

MILITANT

FOR LABOUR AND YOUTH

Common Market No
Answer to the Problems —
Labour must press for:

NUMBER 22

DECEMBER-JANUARY 1966-7

SIXPENCE

UNITED SOCIALIST STATES OF EUROPE

By TED GRANT

The issue of the Common Market is becoming once again a burning issue for Britain and the Labour Movement. When it was raised by the Conservatives, when they were in power, raised to promote the interests of the giant monopolies, Wilson and the other Labour leaders offered vehement opposition. They pointed out that it would raise the cost of living enormously, crush the agricultural industry and lead to a lowering of the standards of living of the working class. They opposed it from a "nationalist" and "Commonwealth" point of view.

Now, on this as on other issues, the leaders of the Labour Movement have reversed their position completely. The Government has given "notice of intention" to apply for entry into the Common Market with their EFTA partners. What has caused the change in position?

British capitalism is in an impasse. The effort to maintain her position as the Third world power has failed completely. Her production is stagnating. Every two years there is a balance of payments crisis. In previous articles in the Militant this question has been dealt with, and it is not the purpose of this article to deal with the question.

But capitalism is a world wide system in which the division of labour, particularly among the Western capitalist powers—and especially the European ones—has been enormously extended during the last twenty years. There has been an enormous growth of the *productive forces*,—that is machinery, factories, technique—but capitalism is dependent upon the *market*. Meanwhile the historic role of capitalism, to develop the material forces for Socialism on a world scale has been amply fulfilled. Capitalism created the nation-state and the interdependence of world economy as one single unit.

However, it did it in a contradictory fashion. On the one hand the capitalist nations are dependent on one another. But on the other hand they compete against one another. The national markets of Britain, Germany and the other big states of Europe are too small for the huge combines, especially for the modern industries such as electronics, plastics chemicals, which require enormous sums in capital investment and large runs of mass production to get the maximum profit.

America has a huge Continental market and thus her industries are threatening to overwhelm the industries of the European powers, which after the Second World War were reduced from a dominant position in world affairs to a secondary one. Russia too has a continental market and, in addition, the advantages of a nationalised economy (despite the enormous cost of a dictatorial and bureaucratic control of production).

But the huge preponderance of America over Europe declined somewhat in the recent period as European production revived in the main European countries at a rapid pace. Germany and France, taking in tow the weaker powers of Italy, Holland, Bel-

(continued on p. 4)



YOUNG WOMAN DEFENDS HER RICE AGAINST STARVING PEASANTS

BANKRUPTCY OF INDIAN CAPITALISM Millions face starvation

By MIKE CARR

There is a rising tide of discontent in India against the failure of the Government and the capitalist system to provide the basic human rights—food and work for all. The student disturbances at Uttar Pradesh and other areas at first seemed inexplicable. But they later took the form of demands that India's fifth steel plant should be sited in that state, in order to provide more jobs. A more important social movement is taking place in the industrial and urban areas of the country. The port of Bombay was brought to a halt at the end of September by a strike of river pilots and dockmasters. At the same time, Calcutta port ceased to function when 30,000 dock workers and labourers struck. Throughout the year, there have been protest strikes, general strikes, and demonstrations in West Bengal and Kerala called by the United Left Front of socialist and communist parties. The protest centres around the general problems of rising prices, scarcity of food, lack of jobs, and the particular complaints of all types of worker—from stationmasters to coolies.

Millions of workers and peasants face the prospect of starvation and malnutrition, because of the chronic failure of the Indian Government's Agriculture. Already existing on a handful of grain, their miserable lot threatens to become worse, unless the US Imperialists can once again bail out the Congress Government.

Throughout this year, the Indian economy has been in the throes of

crisis, not only affecting the agricultural sector, bad enough in itself, but extending through the whole of the industrial sector also. The crisis was first shown up in the form of a lack of the foreign exchange which is necessary to pay for the imports which Indian industry needs. In February, it was estimated that half India's production was idle, and the number of factories closing or working short time was increasing. This process has not been halted. Recently it was reported that forty large textile mills in the Bombay area had to close because of economic difficulties. Internal resources for working capital had shrunk by 55 per cent in the last two years. Indian "private enterprise" is no longer enterprising enough to run its own industries. The President of the Mill-Owners Association said that more mills would have to close unless the Government took action to keep up the mill owners' profits.

The government have made some attempt to increase growth. Their fourth five year plan has laudable intentions—a 5.5 per cent growth rate, 18-19 million new jobs, food self-sufficiency, and home production of many goods now imported. But what does this mean in real terms for the average Indian worker or peasant? By 1971, he can expect to be getting three more ounces of grain per day, and two extra yards of cloth per year. As the Financial Times commented, "Errors in calculations, and a couple of bad monsoons, could upset even these hopes."

