

Labour and the Liberal Housing Revolt	1	Page
Algeria and Young Gueba	2	Page
The Campaign against the vicious sentence on George Clark		
The WGB challenges Henry Y. S. to Debate		
18 Months Grace needed by Labour says Mr. Callaghan	3	Page
The Guardian on Housing Targets		
Focus News Commentaries: men politicians		
Building Settlement - Victory for K.P. says Economist		
An important extract from China's History of the Sino-Soviet Dispute	4	Page

THE BULLETIN

10,000 Peruvian Indian Peasants raise last land		
Nicaraguan Guerrillas continue fight against combined		
Big Profits for U.S. and British Oil Companies in Indonesia	8	Page

An Information Service
for

Socialists

Vol. 3. No. 9

Sept. 16th 1963

PRICE FOURPENCE

Our correspondent was in Algeria... It arrived too late... Leaders who agree with the tone of our first-page article will be interested to learn that a housing campaign is being organised, largely at the instigation of Frank Ailman. The aim of this campaign will be to get the Labour Party committed to a definite target of houses building... greater use of direct labour and a national... In the meantime, the... badly need the... Labour Party... Those should be sent to R. Fisher, 21, Preston Gardens, London N.W. 10, or sent to us.

Page	1	Labour and the Liberal Housing Revolt
Page	2	Algeria and Young Guard The Campaign against the vicious sentence on George Clark
Page	3	The SPGB challenges Hackney Y.S. to Debate 18 Months Grace needed by Labour says Mr. Callaghan The <u>Guardian</u> on Housing Targets <u>Peace News</u> Cartoonist sues Policeman
Page	4	<u>Building Settlement</u> - Victory for NIE says <u>Economist</u> An Important Extract from China's History of the Sino-Soviet Dispute
Page	5	Pro-Chinese in Australia start Paper - will start Party soon Chinese Publish excerpts from <u>Monthly Review</u> editorial "Etincelle" accuses Khrushchov of supporting new party in Japan
Page	6	Burmese Government to take over Burma Economic Develop- ment Company Algerian and Spanish Students call for Support to Spanish Miners Strike South West Africa will win Independence through armed Struggle - Nujoma Scandinavian Transport Workers oppose Apartheid Cuba - "Unfinished Business" says Rusk (U.S. Secretary of State)
Page	7	New China News Agency reports Statement by Ceylon Students Representative 10,000 Peruvian Indian Peasants seize lost land Nicaraguan Guerillas continue fight against combined reactionary forces
Page	8	Big Profits for U.S. and British Oil Companies in Indonesia Sweden's Production increase slows down Italy's Balance of Payments Position worsens West German penetration of Iraq increases
Supplement		A postscript on the situation in Algeria.

Letter to Readers

This week we have issued a supplement which is a postscript to the two articles we published on Algeria. Our correspondent was hoping that this would arrive in time to be published as part of the Algerian special but it arrived too late.

Readers who agree with the tone of our first-page article will be interested to learn that a housing campaign is being organised, largely at the instigation of Frank Allman. The aim of this campaign will be to get the Labour Party committed to a definite target of house building, to link this with greater use of direct labour and a national plan for housing. We will give full details in the next issue. In the meantime, the organisers badly need the addresses of Tenants' Associations, Labour Party councillors, etc., These should be sent to R. Fletcher, 21, Drayton Gardens, London S.W. 10. or sent to us.

LABOUR AND THE LIBERAL HOUSING REVOLT: It would be easy for socialists to merely gloat over the revolt which took place at the Liberal Conference over housing. However, both the revolt and the subject of the revolt are of significance and hold lessons. The revolt itself is an expression of an aspect of the 'Liberal revival' which has received scant attention—that a considerable part of the new support for the Liberal Party comes from people who expect the party to adopt a basically radical programme. For this reason there is bound to be a conflict within the party as these new, impatient types collide with the hide-bound, almost one-family hierarchy. The people who led the revolt, mostly councillors in areas with bad housing, express the frustration of Liberals trying to maintain their electoral position. To do this they must convince their electorate that the Liberal Party has something of significance to say about the problems which face them. The rebels are people who should be in the Labour Party, as many of them would be if the Labour Party had not become so ossified (and especially in these very areas). Lesson number one of the Liberal housing revolt is that the way to meet the Liberal revival is not by adopting the Liberal Party Policy, but by presenting a more radical image.

