whether Marx himself supported the doctrine of the inevitable pauperization of the workers. We have remarked that this doctrine is incompatible with at least one of the corner stones of his thought. We could draw attention to the fact that Marx devoted much energy to struggles aimed at bettering the conditions of the workers and even concerned himself with such details as the demand that the factory inspectors be properly qualified (see his *Critique of the Gotha Program*, for example). But to deal thoroughly with the problem demands a careful analysis of his writings as a whole and a consideration of the possibility that his voluminous works contain contradictory elements. This analysis will be the subject matter of a later article; for the moment we shall confine ourselves to two comments on Strachey's claim to prove that Marx held the doctrine.

#### Strachey—misleading and misled

The first comment concerns his misleading use of quotations. For example, on pp 104-5, he writes: "Marx had said unequivocally that there was a 'law' which decreed that while capitalism existed, the wage earner must inevitably sink deeper below the condition of existence of his own class that there must inevitably be an increase in the mass of poverty . . ." We note that the two occurrences of the word "inevitably" are Strachey's own addition and are not part of the quotation from Marx. The full quotation (*Communist Manifesto*) reads: "The modern labourer, on the contrary, instead of rising with the progress of industry, sinks deeper and deeper below . . . etc." In other words Marx is describing, very realistically, the impoverishment of the workers of his time. This is a very different story from setting up as a prophet to say what must inevitably happen as long as capitalism existed.

The second comment concerns the confusion between Marxism and the perversions put out by Moscow and its CP's. Here there is no doubt. The doctrine of pauperization has been a dominant feature of CP doctrine. Now while Strachey does differentiate between what Marx said and what the CP says, he lets it be understood that the latter is a natural development of the former. (For example, he describes Russia as a society built on the basis of Marxist ideas.)

But this is not true—the characteristic feature of Moscow's "theories" is not their tenuous links with Marxism but their rôle in bolstering the profoundly anti-working class policies and ideology of the Russian bureaucracy. And in concluding I want to emphasise one point: This is that Strachey is incapable of making an analysis and critique of Stalinism because his own reformism has so much in common with it. Both, in brief, seek to dominate the working class and deprive it of initiative in the struggle to change society and in the running of society. Hence both look for a view of society which is based on the operation of laws and forces above the classes and independent of the real class struggle. It would be foolish to identify Stalinism and Western Reformism. But no one can understand either without understanding the extent to which they have profound common features.

\* Of course, the issue here is not the relative advantage of this or that remedy for use by governments when a slump situation is actually on them, but rather the long-term processes which counteract the tendency to overproduction.

## LETTERS

### Unity of Ireland

You say that George Adair (SR, October 1) writes on the need for a united Irish Republic. If he believes in such a need why does he say that the Stormont government is a permanent and practically unchallenged regime? It is difficult to see how any democrat can view with equanimity the continuance of the rule for any considerable length of time of this religiously bigoted and politically intolerant junta.

It is well known that a former Prime Minister declared that he wanted a Protestant parliament for a Protestant people, blandly ignoring the existence of thousands of Catholics in his fascist statelet. Another shining light of the North wanted to fumigate a building in which Mass had been said. Still another Northern luminary, Mr H Midgley, who is mentioned by Mr Adair and who ratted from the Labour Party to become a minister in the Stormont government, banned a school book when he was Minister of Education because it contained a picture of the Eire tricolour.

People who are inclined to view the Stormont clique as a legitimate body representing any section of the Irish people should keep in mind its fraudulent inception.

In refutation of the English Prime Minister's absurd contention that there was in the North of Ireland a "homogeneous population alien in race, alien in sympathy, alien in tradition, alien in outlook from the rest of Ireland", the Bishop of Derry, Dr McHugh gave the following details *inter alia*: (1) the Catholic population of Ulster, leaving out Belfast, was greater than the total of all other denominations by some 400 souls; (2) in four of the "homogeneous" counties—Tyrone, Armagh, Fermanagh and Derry—Catholics were in a minority of only 53. As far as I know, Dr McHugh's figures have never been questioned.

