

EVIAN SPLITS THE FLN

EDITORIAL

Israel Betrays Soblen

THE leaders of the Israeli government call themselves socialists. If there was any doubt about it previously, their action in deporting Dr. Robert Soblen should show how little right they have to this description.

A Russian-born psychiatrist had taken refuge in Israel while on bail after conviction by a US court on an espionage charge. He was sentenced to life imprisonment, 61 year old, he was suffering from leukaemia and had been told he had a year to live.

But as soon as the American government requested it, the Israelis put him on a plane back to New York. It was on an El Al airliner that he tried to kill himself last Sunday. He is at present in a hospital in Britain.

Thus the Israeli Gaitskellites show themselves to be the servants of American imperialism. The 'democratic socialism' they are so fond of talking about is seen to be nothing but a Cold War ideology.

And even their claim to stand for the protection of persecuted Jewish people internationally is exposed as an empty boast. When the State Department speaks, the Israeli government obeys.

This sick old man should be left in peace.

Tories and Fascists

THOSE Labour MPs who are calling on the government to ban the National Socialist Party could see their efforts turned into a ban on all minority parties.

This should not be taken to mean that we join with those who say that, abhorrent though the fascists are, they should be allowed to speak for the sake of 'democracy': far from it. We say that this little rat group, the Nazis, and similar organizations, should be outlawed.

But who should do the outlawing? The Tories, who just like the fascists, are the enemies of the Labour movement, and who will turn to such groups in a time of crisis for capitalism?

No! Mr. Butler may well seize upon such a demand and say that no political parties, save Tory, Labour and Liberal, can hold public meetings or demonstrations.

When the French Left made a similar appeal to de Gaulle he complied; and the first meeting he banned was one organized by the Communist Party.

We should take careful note of the people being asked to take action against a movement that supports the policies of the murder of six million Jews. Mr. Butler has not openly said that he will ban the Nazi party, but he has refused to let the Committee of 100 hold a meeting in Trafalgar Square this week-end.

The Labour movement wants no help from the Tories. We will take care of the fascists—and their close relations.

Ben Khedda's reactionary role

By MICHAEL BANDA

NOT since the Trojan Horse has the world witnessed such a massive and slick piece of deception as de Gaulle's referendum in Algeria. In the mistaken belief that they were achieving real freedom and independence, the Algerian people voted an overwhelming and resounding 'Oui!'. In reality they voted for a fake independence and a truncated freedom which does not bear any resemblance to the original idea which inspired the 1954 rebellion.

The General has now secured three large birds with a single, well-aimed Bonapartist stone.

Firstly, he has strengthened the ties of French capital with the Algerian economy (1,500 million N.F. annually to be invested in Algeria) and thus made the new Algerian republic even more dependent on French finance - capital and technical aid.

mass exodus

Secondly, he has considerably weakened the OAS (thanks to the mass exodus of colons) and, provisionally eliminated it as a serious threat to his regime.

Thirdly—and most important—he has succeeded admirably in splitting the FLN and the GPRA and prevented the establishment of a strong centralized, unitary republican government in Algeria.

When the Evian talks were taking place President de Gaulle is known to have welcomed privately the replacement of Ferhat Abbas by Ben Khedda because in his opinion the latter had more influence and was capable of implementing the Evian settlement.

The General's optimism has been more than justified. He could not have found a more obsequious representative of Algerian nationalism.

helpless population

Many foreign writers, too, have remarked on the hostility of Algerian military commanders to the Evian settlement. This is not surprising. The army on the Moroccan and Tunisian frontiers and guerrillas in the mountains and the Bled had to sit on their guns while the OAS indulged in an orgy of plastic bombing, machine gun and mortar attacks on the helpless population of the coastal cities.

With unashamed cynicism and cowardice Ben Khedda, from his privileged sanctuary in Tunis, advised the people not to be provoked and to remain calm. This, at a time when the murder rate was one every 8 minutes!