It is not coincidence that the subject of the Liberal revolt was the same subject which attracted the largest number of resolutions for the Labour Party Annual Conference, 1963. Because they have no socialist ideology, the would-be radical liberals will tend to react very directly to issues which face their electorate. Lacking an overall prescription for the ills of society they have to give greater attention to the symptoms. The attention which the rank and file of the Labour and Liberal Parties are giving to the housing question is an indication of the deep feeling by wide sections of the working class. The 'Rachman Scandal' may have far deeper consequences than merely embarrassing the Tory Government. People will expect some results from the next Labour Government.

The chronic shortage of decent housing for people will not be solved solely by the repeal of the Tory Rent Acts. The number of houses built per year is the key question. We need enough houses to keep pace with the increase in population, to replace the houses going out of commission and a substantial surplus to make inroads into the number of people badly housed. It is very difficult to arrive at a figure which covers these things, but it is certainly higher than the highest figure stated in any resolution before L.P. Annual Conference—that of 425,000 in the Hillsborough resolution.

In one sense Callaghan is right when he talks about an 18 months period of grace for the Labour Government. A Labour Government will be able to do little in the way of reforms unless it adopts an overall socialist orientation—hence the fight for a housing/building programme which fulfils the desperate needs of the people would also be a fight for a socialist orientation of the Labour Government.

There is another aspect to this question—the campaigns which have occupied the attention of the left in recent years have mainly been on defence and foreign affairs. These campaigns have not attracted workers—many of whom have tended to support the official leadership. A housing campaign would be different. It would be more likely to attract greater support from the worker activists in the Labour Party, and combined with the fight on foreign policy issues and against wage restraint it could be one of the focal points for the emergence of a massive, deeply-rooted left-wing.

In the September issue of Young Guard there appears an article by R. Condon entitled "Algeria - Ben Bella hits out at the Left." The facts contained in this article are at best dubious, and will no doubt be dealt with later. However, strong exception must be taken to the fact that below the heading was a photograph of a mutilated figure of someone who had been tortured by French paratroopers during the fight against French imperialism. We can only draw the conclusion that the E.B. of Young Guard wish to imply that this is now happening under the Ben Bella regime. For such a thing to be imputed in such a crude way in a socialist journal is scandalous. This photograph has no connection at all with the text of the article, and yet it could plant in the reader's mind the idea that this is the Algeria of today. I urge all readers of the Bulletin to write to the E.B. of Young Guard demanding that they apologise for this gutter-press trick.

Ed note: Many similar expressions of opinion are known to us. Moreover, the author of the article in question, R. Condon, is understood to have said that he was not responsible for the title of the article nor the photograph. We are also informed that at the National Editorial Board meeting of Young Guard, held in Skegness on September 15 the question was forcibly raised. Arising out of the discussion, a resolution was passed which said that no article in Young Guard should appear with a heading or other material which contradicted the spirit of the article.

THE CAMPAIGN AGAINST THE VICIOUS SENTENCE ON GEORGE CLARK

The vicious sentence of 18 months against George Clark for allegedly 'inciting' crowds during the Greek royal visit evoked an immediate protest movement. Within hours of the sentence being passed over 200 people demonstrated outside Wormwood Scrubs demanding his release. Anthony Greenwood, vice-chairman of the Labour Party, issued a statement the day following in which he said the imprisonment must be deplored by all who wish to defend traditional freedoms. Next day Anthony Greenwood visited George Clark in prison. 80 delegates to the Liberal Party assembly, meeting in Brighton, protested and said they were "deeply shocked at the harshness of the sentence meted out to George Clark." Canon Collins and Earl Russell have both issued statements saying that the 18 months sentence calls into question the right of political demonstration. A 48-hour vigil has been held outside Wormwood Scrubs lasting from Friday to Sunday evening. The participants carried posters calling for the release of George Clark - "political prisoner". Saturday evening more than 700 people marched from Hyde Park to Wormwood Scrubs, to be met by several coachloads of police who lined the pavement for several hundred yards.