Mr Adair rightly says that the Ireland Act strongly reinforced Partition and as a loathsome by-product brought disunity, bitterness and chaos to Irish working-class politics. Surely this is a sufficiently weighty reason to make every sincere democrat strive for a united Ireland.

### Apathy in the Trade Unions

Apathy means lack of feeling, want of passion or emotion, indifference. Do these phrases adequately sum up the trade unionist of today?

At the beginning of the modern trade union movement, most members knew each other as their meetings were social as well as formal. Members dealt exclusively with their own trade or craft, striving to better their conditions, partly by training their own apprentices or partly by the first example of "closed shop" working.

Between 1892 and 1920 union membership rose from 1,500,000 to 8,350,000, during the same period the old trade guilds slowly disappeared, giving rise to the general trade unions which dealt with larger bodies of workers in a greater variety of trades.

In this era, indeed up to 1940, the unions were militant, fighting for better conditions and pay rates whilst successfully attaining a new higher status in the commercial world. During the 1939/1945 war rates of pay rose, working agreements were signed, conditions improved and full employment ensued.

At the same time the unions streamlined themselves by amalgamation and federation, the number of unions dropping from 1,019 to 757, whilst their membership increased. A trade union card became a passport to work. Shop stewards' committees started taking greater participation in Joint Advisory Councils with managements. Unions were now less militant since there was little left to fight for, official strikes being avoided in favour of arbitration.

Today the trade unionist enjoys the

Partition was obtained through the use of the most nefarious methods. When negotiations were proceeding, the trickster, Lloyd George, then Prime Minister of England, gave the Irish leader, John E Redmond, a pledge that there would be no permanent partition of Ireland. At the same time he sent a letter to Sir Edward Carson, the Orange leader, assuring him that Ulster would not be allowed to merge with the rest of Ireland whether it wanted to or not.

**Eire had 78,500 workless in April; 60,000 emigrated in 1957. In Northern Ireland 43,000 are looking for jobs while 8,000 get out annually.**

Socialists have a clear duty to support the men who are fighting for the freedom of Ireland. Some socialists excuse their inactivity in this matter by taking refuge in the subterfuge that anti-Partitionists are not fighting on a socialist program, and are therefore not entitled to socialist support.

The present issue in Ireland is Partition. Until that question is settled and the freedom of the country secured there can be no peace in Ireland, North or South. The sooner that is realized by socialists the better.

In conclusion, may I be allowed to appeal to Mr Adair to refrain from applying to anti-Partitionists the term "handmaidens of Popal teachings"? I am not aware that the Pope has made any pronouncement on the partition of Ireland.

W P Lavin

Glasgow, SE

**Socialist Review stands for—as does George Adair—a united, free and socialist Republic of Ireland. In this we have no quarrel with Correspondent Lavin. As old readers will have guessed by now, we disagree solely on the method. We believe that Partition will be ended as the workers of Ireland come to power; Comrade Lavin, and many like him, believe it can be ended with the bullet, without a fundamental change in society north and south of the Border—Editor.**

conditions obtained by the older generation, conditions as near perfect as possible. He either forgets or does not know what his forbears fought for. A union card is now a necessity rather than a jealously guarded privilege. Outside entertainments and attractions take precedence over dull union meetings. Social life is still strong amongst members of certain trades, such as dock workers, meat trade workers, miners. But even there active trade unionism is confined to the minority rather than the majority of the membership. Trade union rules are often flouted for the sake of extra money, indeed it is often self first and self last instead of all for one and one for all.

It might be said that the unions have become unwieldy with the top executives out of touch with the rank and file, whilst little is left to fight for. It is certain that unionism is not so militant as it was in the past, and without anything worth fighting for, whilst everything runs smoothly, the average member loses interest. He becomes apathetic.

