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Letter to Readers

We have had a series of reports from various countries arrive in the last week or so. In particular two reports from a correspondent in Algeria are of such interest that we have decided to publish them as a supplement which will be about the same size as a full Bulletin.

Other reports from Cuba, Dutch Guiana, Greece, etc. will be fitted as soon as possible.

We wish that we were doing as well for local reports from localities in Britain and would take this opportunity to make another appeal to our readers to send more in.

We hear that the NALSO-Young Guard-New Left school at Hythe from September 7th-13th is going well for deposits. We are to remind readers that if they are interested in going to this school for either the week end or the whole week IT IS ABSOLUTELY ESSENTIAL THEY SEND THEIR DEPOSITS IN IMMEDIATELY. The warden of the hostel must have sufficient notice to enable him to order groceries, etc. Anyone who can only get for the weekend will be able to hear Deutscher. We will be going back to a full sized Bulletin next week.

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HUNGER IN SOUTH AFRICABased upon Guardian article

"It is not generally known what the true state of affairs is in Vendaland. After more than two years of serious drought a general food shortage has arisen in virtually the whole area north of Pietersburg... children are starving to death. In the past few months nine children under five have died of kwashiorkor here, and pellagra is rife." These quiet words, which mask a vast area of human suffering in Northern Transvaal, are taken from a report in the Johannesburg Star of May 7, 1963. Their source was Pastor Snyman, of the Dutch Reformed Church in Louis Trichardt, and his publication of the facts about the Northern Transvaal famine, in face of a Government-imposed embargo on such news, was an act of courage and conscience.

...The fact that these more recent revelations came from a Church which is normally complaisant towards the Bantu policies of the Nationalist Government gave them added weight. They were made by Pastor Snyman because his approaches for assistance made to the local administration had been spurned and he felt that, in face of the human misery involved, he could no longer keep silence.

He added further details: 301 cases of kwashiorkor and 1,224 of pellagra treated in 5 hospitals in 2 districts alone between September, 1962 and February, 1963, apart from the many more cases left untreated in the villages; hundreds of thousands of people already reduced to 3 meals of thin mealie porridge a week; the countryside swept bare of the wild spinaches normally used to supplement the diet; no prospect of relief from a new harvest before February or March, 1964. And once the news was broken Pastor Snyman's statements were reinforced by mission doctors and others from all over the region.

The Government's reaction was sharp. It immediately imposed an embargo on entry into these areas by press photographers, and warned missionaries and others that such reports should be discouraged since they were inaccurate and exaggerated and were intended solely to discredit South Africa's name abroad. For the same reason it warned them against the acceptance of overt help from welfare organisations overseas, however disinterested they might be.

....The areas affected contain, though they do not adequately support, an African population of well over 2 million people. Last year, according to well-informed sources, the Government contribution to emergency feeding was only £30,000, while, in the area worst affected a total of 150 jobs on the roads at an all-in wage of a shilling a day were provided as the much-trumpeted famine Relief programme...All the indications are that unless the authorities are prepared to admit a massive influx of welfare funds, or to mount a major operation on their own account, a very real human tragedy will unfold in the months ahead.

....South Africa is a country of embarrassing agricultural surpluses. Millions of bags of maize are exported annually at a heavy loss to Communist China and elsewhere. When prices are considered too low, bananas are destroyed in the fields on official instruction and citrus left to rot in great mounds. Meat and meat products are produced in excess of the capacity of the local market to absorb them, and foreign outlets are eagerly sought, while surplus milk is poured into the sea. Yet all this goes on while hundreds of thousands of people know permanent hunger, and diseases of malnutrition - kwashiorkor, pellagra, and gastro-enteritis - take a heavy toll, particularly among the younger age-groups, causing many deaths and preventing the sound physical development of thousands.....In the urban areas, there is one simple cause. It is the impossibly low industrial wage structure, which investigation after investigation has proved to be totally inadequate for the support of normal family life....

BUSY TIME IN LABOUR EXCHANGES FORECAST BY CIVIL SERVICE ARGUS

An industrial correspondent has drawn our attention to the following comment which appeared in the August issue of Civil Service Argus, the journal of the Ministry of Labour Staff Association:

"Unemployment sets a puzzle," so read the headline to the Editorial in the Financial Times of June 21st. The puzzle is why there should be a fall in unemployment with no increase in production, especially when in recent surveys businessmen have indicated that a considerable increase in output was possible with no extra demand for labour.