Both the National Council of Civil Liberties and Mrs. Clark have reported a large number of messages of support and protests by groups of people and organisations. Among the latter are the London (South) District Committee of the A.E.U. and the participants in the N.A.L.S.O. school on 'World Socialism' at Hythe who sent protest letters to the Prime Minister, the Home Secretary and Harold Wilson.

SOCIALIST PARTY OF GREAT BRITAIN CHALLENGES HACKNEY YOUNG SOCIALISTS TO DEBATE

A Hackney correspondent reports: The S.P.G.B. (National Organisation) has challenged the Hackney Central Young Socialists to an open debate on "The S.P.G.B. versus the Labour Party. Further details of venue and date (probably November or December) will be available.

Our correspondent says that all comrades will be welcome to the debate. We shall publish details as we get them.

Mr. Callaghan, the Labour "Shadow Chancellor", thinks that the Labour Government will need a period in which it is not pressed to fulfil all the things in the Labour programme. Speaking at a meeting of the Workers' Educational Association held significantly enough in Brighton, on September 3rd, he appealed for a period of restraint following the election of a Labour Government. "A Labour Government must not rush its fences and do too much in all these fields too soon. Its first job is to get industry moving again. Then we can start paying ourselves a dividend," he said. A Labour Government must have a breathing space and he suggested an interval of 18 months.

THE GUARDIAN ON HOUSING TARGETS

In an editorial on the Liberal Party housing debate, the Guardian of 13/9/63 had this to say:

".....The clearance of slums and the replacement of several million run-down obsolete houses is not to be achieved by warm-hearted good intentions. With this in mind and with a nervous glance at the political dangers of exposing themselves to the charge of vote-catching, the Liberals..rejected a target of 500,000 houses a year as unrealistically high.

"But is it? Something like this figure has got to be reached if the Liberals are to achieve their own ambition of ending..!the chronic shortage of houses in a decade'. On their own calculations about 7 million new houses are going to be needed within 20 years, and until that figure has been reached people will be condemned to live in houses which cannot count as decent homes. Is such an injustice to be tolerated for another 20 years?

"....House building is running at present at only just over 300,000 dwellings a year. In the past 5 or 6 years this rate has not increased, and the resources of the building industry seem to be overstretched as it is. The Government White Paper of May looked for an annual rate of no more than 350,000, and superficially there is some logic in this calculation. Yet there is no doubt at all that more houses could be built if a political decision to allocate the necessary resources were made. Compared with some European countries we are putting too small a part of the national resources into housing. In 1961 Britain spent 3½% of the gross national product on new housing compared with 6.4% in Germany and 5.7% in Sweden. If we matched the German or Swedish effort the 500,000 houses target would be within reach"

PEACE NEWS CARTOONIST SUES POLICEMAN

from Peace News 13/9/63

Mr. Donald Room, The Peace News cartoonist, who was charged with possessing an offensive weapon (a piece of brick) while on a demonstration during the visit of the Greek King and Queen, and whose case was dismissed by the magistrate, Mr. Robey, at Marlborough Street Court, has issued a writ against the arresting officer, Detective-Sergeant H. Challinor. The writ has been issued for malicious prosecution, assault, wrongful imprisonment, and false arrest.

BUILDING SETTLEMENT - VICTORY FOR NIC SAYS "ECONOMIST"

This week's Economist made this comment on the building settlement:

"By 11 votes to 8 the building workers' unions have ratified their 3 year agreement with the employers, thereby confounding the confident predictions of "trouble ahead" by some prominent trade unionists..Certainly there had been some opposition from some members of the federation of building unions....The real hero of the dispute has been that instrument abhorred of all workers and most managements, the National Incomes Commission. Is it likely that, without Nic's redemptive condemnation of the Scottish builders' agreement, the employers would have been as reluctant as they were to grant what the unions wanted?...."