Kingston

B A Brown

**Brother Brown seems to live in a world strangely lacking in Mac-Alpines, d'Erlangers, and other sack-happy employers. Is there really "little left to fight for"? Does the trade unionist enjoy "conditions as near perfect as possible"? What would the average trade unionist fighting to retain his right to work against growing unemployment think on reading such phrases? Our job, now more than ever, is to fight apathy, not accept it—Editor.**

2/6 post free from M Maddison, 21 Aubert Park, London, N5

Read INTERNATIONAL SOCIALISM

# SR exposure

## Raymond Challinor reveals

### The strange case of Mr Summers

LAST YEAR'S Bank Rate inquiry staged by the Tory Government to whitewash City speculators, performed at least one important function—it clearly showed the highly ambiguous position of businessmen who sit on the boards of nationalized industry. These gentlemen are supposed, in their capacity as directors of the nationalized concerns, to put the public interests first, while at the same time, continuing to run their own private businesses.

But what happens when public and private interests conflict? This is the quandary that confronted Mr W J Keswick. As a director of the Bank of England, his job was to defend the pound and stem the speculative run that might easily have led to devaluation. However, in his private capacity as a financial adviser, his job was to counsel his clients on how they could make the most money—at that time by selling, and thereby weakening, sterling.

#### £6,400 a minute

And, as the inquiry showed, very much money was made by financiers. In five minutes one firm made £32,000—more than most of us make in a life-time of toil. Whereas for the overwhelming majority of the British people the increased Bank rate meant higher rates and rents, for the financiers it meant greater wealth. Whether their profitable anticipation of the Bank rate increase was due to clairvoyancy, chance—or somebody with inside information spilling the beans—we shall probably never know. But, as was pointed out at the time, one thing is sure: the highly equivocal position of members of nationalized boards, like Mr Keswick, who have access to inside information from which they could derive great personal gain.

#### One man—11 firms

Unfortunately, with the Bank Tribunal receding into the limbo of the past, this question has tended to become forgotten. But it is—and will remain—an important issue so long as the management boards of state-owned industries are weighed down with financiers, businessmen and their ilk. Take, for example, the London Midland Area Board of the British Transport Commission. With a membership of seven, they hold 32 other directorships between them.

One man, Mr Richard Felix Summers, an ex-director of LMS Railway Co., sits on the boards of

eleven other concerns. They are: John Summers & Co Ltd, United Steel Co Ltd, Steeley Co Ltd, Shelton Iron & Steel & Coal Co Ltd, Coking Co Ltd, Castleun Firebrick Co Ltd, British Periclase Co Ltd, District Bank Ltd, Royal Insurance Co Ltd, Liverpool & London & Globe Insurance Co Ltd, Steeley Magnesite Ltd.

#### Schizo-Summers

This gives rise to a number of interesting points. Four of the above-mentioned firms are in the steel industry. John Summers & Co Ltd has, in fact, been taken by the Iron & Steel Employers' Federation as an example of a first-rate firm. In its campaign against re-nationalization of steel, they have had half-page advertisements in most of the leading daily newspapers showing what idyllic conditions exist at John Summers' factories and what a terrible disaster it would be for all concerned if it went back into state hands again.

We can, therefore, see the schizophrenic existence Mr Richard Summers must lead. On the London Midland Board of British Transport Commission he works for nationalization, trying to make it a success; as a director of John Summers he works against nationalization, trying to stop it entering the steel industry. This is the type of situation from which W S Gilbert wove the plots of his comic operas.

#### Pecuniary interest?

But for railway workers the present position is far from funny. As Councillor N F Bradshaw, an engine-driver pointed out in the last issue of SR, they are suffering from redundancy and loss of earnings. This is primarily caused by British Railways' modernization scheme,

which cuts down on staffing requirements.

Interestingly enough, some of the steel for the Railways' modernization scheme is coming from firms where Mr Summers is director. Therefore, while this scheme means hardship and loss of earnings for railwaymen, it means an increased turnover and higher profits for the firms where Mr Summers is director.

On local authorities, when matters arise where a councillor has a pecuniary interest, they have to state it openly and are debarred from taking part in the discussion on that issue. To the best of our knowledge, no such procedure is

nationalized industry. They run them along the same capitalist lines.

The very fact that Summers is a director of 12 concerns in a variety of industries shows that to be a director it is not necessary to have a detailed knowledge of each firm's working, but merely to be able to lay down the broad policy the firm should take. For this reason, the argument that workers' control is an impossibility because workers have not got the "know-how" is sheer nonsense. All that is required is that they should lay down the general lines along which the industry should operate.