It is suggested in the Editorial that employers have again begun to stockpile labour, to make sure they have the necessary labour force to cope with the good times ahead; but there is a second possibility which is that the big improvement in unemployment is rather a temporary affair, because employers having equipped themselves with a reserve of labour will be able to lift their output a good deal without employing more men.

The pointer is still to busy times in the Employment Exchanges this Autumn and Winter.

E.T.U. LEADERS FLY KITES FOR WITCHHUNT by an industrial correspondent

A large correspondence has been fostered in the E.T.U. journal by the rightwing E.T.U. leaders, in order to establish a witchhunt atmosphere in which communists can be banned from holding office.

Two letters appearing in the current issue of the journal give general support to the idea, from W.G. Crowe, London Airport Supervisory branch, and Patrick O'Hanlon, Motherwell Supply Branch. The former makes the point:

"...In view of the decisive mandate given to the E.C. to remove the perpetrators of fraud (which must include those who wittingly or unwittingly support the return to power of those who owe allegiance to the same creed), I would deem it imperative to institute a ballot to ascertain if the membership concur with this course of action, to restore sanity and unity to our organisation."

The latter ends his letter:

"In a truly democratic society a man must be allowed to express an opinion about the obligations and sacrifices imposed upon him, and not be forced to obey without first being given a fair and impartial hearing.

"This is a basic right.

"The old executive denied our members this basic right and so operated a false democracy within our union."

BUILDERS DEMAND NATIONALISATION OF INDUSTRY.

The latest issue of the Woodworkers Journal, the paper of the A.S.W., reports the following resolution passed by the recent conference of the National Federation of Building Trade Operatives:

This Conference of the N.F.B.T.O. reaffirms its policy calling for the nationalisation of the building industry as a necessary step in the provision of adequate accommodation for our people.

To this end Conference believes it is essential that there should also be nationalisation of land in order to curtail the speculation and profiteering in land which is having a seriously adverse effect on the cost of housing.

Conference realises that these objectives can only be reached through the return of a Labour Government and calls upon its affiliated membership to do all in its power to ensure the return of Labour at the next General Election.

The Danish Communist Party (CPD) has completely lined up with the SU in the Sino-Soviet dispute. The party daily "Land og Folk", 16th July, declared, "In our whole political work we have struggled to secure peaceful coexistence. To prevent an atomic war is the supreme task of our time and the general line of the communist movement."

One of the leading theoreticians of the party, Gelius Lund, (who is editor of the 'Facts about the Soviet Union', which is issued by the Soviet Embassy in Copenhagen) writes in "Land og Folk" 19th July, "Discussion is generally a good thing. In the present example, however, the conflict is a disadvantage. The Chinese leaders have no positive or constructive proposal to make. It is not constructive to make oneself an opponent to general and complete international disarmament, or to attack peaceful coexistence as the general line of communist parties."

Danish communist writer, Hans Scherfig, in an interview with the bourgeois paper "Information", states that, "We scarcely know what the conflict really is about. The policy of the SU seems most favourable to us, because it gives us more chance to avoid war. The Chinese only stick more to the writings, more to Marx and Engels and probably do not recognize that all these clever words were written before anyone thought of the atomic bomb."

During the whole conflict "Land og Folk" has been very partial in its reports. While the view points of the SU have been announced with large headlines, several important Chinese declarations have either been omitted or drastically shortened.

DEBATE IN THE PEOPLE'S SOCIALIST PARTY. Also from the "Scandinavian Bulletin."

The so-called "opening to the left" supposed to have taken place after the Socialist Party of Nenni had become the supporting party of the Christian-Democratic Government, is being discussed in 'SF' the weekly of the People's Socialist Party. Most of the discussion has taken place between the chairman of the People's Socialist Party Aksel Larsen, and Kaj Moltke, P, one of the editors of SF and delegate of the People's Socialist Party to UN, and a prominent communist) Kaj Moltke emphasizes the Italian left-wing socialist criticism of Pietro Nenni because of his compliance towards the bourgeois parties; and attacks Nenni and his party because of their abstention when the NATO nuclear forces and the permanent placing of polaris submarines were put to the vote. "Can a real socialist through government participation be co-responsible for NATO policy and rearmament? And can socialists abstain from voting without losing face, when the subject is nuclear rearmament in their own country?"

Aksel Larsen, who in the four years People's Socialist Party has existed has been trying to place the domestic political line of his party close to the Social Democratic line, evades this and other questions of the same kind and asks instead, "That is a NATO government. Is it a government which will strengthen NATO and counteract the relaxation or is it a government in a NATO country? In the last instance it might support the relaxation and weaken NATO."