AN IMPORTANT EXTRACT FROM CHINA'S HISTORY OF THE SINO/SOVIET DISPUTE

We reproduce here an extract from the 40,000 word Chinese document, "The Origin and Development of the Differences between the leadership of the C.P.S.U. and Ourselves." This extract is important because it covers the Chinese attitude towards other tendencies in the Communist movement and their position in relation to the Hungarian and Polish events of 1956. Since this document was published we have received another which outlines the Chinese attitude towards Stalin. We shall cover that in the next issue. The following extract comes in a chapter entitled "The Serious Consequences of the 20th Congress of the C.P.S.U." :

".....After the Congress, swollen with arrogance, the imperialists and reactionaries everywhere stirred up a world-wide tidal wave against the Soviet Union, against Communism and against the people. The U.S. imperialists saw the all-out attack on Stalin by the leadership of the C.P.S.U. as something that was "never so suited to our purposes";

"The Titoites became most aggressive. Flaunting their reactionary slogan of "anti-Stalinism", they wildly attacked the dictatorship of the proletariat and the socialist system. They declared that the 20th Congress of the C.P.S.U. "created sufficient elements" for the "new course" which Yugoslavia had started and that "the question now is whether this course will win or the course of Stalinism will win again."

"The Trotskyites, enemies of Communism, who had been in desperate straits, feverishly resumed activity. In its Manifesto to the Workers and Peoples of the Entire World', the so-called Fourth International said, "Today, when Kremlin leaders are themselves admitting the crimes of Stalin, they implicitly recognise that the indefatigable struggle carried on...., by the world Trotskyist movement against the degeneration of the workers' state, was fully justified."

The errors of the 20th Congress brought about great ideological confusion in the international Communist movement and caused it to be deluged with revisionist ideas. Along with the imperialists, the reactionaries and the Tito clique, renegades from Communism in many countries attacked Marxism-Leninism and the international Communist movement.

Most striking among the events which took place during this period were the incidents in Soviet-Polish relations and the counter-revolutionary rebellion in Hungary. The two events were different in character, but the leadership of the C.P.S.U. made grave errors in both. By moving up troops in an attempt to subdue the Polish comrades by armed force it committed the error of great-power chauvinism, and at the critical moment when the Hungarian counter-revolutionaries had occupied Budapest, for a time it intended to adopt a policy of capitulation and abandon socialist Hungary to counter-revolution.

These errors of the leadership of the C.P.S.U. inflated the arrogance of all the enemies of Communism, created serious difficulties for many fraternal parties and caused the international Communist movement great damage.

In face of this situation, the Chinese Communist Party and other fraternal parties persevering in Marxism-Leninism firmly demanded repulsing the assaults of the imperialists and reaction and safeguarding the socialist camp and the international Communist movement. We insisted on the taking of all necessary measures to smash the counter-revolutionary rebellion in Hungary and firmly opposed the abandonment of socialist Hungary. We insisted that in the handling of problems between fraternal parties and countries correct principles should be followed so as to strengthen the unity of the socialist camp, and we firmly opposed the erroneous methods of great-power chauvinism. At the same time, we made very great efforts to safeguard the prestige of the C.P.S.U....."

A Melbourne correspondent reports: The first issue of Vanguard has appeared. The pro-China tabloid has four pages and proclaims that it stands for "Peace and Socialism -- for Marxism-Leninism." The paper reports that its supporters are collecting money to put before the Australian working class the case for the "formation of a Marxist-Leninist party to uphold working class principle to expose the renegades who call themselves Communists, but who have deserted the cause of Communism."