See page 5

## WHAT WE STAND FOR

adopted on nationalized boards. While the *Socialist Review* is not in any way suggesting that Mr Summers—or anybody else—has sought to influence the decisions of nationalized boards so that private concerns with which they are connected receive valuable contracts, the present position is, in our opinion, highly unsatisfactory. Large sums of public money are being spent by nationalized boards, and decisions are being taken by men with direct pecuniary interests.

All this leads us back to a fundamental point: namely, the totally unsatisfactory character, from a worker's standpoint, of the present set-up in nationalized industry. Being so closely connected with private industry, as well as having been one of the old bosses of pre-nationalization days, men like Summers inevitably bring capitalist ways into

This is just what happens on local authorities. The permanent officials, sitting in an advisory capacity, give advice and technical information to the Council, a body elected by the people, and are responsible for implementing its decisions.

There is no reason why, in the same way, democracy should not be taken to the workshop floor, with the management elected by the workers. Indeed, only when industrial democracy is achieved—in other words, when the people own and control industry—will democracy in its fullest sense become a reality. Furthermore, only when workers have control of industry will they be assured that it will be run in their own interests, not those of the bosses.

The answer, therefore, to the present crisis in the railway is: Sack the bosses, not the workers!

## 1,000,000 UNEMPLOYED? from page one

Others, again, set themselves a deadline of a week or a fortnight during which they will seek work before they obtain the assistance of the Ministry. But even by this standard the trend is ominous.

#### National Assistance boom

Figures given in the press on October 7th revealed that the mid-September total of 476,000 was 30,000 up on the mid-August ceiling. This was the highest for very nearly twenty years (with the exception of the short period of the fuel crisis). And of these, 416,000 were wholly unemployed—a rise of 13,000. Even more serious was the sharp hike in the numbers of those out for eight weeks or more—193,000 (almost half the total—as compared with 144,000 the previous month and 108,000 twelve months ago).

Perhaps a more reliable standard for the growing tide of want is afforded by the increased number applying for National Assistance. The number dealt with by the Board during 1957 (apart from those requiring grants to

meet charges under the National Health Service—in itself a revealing admission) was over 2,000,000—or a quarter of a million up on 1956.

The number on short-time also increased. In the week ending August 22nd they numbered 160,000—4,000 more than in July. And the number in manufacturing industries working overtime in the same week was 1,196,000—or 338,000 fewer than a year ago. When it is reflected that this is a drop of 25 percent (and that it is almost certainly an incomplete figure), the effect on the workers' standard of living will be appreciated.

#### Four major points

We therefore ask readers to consider the following:

- The fall in the size of the working population;
- The numbers of workers forced OUT of full employment and into part-time employment.
- The fewer vacancies available;

- The increased length of time during which people remained out;
- The numbers on short-time and the very substantial fall in overtime; and relate these to
- The workers' income over the last year;
- The stagnation in production;
- The failure of prices to fall despite improved terms-of-trade for this country in world markets.

#### Conclusions

IT IS QUITE EVIDENT THAT

- WE HAVE ALL ACCEPTED A PAY CUT.
- IT IS NOT RISING WAGES THAT ARE HINDERING THE ECONOMY.
- THE UNEMPLOYMENT FIGURE IS VERY MUCH WORSE THAN THE GOVERNMENT WOULD HAVE US BELIEVE AND MAY VERY WELL BE NEAR THE MILLION MARK.

**SOCIALIST REVIEW** is published twice a month by Socialist Review Publishing Co. Ltd. Subscriptions, post paid: 1 year: 16s. 6 months: 8s. 3 months: 4s. Opinions and policies expressed in signed articles by contributors do not necessarily represent the views of **Socialist Review** which are given in editorial statement.

All communications to be addressed to the publisher, M. Maddison, 21 Aubert Park, London, N5

Printed by H. Palmer (Harlow) Ltd. TU, Potter Street, Harlow, Essex.