But what makes the "plan" even more precarious is its reliance on foreign aid and investment amounting to a quarter of total expenditure. Already the National Debt amounts to one fifth of the National Income. The creditor nations are unwilling to supply more aid, or if they do, as in the case of the US, they impose conditions that the aid be directed to the private sector of agriculture. In this way, imperialism is sabotaging even the meagre efforts of the Congress Government to set up a public industrial sector, in order that industrial power and profits remain in the hands of the big American, British and German corporations.

A further gigantic dead-weight on the Indian economy is the expenditure on the army, the fourth largest in the world, which is "defending" India against Pakistan. The clash between India and Pakistan is not primarily a clash over religious issues—though reactionary religious extremists on both sides exacerbate the dispute. The main point at issue is the control of Kashmir, an area of some economic importance, as it contains large mineral deposits, and a source of vital water. The struggle is therefore to gain control of raw materials for the benefit of one or other of the national capitalist classes as well as being a useful diversion for the government's of both countries to draw the attention of the masses away from their own desperate plight. Also, a large well-disciplined army can, and frequently has been used to break

(continued on p. 2)

GERMANY IN CRISIS

By TERRY MOSTON (S.P.D.)

The recent developments in West Germany have highlighted an economic and political crisis for Capitalism. On the economic side, the same world crisis of a falling rate of profit, which has affected Britain, forced the now-deposed Erhard to adopt basically the same type of measures as Wilson has attempted, a wage freeze and deflationary policies. Politically, the crisis is reflected in Erhard's fall from power in his own party and attempts by his successor, Kiesinger to form a coalition, together with the recent state elections in Hesse and Bavaria, which showed a slight swing towards the Social Democrats and the desperate move of some middle-class voters from the two right-wing parties to the extreme right-wing NPD.

LEGISLATION OPPOSED

The worsening position of the economy has forced the Government to introduce higher taxation to reduce the deficit in the 1967 Budget. The consequent slowing of the growth rate has had important consequences for the political parties. The CDU/CSU had lost considerable support among all sections of the people. It is almost certain that Kiesinger will be unable to form a stable Government and that new elections will result in a swing to the Social Democrats, possibly to the extent that they will form a Government. Such an event would have tremendous implications for the workers' movement throughout Germany, dispelling some of the illusions among rank-and-file workers in Brandt's ability to "control capitalism."

The attempts of the Erhard Government to make the workers pay for the developing crisis, in the form of reduced social services, tightening up on the right of the 1½ million foreign workers to send home money to their families and other such measures have provoked widespread discontent. A Congress of Civil Servants actually went to the extent of booing the Chancellor, when he tried to justify their low wages in relation to the well-organised industrial workers; (anyone who knows what the German Civil Service used to be like pre-war will understand the significance of this). Large protest marches and rallies have been organised by the DGB (the German TUC) against this attempt to put

the burden of the inflationary crisis on the shoulders of the workers, and when one remembers the role of the tame Trade-Union bureaucracy in collaborating with the ruling class in "joint committees" and "co-operation," this too is no small event reflecting as it does the pressure from below. Even sections of the heavily-bureaucratised SPD (in Hesse for example) are moving in the direction of opposition to the capitalist policies of the Government.

Against this background, Erhard thought it wise to try to secure legislation for use against the working class in the event of a Declaration of Emergency, which, up to now has been officially conceived only as a threat of attack by an external enemy. Some brief extracts from the proposed bill will, however make it clear that it is the sort of preparatory clause already present in the constitutions of other capitalist states, as a legal cover to act when necessary against the working class. Following the Declaration of a State of Emergency, "all taxes would automatically be raised by 20 per cent from the beginning of the month" . . . "Compulsory labour would be introduced immediately" . . . theft, sabotage, spreading panic and failure to recognise these measures would be punishable by imprisonment ranging from one year to life. The right to strike and even to choose one's own job would be withdrawn and the press and even private letters would be censored.

SIGNIFICANCE OF N.P.D. GAINS

Naturally, the powerful Trade Unions will be forced to oppose any of these measures even if they became law; the reason why Hitler could effect his "Enabling Act" was the weakness of the defeated, confused and split worker's movement in 1933, a consequence of the disastrous policies of the Social Democratic and Communist Parties' leadership. To-day, however, the organised workers in the unions have never been in a stronger position, so strong that they have even been able to insist on Trade Union membership for skilled servicemen. Already the massive movement has begun, which could prevent this bill from becoming law. Recently some 24,000 trade-unionists, socialists, white-collar and professional workers and students

gathered in Frankfurt for a congress, called to discuss "The Emergency in Democracy," in protest against the proposed legislation. During the discussion, a questioner from the floor asked whether the unions were ready to consider the use of a mass political strike to prevent the bill from being passed. The Trade Union leaders on the platform naturally rejected this measure as "too extreme" and "careless talk," but, realising the mood of the audience they stated that they "did not rule out this measure at a later stage," at which the boos turned to cautious applause.