Other moves in the rapidly moving situation have been (1) the formal expulsion of Hill and his chief lieutenant, ex-Central Committee member Mrs. Flo Russell. (2) the appointment by Hsinhua of Duncan Clarke as a full-time representative. Clarke, a protege of Hill's for many years and member of the Victorian State Committee of the Communist Party, is a forceful personality and has proven organising and propaganda abilities. This appointment is a masterly stroke, especially under the geographical conditions of Australia with the very large distance between cities. (3) in his letter of resignation Hill promised to make available 'stenographic recordings of discussions between L.L. Sharkey, R. Dixon and Chinese Party leaders, including Mao Tse Tung.' These were made, no doubt, in the period when the Australian C.P. was supporting the Chinese and should prove very embarrassing to the now pro-Khrushchov leaders of the Australian C.P..

The new party will have a base in the Victorian trade unions, notably the Tramways, the Painters and Builders' Labourers. The Hillites are gaining strength in the Melbourne branch of the Waterside Workers' Federation too. Outside of Victoria it is difficult to gauge their strength. In Sydney, the docker, Syd Clare, ex-editor of the W.W.F. paper "Wharfie" and who has recently been to Melbourne, is expected to help. Leading Tasmanian Communist, W. Honeychurch is thought to be sympathetic, as is Nancy Wills, leading light of the Australia-China Friendship Society. Both she and her seaman husband have spent some time in China in recent years.

It would seem that the C.P. Central Committee are being outmanoeuvred all along the line. Why is this? It is not sufficient to talk about the basic correctness of the Chinese line, because the Trotskyists of 1929-32 were even more basically correct and they had a bigger basis of support and yet they were almost smashed into oblivion from an organisational point of view. Here there are new factors (a) the loss of dynamism and self-confidence on the part of the C.P.s (b) the support in machinery, finance, advice and morale given by a powerful state (c) the experience, background and training of people like Hill and others in understanding the bureaucratic methods of the C.P.

CHINESE PUBLISH EXCERPTS FROM "MONTHLY REVIEW" EDITORIAL

The People's Daily of 4th September published detailed excerpts from an editorial in the May issue of Monthly Review, the U.S. Marxist magazine edited by Leo Huberman and Paul Sweezy. This action is of significance not merely because in general Monthly Review supports the Chinese position but because this journal would not support their views on destalinisation, etc. It remains to be seen whether the Chinese will publish other material by the Monthly Review.

"ETINCELLE" ACCUSES KHRUSHCHOV OF SUPPORTING NEW PARTY IN JAPAN

L'Etincelle, a paper published jointly by French and Belgian Communists who support the Chinese, said in its fifth issue that the leadership of the C.P.S.U. is supporting the right-wing revisionist group led by Sojiro Kasuga, which was expelled from the Japanese C.P.. After joining the the C.C. of the Japanese C.P. in criticising Kasuga, the leadership of the C.P.S.U. is now finding good qualities in Kasuga, who has created a right wing party against the Japanese C.P. because the latter approve China's Marxist Leninist thesis.

BURMESE GOVERNMENT TO TAKE OVER BURMA ECONOMIC DEVELOPMENT COMPANY

The Burmese government has decided to take over the Burma Economic Development Company and its 39 affiliated companies which together control a large sector of the national economy, according to a Burma News Agency report of 7th September. A committee headed by Colonel Than Sein has been appointed by the Revolutionary Council to execute this decision. The Burma Economic Development Company which has been operating as a private concern has grown out of the Defence Services Institute formed for the welfare of army personnel.

ALGERIAN AND SPANISH STUDENTS CALL FOR SUPPORT TO SPANISH MINERS STRIKE

Hsinhua of 8/9/63 reported an appeal for support to the Spanish miners in the Asturias region in their strike was issued jointly by the National Union of Algerian Students and the representatives of the Anti-Fascist Spanish Youth in Algeria on September 5th. The appeal called on the Algerian people and Spanish residents in Algeria to show in all forms their solidarity with the Spanish workers and people. The appeal saluted the Asturias strikers who had persisted in their month old strike for social rights and trade union freedom.