The debate is especially interesting because the Third Congress of the People's Socialist Party is due in October. Leading up to the Congress the first principle-programme of the party is being thoroughly discussed.

SOVIET EXPERIMENT..... from 'The Guardian'.

The Soviet Government is experimenting with one of the controversial economic proposals made last year by Dr. Leibermann of Kharkov University. One of his proposals, aimed at giving greater freedom to individual enterprises, was to give plant directors the right to make their own manpower arrangements. The far-reaching proposals, which included the introduction of the profit motive, were not endorsed by Mr. Khrushchov, but Mr. F. Maniola, the Soviet Deputy Minister of Finance, revealed in 'Izvestia' that "the Government has granted to certain plant managers and directors of building and other organisations the right to determine the structure and establishment of their administration." He said that at the present time almost 300,000 managers "have the right to fix the size of their administrative establishment."

Dr. Leibermann's proposals, published in 'Pravda' last September, were aimed, among other things, at eliminating administrative over-staffing, which is one of the most pernicious problems of the Soviet economy. He suggested, in essence, that wages in enterprises be paid in accordance with the percentage of profit made by the plant in relation to its capital assets. Insisting on the need to abolish 'petty supervision of enterprises from the centre', he also proposed that detailed planning from above should reach only as far as the region, and that below that level factory directors should be able to make their own arrangements on investment, wages and the size of the labour force.

AMERICA'S POOR..... based on an 'Economist' report.

Almost one third of American families are poor- by American standards. Various yard-sticks have been proposed for measuring poverty. The Bureau of Labour Statistics has suggested drawing the poverty line at \$4,000 a year for a family of four, and \$2,000 for an individual living alone. This places about 50 million Americans among the poor, which include 11 million children, 8 million people aged 65 and over or approximately half of all America's "senior citizens", and 12 million Negroes (who account for about $\frac{1}{2}$ of the statistical poor). Naturally the three categories overlap. The rest are believed to be Puerto Ricans and other minorities, poor whites in America's vast, backward rural areas, miners and textile workers who have long been unemployed.

The poor live in the one fifth of American housing that is officially sub-standard. Their crime-rate, in the overcrowded slums, is said to be increasing at an abnormal pace. Many of them are so illiterate that they cannot read newspaper advertisements of jobs. They experience both mental and physical ill-health quite out of proportion to their numbers. And there is a growing suspicion that the 11 million of them under 18 may be permanently disabled by lack of education and opportunity.

Meanwhile the American middle-class is vast and growing: almost $\frac{1}{2}$ of all families have annual incomes that range between \$6,000 and \$15,000; while 4 million families have incomes from \$15,000 up.

The middle-class succeeds in escaping from the poor by fleeing from the cities to the suburbs, and by finding private schools for their children, in preference to the tax-supported ones where they would have to mix with the impoverished whites and racial minorities.

Having broken off contact with the poor, the middle-class finds it difficult to believe that they really exist.

BOOKSHOP SELLING CHINESE LITERATURE OPENED IN BATH

The "New Era Books and Handicrafts" shop has recently opened in Bath. It has placed large adverts in New Statesman and Tribune listing various books and pamphlets which put China's point of view in the polemic with Khushchov and co. A van with two representatives of the firm has been touring the country contacting Communist Party bookshops and other shops which sell socialist literature.

More recently adverts have been placed by the firm asking for part-time agents to take subscriptions and to sell books and magazines. The address of the shop is: New Era Books and Handicrafts,
1A, The Paragon,
Bath,
Somerset.

CO-OP CALL FOR TRADE WITH CUBA

Among the resolutions listed for the Annual conference of the London Co-operative Party is one from Holborn which calls on the Labour and co-operative movements to study ways of improving trade, economic and cultural links with Cuba. It urges the C.W.S. to carry out direct negotiations with Cuba for the purchase of sugar and other commodities. The resolution is pleased with Wilson's declaration that the next Labour Government will ban the export of arms to South Africa. It ends on a note of criticism of the London Society because it has not fully operated a boycott of South African goods.

AWKWARD QUESTIONS TO TORY CONTROLLED CO-OP based on Co-op News report

An intriguing situation has arisen in the Tory-controlled Leeds Society where according to Mrs. Pauling Collins, one of the two Leeds Co-operative Members' Association nominees on the board, directors' fees and expenses for the half-year ended on June 30th amounted to £1,781. Of this, she claims, only £250 was for fees and travelling expenses, leaving £1,531 for other expenses.