The Bavarian elections, coming after the results in Hesse, have sent a shudder throughout the Labour Movement in Germany, and indeed throughout the Labour Movement in Germany, and indeed throughout the world. A gain of 15 seats to the neo-Nazi NPD, in Hitler's old stamping ground, has conjured up visions of a resurgence of Nazism in Germany. While it is true that the conditions that allowed Fascism to come to power do not as yet exist in Germany, the German Labour Movement has instinctively reacted with protests, demonstrations, and marches to prevent the extension of the NPD's influence. The NPDs increase so far has been due to the disillusionment of the sections of the middle class with the policies of the other two capitalist parties.

These policies have meant that the gigantic monopolies have been fed to monstrous proportions and small businesses have been trampled down. The Common Market has only pushed this process yet further. It is no wonder that a crude nationalism comes to the fore among the disillusioned middle-class when each national capitalism is trying to solve its problems at the expense of its rivals, and when even the "leaders" of the labour movements of these countries fall back on the old irrational superstitions of "national interest" as propaganda for their native bosses.

The problems which grow out of West Germany's huge industrial empire cannot be solved within the context of that National State alone. The workers of a united Socialist Germany could offer support to workers everywhere to involve them all in a common plan of production. What is holding back this instinctive internationalism of

the workers is the caricature of socialism that faces them in the Eastern European countries and particularly East Germany. It is no encouragement towards socialism to see fellow workers shot trying to escape from their socialist dreamland! But only a real solution to the economic problems will offer the middle class an alternative to their nationalist delusions. And there is no solution except a socialist one.

The Social Democratic leadership, are unwilling at this stage to use the uneasiness of the middle class, this "protest vote" as a means of mobilising these sections behind the Labour Movement. Instead they prefer to engage in horsedeals with the leaders of the other parties to try and establish a coalition Government; and already rank-and-file SPD workers are demonstrating their anger at this cynical manoeuvring from the top for empty office; an attempt which would silence all the party stands for. Seven of the eleven Länder parties have come out against coalition. In Berlin 1200 took part in a demonstration against "the end of the old workers' party." The Young Socialists have called for an opposition group in the parliamentary party. The Times (28 Nov.) talks about a "flood of criticism" which "seems likely to grow" since the lack of a positive, socialist opposition leaves the field open for the hysterical nihilistic opposition of the NPD. Only a bold socialist programme can decisively win over the middle class. The whole history of Germany pre-war teaches this durable but simple fact.

Despite the recent successes of the NPD the situation opening up in Germany is one that will show a swing towards the Left. The shattering of the myth of the "Economic Miracle," and the attempts to unload the burden on the shoulders of the working class is awakening the giant of German Labour. The basic ideas of socialism and internationalism, which the German Labour leaders thought they could abolish with a stroke of the pen in the 1958 Godesberg programme, will again be taken up by the German workers through the Labour Movement as it becomes more and more obvious that German capitalism is unable to guarantee the working class against the mass unemployment, fascism and all the other horrors of the pre-war period.

INDIA (contd.)

the organisations of workers and peasants demonstrating for a decent standard of living. And this will happen again if the leaders of the Labour movement do not provide a positive socialist alternative.

The working class has shown again and again that it can, if necessary, paralyse the economic and political activity of the country, proving that it in fact controls the economy and the country. The capitalist classes, both foreign and national, and the state bureaucracies have been shown to be useless and parasitic, working against the interests of the working class and peasantry.

But so far, the so-called Communist Parties and the United Left Front have only marched the workers in their hundreds of thousands to the top of the hill and marched them down again. They have called for urgent but limited reforms. By not going farther, they have let the initiative be taken by the reactionary Hindu mobs, led by holy-men and mystics, who draw on the confused desperation to lead the working class away from the real issues on to needless disputes about sacred cows and the like.

This catastrophic year is a warning to Indian capitalism. The whole of the country is swimming in a flood of crisis. The tenuous roots of capitalism will not hold the system up for ever. For nearly twenty years, since "Independence," the Indian bosses have had a better chance than their counterparts in other new capitalist regimes, to prove

that "democracy" can carry their population forward into modern industrial life. They have failed. Now it is a question of the very survival of the starving masses: of the very basis of the economy. Either the hopes and aspirations of millions will be choked by military coup, as has been happening in some of the new African States, or the workers will lead the exploited populations of India and Pakistan to power. There are no boundaries to the common interests of the Indian and Pakistani exploited classes: jobs, food, peace.