SOUTH WEST AFRICA WILL WIN INDEPENDENCE THROUGH ARMED STRUGGLE - NUJOMA

"Our movement believes that the only way for South West Africa to win independence is to wage an armed struggle against the fascist Verwoed Government," said San Nujoma, president, and Jacob Kuhanga, secretary general of the South West Africa People's Organisation (SWAPO), in a statement published in the Algerian paper Le Peuple on 7th September. These two South West African nationalists in their interview with the paper requested all independent African countries to render them assistance. They spoke of the growth of the movement under their leadership and its participation in the conference of African countries for struggle against imperialism and colonialism. They left Algiers on 6th September after a visit to the country at the invitation of Ben Bella to study the possibilities of setting up a permanent office in Algiers.

SCANDINAVIAN TRANSPORT WORKERS OPPOSE APARTHEID

The Scandinavian Transport Workers Federation has called for extensive boycott measures against racial discrimination in South Africa, according to Swedish press reports. In a resolution adopted at its annual meeting on August 30th and 31st in Abo in Finland, the Federation suggested that measures be taken in the form of stopping oil deliveries, refusing to buy South Africa's gold, stopping all sea traffic to and from South Africa, and breaking off diplomatic relations with that country.

CUBA - "UNFINISHED BUSINESS" SAYS RUSK (U.S. SECRETARY OF STATE)

Speaking at the National Convention of the American Legion held at Miami Beach, Florida on September 11th, Dean Rusk, U.S. Secretary of State spoke of America's attitude towards Cuba. He declared that Cuba was an "unfinished business" of the U.S. He said that "Cuba remains a major obstacle to normal relations between us and the Soviet Union." The existence of socialist Cuba in the Western Hemisphere was "neither acceptable nor negotiable" to the United States. He stated: "We saw last year in Cuba a threat which required us to face the prospect of war. The elimination of that threat gives us a chance to employ every other appropriate measure to enable the free Cuban people to take their place again in the family of the Western hemisphere."

Hsinhua of September 7th reported:

"S. Singarayer, representative of the Ceylon Socialist Students' Association in Britain, today (4th) expressed full support to Chairman Mao Tse-Tung's statement supporting the American Negroes' struggle against racial discrimination. He said that "Chairman Mao's vast experience in the struggle against imperialism has contributed to the clarity of the statement." On the militant struggle of the American Negroes, he said it "is shaking the foundations of U.S. imperialism -- the last bastion of capitalism," and that this struggle was "a part of the general class struggle." Singarayer said one cannot expect the Kennedy administration to solve the problem of racial discrimination. This would amount to say that the imperialists might cease class exploitation and colonialism."

He said: "The class struggle of the colonial peoples against imperialism has become more and more acute. Every Marxist should give his help and support this struggle, encourage it and lead it to victory, instead of dampening it." He pointed out that "Co-existence with the imperialists is nonsense, it is a distortion of Leninism." Some people are now trying to co-exist with the imperialists and give aid to Indian and other reactionary bourgeois governments in order to meet the need of their foreign policy. It is a betrayal of Marxism and a betrayal of the revolutionary peoples of the world," he concluded.

10,000 PERUVIAN INDIAN PEASANTS SEIZE LOST LAND from Hsinhua 5/9/63

Ten Thousand Indians of the central mining zone of Peru seized 500 hectares (1,235 acres) of land which had been occupied fifty years ago by the U.S. Cerro de Pasco Copper Corporation. This was the biggest peasant action for land in the country this year. The land had originally been the property of the Indian peasants. The smoke from the U.S. Corporation had destroyed the pasturage, so the peasants had to leave it fifty years ago. The land was then annexed by the Corporation which turned it into its own ranch after eliminating the smoke.

The Indians, bringing in with them their furniture and animals, arrived on September at the ranch from their small town some 11 miles away and occupied the land. Seizure of land by the Indians had been reported in the same area not long ago. Brute force had been used against them, but they had the support of the people of the country.

NICARAGUAN GUERRILLAS CONTINUE FIGHT AGAINST COMBINED REACTIONARY FORCES

Nicaraguan guerillas have, for the last week or so, been fighting the allied government forces of the Nicaraguan and Honduras dictatorial regimes in a border area between the two countries, the Costa Rican paper La Hora reported 6th September. Battles took place in the Jonepete area, the paper said. The Nicaraguan air force wantonly bombed places where the guerillas have been active. The paper added that the Nicaraguan and Honduras governments had lost control of the situation.