But just how this sum is made up, she says she is unable to find out - "The auditor promised me information at a recent meeting but later on changed his mind on the grounds that officials of the society had refused to give it. I want the information because I disagree with the rule allowing directors to claim 30s. a day expenses when on the society's business. This should be allowed only for business outside the society's area," she adds.

As a director, of course, Mrs. Collins is entitled to detailed information of the kind she asks for. Otherwise she would be within her rights in placing the facts before the Registrar of Friendly Societies.

The basically anti-Co-op attitude of the Tory majority of the Board of the Leeds Society is shown by the fact that it has the lowest ratio of purchases from co-operative sources in the country. The figure being a mere 13 per cent.

THE AFTERMATH OF LONDON LABOUR PARTY FIGHT OVER GREEK ROYAL VISIT

A London correspondent has drawn our attention to the following report which appeared in the organ of the London Municipal Society (read London Tory Party) - The Londoner - under the heading of "Greek Visit Widens Labour Split":

"The already serious split between right and left in the Labour Party on the L.C.C. has widened alarmingly. The fact that such a rift has existed for a long time is well known but that it should manifest itself in the form of an open revolt came as a surprise to even the most acute student of London politics.....Dr. Harry Rezler, Dr. David Kerr, Mr Barry Payton and Miss Joan Lester strongly supported by Mr. Hugh Jenkins" led the campaign...

International capital movements have grown enormously in recent years. The U.S. has found that a massive current account surplus is not sufficient to offset the net outflow of capital and the government has now tried to put a direct curb on capital.

It is suggested in the current issue of the Westminster Bank 'Review' by A. Conan that Britain is suffering from the same trouble and may adopt familiar measures. He points out that during the 1950's capital movements in money terms were at least 10 times as great as in the 20 years preceding World War II. In more recent years Britain has looked to the current account balance as the main cause of the payments trouble. It is assumed that we need a large surplus on current account to service the external debt, finance overseas investment and replenish the reserves. A. Conan thinks this unrealistic. "The U.K. does not normally earn a surplus with non-sterling countries and its customary surplus in the overseas sterling area is financed by a reduction in sterling balances. Under such conditions, capital movements exert a major influence on the reserve ratio. The flow of capital from the U.K. impairs the ratio because it increases liabilities. On the other hand, the reserves are maintained by imports of non-sterling capital into the U.K. and the overseas sterling areas."

If it can be proved that the capital account is in fact the more troublesome part of the payments balance (as in the US), it may be a fallacy to insist on a big current account surplus just as it was to insist on a Budget surplus 30 years ago.

The argument that a payments balance can be put right painlessly by controlling the outflow of capital has always appealed to economists. On the whole, the experience with British Exchange Control in time of peace has not been encouraging. It became increasingly ineffective and damaging to stability. Time alone will show whether the new American attempt will be more successful. Meanwhile, the work done by A. Conan in this and previous papers has brought out how little is really known about the ways in which a country's external accounts can be kept in reasonable balance.

HARD STRUGGLE FOR BRITISH EXPORTS FORECAST BY O.E.C.D.

A tough struggle in the battle for British exports was forecast by an economic survey issued by the Organisation for Economic Cooperation and Development in Paris on August 13th. The O.E.C.D. pointed out that unless "an important breakthrough" was made in the field of exports, it would be difficult for Britain to achieve the government's target of an industrial growth rate of 4% a year.

The survey held that British exports had not done well since the war because of their lack of competitiveness in price, delivery dates, aggressive selling and servicing. The latest available statistics show that Britain's share of the world trade had dropped from 21% in 1953 to just over 15% last year.

It stated that Britain's problems would be made more difficult by the development and competition of the Common Market. The survey doubted whether the problems raised in connection with the retraining of redundant workers would be met. It pointed out that the total number of redundancies each year in Britain was perhaps 200,000, but that the annual intake of government retraining schemes was at present only about 6,000. Government plans to build additional training centres for another 6,000 would still be woefully inadequate.

The report backs the government's efforts through N.I.C. to slow the rate of wages increase, saying, given "a proper relation between output and incomes," British exports should be able to benefit progressively from the faster rate of productivity. The Guardian city correspondent draws the conclusion that the O.E.C.D. is saying that an incomes policy is the key. He fails to mention that the same advice is given to all capitalist governments to improve their position in relation to other competitors.