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SINO-SOVIET DISPUTE REVEALS:

Lush living of bureaucrats

By BOB FAULKES (Hackney L.P.Y.S)

who is believed to own just such a villa.

The verbal battle between the Chinese and Russian bureaucracies has resulted in a series of allegations by a Chinese student, Peng-Ya, on being expelled from Russia, together with a number of his compatriots. His accusations throw some light on the Russian Bureaucracy's suppression of political freedom for working-class tendencies, swindlings, embezzlements and other paraphernalia of rule by clique. The Daily Telegraph (Nov. 20) reports: *In his speech Chang Peng-Ya said that Russia's ruling bureaucracy often confines people in "psychiatric hospitals" and "insane asylums" on a variety of pretexts, and subjects them to outrageous mental torture, as one of its methods of repression of the Soviet People . . . At the same time, the high-salaried privileged stratum uses its privileged position to engage in embezzlement, speculation, rigging of the market and graft.* Chang Peng-Ya referred to an unnamed Soviet leader who had had a luxurious mansion built for himself on the outskirts of Moscow, and a private villa, with two swimming-pools, on the Black Sea coast. The Daily Telegraph explains: *This probably refers to Mr. Anastas Mikoyan, the veteran Soviet leader,*

Of course, in making these accusations he ignores the fact that the Chinese State is constructed fundamentally in the image of Moscow. Mao's "revolutionary" phraseology is a case of words but not deeds. For instance, the Chinese so-called "Communist" Party has not held a congress since 1958. The Central Committee has not met since Sept. 1962. In Lenin's Day, the Central Committee met regularly, and the Congress was held once a year, even when the young Soviet State was faced with Imperialism's 21 armies during the War of Intervention, 1918-1922. Besides this, it is well-known that many fighters with a long record of devotion to the cause of the working-class, nationally and internationally, continue to languish in Chinese prisons. In recent months, the antics of the Red Guards: the so-called "Cultural revolution," has served as a denigration of the ideas of Marxism. The current situation in Russia and China shows once again that only by the workers and peasants of both countries overthrowing their parasitical bureaucracies can the way be opened up for a real development towards Socialism.

Militant

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Printed by St. Martin's Printers (TU) 86d Lillie Rd, S.W.6. Tel. FUL 8637

EDITORIAL:

Free Hugo Blanco

Telegrams, petitions, and letters from many parts of Britain were sent to the Peruvian Ambassador in November, protesting against the death threat to the peasant leader HUGO BLANCO. Peru's rotten regime, under Belaunde, had engineered a second trial against Blanco (after sentencing him weeks earlier to 25 years imprisonment), this time under the auspices of a military tribunal.

Blanco, along with other peasant and working-class fighters, had been held in prison for over three years before he was brought to trial. The "crime" which he was tried for, was his heroic attempt with others to organise and fight for the peasants' demand for land and reduction in rents. He enjoyed solid support in the valley of La Convencion. The peasants under his leadership, registered huge successes against the landlords in the area. Able to speak to the local peasants in their own tongue, Quechua, he was able to have a far greater effect than the lawyers of the so-called Communist Party, who sought to confine the peasant struggle to legal court battles.

The Peruvian armed forces found it difficult to capture Hugo Blanco, due to his close ties with the peasants, and only managed to do so when he was forced to enter his own home town Cuzco in need of urgent medical treatment. His arrest coincided with widespread measures against the peasants resulting in the arrests of such well-known peasant leaders as Fortunato Vargas, Andres Gonzales and others. Throughout his imprisonment his defence has been continually hampered by the actions of the government. Added to this have been the usual torture and terroristic methods against defendants.

Having failed to obtain the death sentence for Blanco in the first trial, the Peruvian landlords and capitalists, through their stooge Government, brought him to trial again under the guise that his actions were not political but "criminal." They are clearly bent on murdering Blanco as a warn-

ing to the workers and peasant. In response to an international appeal by the Hugo-Blanco Defence Committee, sections of the Labour Movement and public figures protested against the threat to Blanco. Amongst those who signed the petitions, were Sidney Silverman MP, Eric Heffer MP, Judy Todd, John Platt Mills (of the Haldane Society), Lawrence Daly (General Secretary of the Scottish Miners), Fenner Brockway. A delegation led by Arthur Deane (National Administrative Officer of the Chemical Workers Union) visited the Peruvian Ambassador's residence to hand in petitions. Leeds University Labour Society and Hackney Young Socialist branch were among those who sent telegrams. In Glasgow an impressive array of Labour Party members and Young Socialists picketed the Consulate's office. A delegation spoke to the Consulate but no satisfaction was received. Petitions from Bristol and other areas of the country have been sent to the ambassador in London, while THE LIVERPOOL TRADES COUNCIL, representing 60,000 workers passed a unanimous resolution condemning the retrial, and calling upon the TUC and the National Executive Committee of the Labour Party to bring pressure to bear to prevent the murder of Blanco.