Another Costa Rican paper, La Nacion, reported that battles have recently taken place between the guerillas and the national guard of the Somoza dictatorial regime resulting in the twenty of the national guard being killed and some captured. The clashes occurred in the forest of Las Sogovias of Northern Nicaragua where more than 3,000 guerillas have long been active. The Nicaraguan guerillas also issued a statement recently declaring that they would fight for the expropriation of foreign enterprises, for the realisation of radical agrarian reform and for the overthrow of the Somoza regime. The paper said the Nicaraguan government had asked for aid from the U.S. in fighting the guerillas.

The 8th September issue of Bintang Timur (Eastern Star) quoted figures collected by its correspondent revealing the huge profits gained by foreign oil companies in Indonesia. The Stanva and Caltex companies of the United States and the Shell company owned jointly by the United States, Britain and Holland increased their investments by about 600 millions rupiahs (133 million U.S. dollars) between 1954 and 1962. This brought their total investments to 16,000 million rupiahs (355 million dollars). The foreign exchange which they gained from their exports amounted to no less than 256 million dollars in 1961, and 251 million dollars in 1962. This meant that the foreign exchange receipts of these three foreign oil companies were equal to 140% of their total investments.

From 1954 to 1962, their foreign exchange income totalled 2,285 million dollars, or 650% of their total investment. It was necessary to point out that at present, 90% of Indonesia's oil production was in the hands of these big foreign capitalists, the paper said. Commenting on the negotiations conducted between the Indonesian government and Stanvac, Caltex and Shell, Jusuf Widjajana, a leading member of the Indonesian Oil Workers' Union (Pernum), told Bintang Timur in an interview that "no matter what, we must remember that imperialists remain imperialists."

SWEDEN'S PRODUCTION INCREASE SLOWS DOWN

A recent report by the Swedish News Agency, T.T., said that Sweden's gross national production rose 3.5% in 1962 as against 6% in 1961. One reason for the slow down was a reduction in the demand for some important Swedish export products, notably pulp, timber, steel and iron ore. Another cause was a drop in industrial investments from an increase of 15 to 20% annually during 1960 and 1961 to a rise of only 2% in 1962. Industrial building investment fell by 9%. Private consumption, too, rose less than during the preceding year. In fixed prices, the increase was 4% as against 5% in 1961. Total personal income went up about 10% in money values, but the real increase was less owing to a rise of 5% in consumer prices.

ITALY'S BALANCE OF PAYMENTS POSITION WORSENS

Italian economic circles are increasingly concerned about the deterioration in the trade balance of Italy. Figures just released by the government show that at the end of the first half of 1963 the gap in the trade balance marked an 87.2% increase compared with the same period of 1962, reaching an amount of 740,000 million lire (approx. £425.3 millions). This deterioration was the consequence of a 24.2% increase in imports while exports only increased by 6.5% as compared with the same period last year.

One of the causes of this is the competition suffered by Italian industry from Common Market partners and U.S. and British industries. About one-third of Italy's foreign trade is at present concentrated in the Common Market area (32% of imports and 35% of exports), but in the last two years the increase in exports toward that area dropped, while imports from it continued to climb up.

Another important cause of the deterioration in the trade balance is the serious agricultural crisis, which has been aggravated by Italy's entry into the Common Market and by consequent competition from other partners. In the first four months of 1963, Italian agricultural export dropped by 9.7%, while the import of agricultural produce increased by 25.2%.

WEST GERMAN ECONOMIC PENETRATION OF IRAQ INCREASES: According to press reports from Baghdad, West German enterprises are to participate in Iraqi projects to the extent of 15 million dinars (£15 millions) under a "protocol for economic and technical co-operation" signed September 5th. West Germany now ranks third among the countries from which Iraq imports, the value increasing from 10 million dinars to 14½ million from 1959 to 1962. Exports from Iraq reached nearly 2½ million dinars in 1962, topping the list of states to which Iraq exports.