Every section of the Labour and Trade Union Movement must be made aware of the foul plans of Belaunde's military thugs. In a country where three per cent of the population own almost ninety per cent of arable land, where hunger, misery, and disease are the lot of the overwhelming majority of the population, it is impossible to quench the flame of revolt merely by assassination of the leaders of the workers and peasants. Blanco's fight is the fight of the dispossessed of the towns and country, it is part of the struggle against landlordism and capitalism in these areas, and of Imperialism on a world scale. It deserves the support of every section of the Labour Movement. Send resolutions from wards, Trade Union branches, General Management Committees and Young Socialist branches.

Press Fund Increasing Business Manager

Over the past few months, donations for the "Militant" Press Fund, have been steadily flowing in. Dozens of contributions have arrived since my last report in September. Among the outstanding individual gifts are £2 each

from Mike Newman and Liam Dalton and £1 10s. from Geoff Darvill. Collective donations, from various areas of the country include £7 12s. from Southampton, over £25 from London, £40 from Liverpool, and a great £52 from Brighton. Perhaps the best donation however was £5 from Clapham Labour Party Young Socialists; other branches should see if they can do even better. We thank all these comrades, no matter how small their contributions.

We are still, however, far from the target, and in the new year, as the economic crisis deepens (making "Militant" more necessary than ever before), supporters are asked to continue their efforts to raise the money we need for our own press. Many sections of the Labour movement are now expressing their deep disagreement with the policies of the Labour Government. By making a donation to our fund these branches of the movement are doing something to build and extend the influence of "Militant" and its ideas, a real investment for the future!

Please send me MILITANT. For 6/12 months (Post Free). I enclosed P.O. Cheque for value 4/6 6 months, 9/—12 months.

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Readers Letters

EDUCATION

I must disagree with Marion Lakah in her assessment of John Allen's excellent article on comprehensive schools. (*Militant* October '66).

She states, "It is common knowledge that to teach . . . an unstreamed form is damaging to most pupils (and) beneficial to none." Yet John Daniels (B. J. *Educative Psychology* '61 p.119) showed that ability levels become higher in non-streamed primary schools. (Information on British secondary schools is lacking). After 2-3 years teaching non-streamed pupils had a 3-5 per cent lead in I.Q., and reading, English and Arithmetic quotients—and there was no disadvantage in the upper ranges.

This, with experience in the USSR and most capitalist countries (see, "The Comprehensive School"—Robin Pedley), suggests that non-streaming is both realistic and advantageous. A mixed-ability class necessitates a more individual and at the same time a more social form of teaching. There are, for example, "teaching machines" which can present 10,000 children with different, "individually-tailored" programmes—an advance on the imposition of A, B, C, D and E streams! More important is the scope for group projects, which the pupils help to plan and thus direct their variety of interests and talents in a social way.

Miss Lakah also questions whether streaming is based on, or can ensure class-discrimination, and would like an example of working-class disadvantage at the start of the school. P. E. Vernon and Daniels (*Times Educational Supplement* 6/5/55, 3/6/55, 29/7/55) both find that "unstimulating environments e.g. the C-stream, cause I.Q. to fall below that when "education" started—in contrast to the normal smooth increase. This is one way that middle-class children, with more "stimulating" homes get a head start. Thereafter it tends to channel children in whatever stream they are first assigned.

Miss Lakah, herself, gives a good example of discrimination within a comprehensive system. The well-equipped 11-18 year school will be more middle-class than the 11-16 school, even without selection; because far more of this class stay at school till 18. (89 per cent of those eligible, compared with 59 per cent in an area such as this one—Bromley: and, testifying to the importance of class attitude, the latter figure falls to 30 per cent in working-class areas—see Eggleston, *Education* '66, p.194).

Whether class-preserving policies are conscious is, of course, doubtful. But there is no doubt that public schools are not necessary. The U.S.A. serves as a horrible example to those who believe that comprehensives, streamed or unstreamed, are in themselves classless.

Nevertheless, while a change in educational form cannot itself alter the class nature of society, we must demand the system that gives a basis for socialist development. And this basis is not to be found in the streaming streamlined mechanisms of meritocracy. I think it is to be found in unstreamed comprehensive schools.

Yours fraternally,

Mike Newman
(North Paddington Labour Party Young Socialists)

Dear Editor,

I believe it is a tradition in England that all socialists should be allowed to sell or distribute their literature, without hindrance or fear of violence, outside public meetings. I would like to report an outrageous violation of this tradition to your readers and ask for their assistance in preventing it from happening again.

I and some of my friends try to cover most meetings with our literature. On Thursday, Nov. 17th., I went along to Caxton Hall to sell literature outside the Socialist Labour League's meeting on the 10th anniversary of the Hungarian revolution.

Several people were selling literature. A group of Irish Communists were

selling their publication and someone was selling the *English Militant*. (The *English Militant* has no connection with either the *Irish Militant* or Comrade Tate.—Ed.)

Initially there was some baiting of me by Socialist Labour League supporters who were selling the *Newsletter* in the doorway of Caxton Hall, but nevertheless I was not prevented from selling.

Some minutes later, I was set-upon and physically assaulted by six or seven Socialist Labour League supporters. My literature was knocked from my hands—I was punched and thrown to the ground, my glasses were smashed, and as I lay on the ground I was kicked repeatedly in the groin and stomach.

After the attack I had to attend the casualty ward of Middlesex Hospital and I was forced to stay in bed for the greater part of the next day. At the moment of writing I am still badly bruised.

Fraternally,
Ernest Tate

Dear Comrade,

At a Militant readers meeting on the "Economic Crisis" held in Birkenhead on Friday the 21st October the following points were made by some building and ship repair workers during the discussion period. A member of the ASW pointed out the terrible condition which existed in the building industry, in this part of the country. These conditions were not the same as those of the building industry in the South of England, such as long periods of unemployment between jobs. The existence of a highly organised blacklist operated from as far away as London. With the coming of unemployment in the South he said the same system would spread there too, if the employers had the opportunity. And this was a result of the policies of the Wilson Government.

He admitted the existence of "restrictive practices" in the building industry but said that they were the consequence of intolerable working conditions, and a result of the inevitable struggle between the worker who feared unemployment, and the employers who dispensed with their workers as soon as it was no longer profitable to employ them. If the industry were to be nationalised by the Labour Party he would be one of the first advocates of scrapping so-called restrictive practices, which the workers only maintained in order to protect themselves.

A ship-repair worker raised a number of interesting questions regarding the future transition from the present economic chaos to the future system of economic stability and order.

Yours fraternally,

TED MOONEY

Trade Unions and the Labour Party were born out of the misery and suffering of the working classes, their object being to organise labour to fight from strength their oppressors, the bankers, financiers, and monopolies who were exploiting the working classes.

There are some that say, but times have changed, the working classes are no longer exploited. Comrades, capitalists never change, they are still parasites who feed on our efforts. The workers have made some gains in their standard of living, but this is due to scientific advance and the skill of the labour force, and is not due to any redistribution of wealth. The National Cake is bigger, but the workers' proportion of it is no bigger than it was in the nineteenth century.

In our present political structure, Trade Unions must remain free to fight the capitalists on behalf of the workers. Trade Unions are constantly being reminded by the Government that they must consider the National Interest and

Lively debate at Y.S. Weekend School

By MONIKA SINCLAIR (Shettleston L.P.Y.S.)

64 young people were in attendance at the Scottish Labour Party's Young Socialist Weekend School which was held in Aberfoyle, on 29th/30th October, 1966. Of this number, 27 were not members of the Y.S., but had been delegated by their Trade Union Branches.

The School began with Jim McGrandle, the Regional Youth Officer, giving a talk on Branch Organisation with the main emphasis on how to attract new members. His speech, devoid of any political content, offered no real perspective to the Young Socialists other than a programme of social activities. In discussion, the "Militant" supporters advanced the idea of building the Young Socialists through campaigning around the Youth Programme. Glasgow Pollock Y.S. was also cited as an example of how political and social activities could be combined to build up Branch membership.

Despite the fact that no official social was organised for the Saturday evening several private socials were held and comrades were found discussing Vietnam, Rhodesia, Marxist Economics, Unemployment, etc., into the small hours.

The Aberdeen M.P., Mr. J. Dewar, was the principal speaker at the Sunday Session and addressed the school on the subject of "Economics." Mr. Dewar "felt sorry" for the workers

but could see no alternative to unemployment in the present situation.

In the discussion, Y.S. members, particularly from Glasgow, disputed almost every section of Mr. Dewar's speech and proposed an alternative programme of work or full maintenance as opposed to the Government's increased dole money; nationalisation under democratic workers management of the 380 monopoly firms in Britain; and a planned economy instead of the present chaotic system.

Moir Evans of Pollock Y.S. said that the incomes policy was a fraud; she asked how equality could prevail when the money lost by the Wage Freeze would not be paid retrospectively to the workers whereas the vast profits recorded would be recovered when the freeze ends?

Another comrade pointed to the stupidity of the Selective Employment Tax which was designed to syphon-off labour from the service industries at a time when there were no jobs in the field of manufacturing. Mr. Dewar was forced to agree that the policies were crazy.

Some of those present pointed out that the Government's measures were Tory policies and called for Socialist planning instead.

"Militants" were sold at the school and a comrade was so impressed by the paper that he ordered a dozen copies per month for his branch. This school undoubtedly raised the level of understanding of those Y.S. members who had been isolated from other

LETTERS

Continued from page 3

quite right, but the National Interest and the interests of the bankers, financiers and monopolies are not the same. The interests of such capitalists is profit and profit alone, even at the expense of the country, as they proved when they sold the £ short at the height of the balance of payments crisis. The deficits these sharks created are now being paid for by the lazy shiftless workers as we are being called.

If the Government wants the co-operation of the workers, they must remember Clause 4. The supporters of capitalism have tried to create a division between productive and non-productive workers, exploiting this division in order to peg all wages. The argument they use is that the workers with strong bargaining powers in industries making vast profits have increased their wages at the expense of the workers who have no such bargaining powers, i.e. the railwaymen, the busmen, and many others. This is to some extent true: but how else could it be in a capitalist society?

Imagine a Trade Union leader told by his membership to negotiate a pay rise. The membership point to the profits being made in the particular industry, and say we want some of that instead of the share-holders who did nothing to earn it. The Union leader says look, if you get this rise, it won't come out of dividends, the firm will just

Branches and who had been victims of the commonplace conceptions and politics which were characteristic of the Scottish Regional Office.

Many more events like this are required in order to develop the Young Socialists in Scotland.

push up prices to pay for it. The cost of living will go up and our fellow workers in non-productive employment, old age pensioners, and others on fixed incomes will suffer. So what could you expect the workers to do—forgo the rise and watch the shareholders get richer and richer?

The present Government's answer is the Prices and Incomes Policy, which is supposed to let the lower-paid workers catch up. How does the rise those workers lost in the example I gave get to the lower paid workers? There is nothing in the Prices and Incomes Policy to explain how this is to be done. There is nothing in the P.&I.P. which will achieve any redistribution of wealth. In fact, all it will achieve is a levelling down of wages instead of a levelling up. And as for the Government's powers to control prices, they have been amply demonstrated to be non-existent.

There can be no effective National Plan until the Nation as a whole owns the resources, and not the powerful bankers and financiers. The thought of a Labour Government deliberately creating unemployment in support of Capitalism is filling Trade Unionists and Socialists with despair. If we speak out we are accused of rocking the boat. What in fact we are trying to do is divert the boat from the shallows of capitalism.

The Labour Party must remember its origins, and the courage and hopes of the people who created it, the workers of this country, not the capitalists.

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Common Market

(continued from p. 1)

gium and Luxembourg, decided to try and combine their resources in the Common Market of the Six Powers, to create a Third super power."

However the agreement to reduce tariffs gradually so as to create a Common Market, could proceed fairly rapidly only while production in all these countries was rising, and therefore there was a growing share for all the national capitalist vested interests. But already there has been a crisis in the "integrated" Coal and Steel Community, far more linked in common as a joint market than the other industries. Surplus capacity has meant a struggle between the different powers as to who was to shoulder the losses.

In addition there has been no political union, there are still the national armies, state machines, and the national capitalist interests which they protect. Hence the differences between Germany and France in foreign policy. As the "English disease" begins to infect the other countries, and the rate of growth begins to fall, while the rate of profit drops, the differences politically and economically will become aggravated. The Eurosyndical index of share values is now less than 15 per cent above what it was on December 1st 1958. Some companies such as stores, insurance, paper, are far above this level, but vital steel, mining and textiles are 90 per cent below!

The Times of 15th September comments: "The great expectations of the early 1960's have been replaced by a feeling of frustration and of impotence when faced with the American giant... inflation, high rates of interest (as on a world scale); and investments will certainly fall down in the next few months and Europe will have to face a recession."

In reply to the Common Market, Britain organised the Scandinavian countries, Austria, Switzerland and Portugal in a similar combination. But despite the increase in trade which resulted from the lowering of tariff barriers, this did not solve the problem for the giants of British industry. Britain is one of the countries with the largest number of monopolies and the greatest concentrations of industry and capital, especially in the most modern industries—which require huge amounts of capital to be in a competitive position on world and even home markets.

The "Economist" gives a list of industries which are expected to gain from Britain's entry into the Common Market; this includes ICI, heavy machine tools, heavy engineering, electronics, insurance and other giants. Small engineering firms, textiles and small industry generally would lose. Chambers, the chairman of ICI, made the point in a speech recently that modern industry by its very nature transcended national boundaries. It is the strangulation and frustration of the decisive sections of British capital in their search for markets, which dictate this tentative approach to the European Economic Community.

But even over the attempt to free world trade in the so-called Kennedy round, negotiations have been going on for years and there is dissension even among the "Six," let alone the other powers.

"ECONOMIC MIRAGE"

Meanwhile on a world scale the position of the under-developed countries is steadily worsening in relation to the highly industrialised countries. Most of the under-developed countries are paying back half of what they receive in aid, in interest and profits on investment. This will have its effect on Britain in particular. Meanwhile more than half Canada's capital is controlled by American investments. With the weakening of the imperialist power of Britain, Australia and New Zealand look towards America rather than towards Britain. In the past period Britain itself has been a semi-satellite of America.

The economic and political impasse of Britain has turned the British Government towards Europe in a desperate attempt to find a solution for its problems. The Economist remarks "Britain is moving out of the passive role into which it had recently been sinking, half forgotten on the Continent, and this gives it a more dynamic diplomacy."

At the same time the new science-based industrial revolution in America and Russia threatens to dwarf the attempts of Britain and Europe to hold their position on the world market. And the attempt to get in is taking place when in the words of the Financial Times "political Europe in the French view, no longer exists." The French capitalists fearing the onset

of recession or an even bigger slump than has taken place in the post-war period, are holding on to their gold, even though this brings them into loggerheads with their partners and with the other big powers. Debré, the Finance Minister in the French Government, declared in Washington in September "A currency is the expression of a political authority—the power it can exercise or the trust it inspires. This, too, is valid just as wealth spells power to the individual. Economic strength is a vital ingredient of international political influence." Thus the conflict between the franc, and the dollar and sterling.

British capitalism is trying to enter the Common Market too late to have any real effect on its economy. It is entering just at the time when Germany and France, the two principal powers, are looking towards Eastern Europe for markets. The economic malaise of the Common Market countries has its political reflection in the political crisis in Germany at the present time. "The economic miracle" has begun to disappear and its alleged inspirer has just been dropped.

But the problem of the inter-dependence of European and world economy, and the contradictions between them at one and the same time are expressed in the fact that while tariffs have been reduced, for the time being, while there has been an economic upswing, there has not been the so-called Europeanisation of capital. Different capitalist countries, especially America, have invested in the Common Market countries, as they have invested with each other, but there has been no amalgamation of capital as was dreamed of by the inspirers of the European utopia.

SOCIALISM ONLY ANSWER

Company mergers between the Common Market countries face difficulties which make them almost impossible. Capitalists are interested in profits and unhampered and unrestricted use of their capital. There are so many legal, administrative or taxation obstacles that mergers never get off the ground. Any European-style company would still come under the different legal, administrative and taxation laws of the separate countries. International mergers would face difficulties many times

greater. Thus the vested interests of the different countries stand in the way of a so-called United Europe.

But even the "Union of National States" of de Gaulle faces the administrative difficulties described above. Britain has attempted to organise joint projects with France, such as the building of aircraft, and similar projects with other countries. But these are mere feeble attempts to get over the problem posed by the outmoded national states, which the growth of technique and production has rendered obsolete. British capitalism has raised the question too late. It has realised its weakness and hopes to solve its problem by a miracle. Even if they succeeded in entering the market, and this is extremely doubtful, as the Market shows signs of disintegrating at any severe economic difficulties, the problems of British capitalism would increase. The 380 monopolies, the banks and insurance companies would benefit or rather the dominant section of them would, in the short run, but for the working class neither entry nor non-entry would solve their problems or lead to an increased standard of living.

However the problem of an integration of European and world economy poses itself in front of the working class. The Left in the Labour Party pose yesterday's solution of Wilson and the Labour Government. The Communist Party poses a frenzied nationalism. But the problem of the Common Market raises the aspirations for the integration of a Socialist Britain with a Socialist United States of Europe. This would mean an international plan of production, democratically controlled, and undreamed of plenty for the peoples of Europe. How to get it? The first task for the British workers would be to achieve a Socialist Britain and then launch an appeal to the workers of Europe and the world. A Socialist democratic plan in Britain, with higher standards for all, and an international appeal would reverberate across Europe and the world. There is no road to the union of Europe except on a Socialist basis, with full national autonomy, the abolition of tariffs, national armies and government State machines. That is the only "practical" solution. The capitalist road is the road to disaster and misery for the people of Britain and inevitable failure and collapse.