The same Ben Khedda, through his nominee, Mostefai, now signs a treacherous agreement with the OAS leader, Susini. This is a calculated insult to the honour

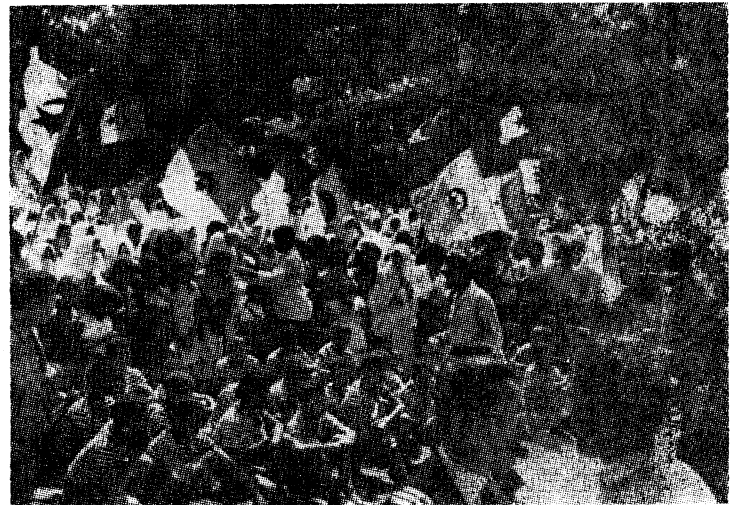
and conscience of the Algerian people and in particular to the 5,000 people who were killed, maimed or rendered homeless by the insensate attacks of the OAS desperadoes after the Evian talks.

At the same time Ben Khedda's faction has demoted the foremost military leaders of the ALN and provoked a major political crisis by denouncing Ben Bella and the general staff and demanding that they cease their activities immediately.

No congress of the FLN has heard or discussed the viewpoint of either side. All we know, in a terse statement from Tunis, is that 'Wilayas (zones) 2, 3 and 4, the Algiers Autonomous Zone and the FLN federation of France, met on June 24, 25 in Algeria and adopted resolutions denouncing the ex-members of the general etat-major'.

vigorous reply

To this provocative statement the commander of the Western Front in Oujda (Morocco) has issued a vigorous reply which states that the right to dissolve a body created by itself belongs only to the National Council of the Algerian Revolution (CNRA) and reminds the opposition that at the last meeting of the CNRA at Tripoli (Libya) 'general etat-major was once more invested with the confidence of the majority of the CNRA members and notably of all the delegates of the wilayas



An election meeting near Algiers a few days before the referendum

from whom it received a mandate to represent them'.

A similar text has been issued by the political commissariat on the Tunisian frontier. Thus the rift is deep and irreconcilable.

In Algiers itself the Right wing of the FLN are talking of taking 'severe measures to prevent anything which might harm the public order' while the French Fleet stands by in Oran in case the rotten fabric of the Evian com-



Ben Bella (right) and M. Khider, when arrested by the French in 1957 in mysterious circumstances

promise might be torn by another uprising.

Whether Ben Bella can assume power is problematical, but whoever wins, one thing is certain: the solution of Algeria's problems—the land, refugees, technical aid, industrialization, employment, health, minorities, Sahara, etc.—will not be solved by referendums and the election of a bourgeois government whose principal role will be that of a commission agent for French and American imperialism.

Such a government, whether it supports the Casablanca powers or the Monrovia Bloc, will deepen the misery, poverty and hunger of the Algerian people and pave the way either for a right-wing military dictatorship or a Socialist Soviet Republic. There is and can be no middle way.

impending conflict

The signs of an impending conflict are already visible. On the one hand the attacks against the officers in ALN, on the other the attacks (small, but significant) against the Algerian Communist Party.

The prospects for Ben Khedda's regime may indeed be dim and illusory but the prospects for a revolutionary Communist Party in Algeria could not be better. That is the lesson of Evian.

Police protection for Nazis

Newsletter Reporter

LAST Sunday, the day the Immigration Act came into force, saw another example of the dangers of racialism in Britain. For several hours a large force of police protected members of the National Socialist Party while they hurled racist and anti-semitic filth from the plinth in Trafalgar Square.

This provocation inevitably resulted in an angry crowd trying to stop the meeting. If this had been a socialist or CND rally, the police would have closed it at once, at the slightest sign of a disturbance, if indeed, they had allowed it to begin at all.

On Sunday, however, the fascists were protected and permitted to complete their speeches. The police carried out their job with even more than their usual brutality against

a justifiably indignant crowd.

Several thousand people were held from attacking the platform by a police cordon. The vile statements of Jordan and his supporters brought a shower of fruit, eggs and other missiles. At the end the speakers were allowed to escape only after considerable struggles between police and the crowd. Twenty people were arrested and fined, none of them fascists.

Tuesday's *Daily Mail* presents Jordan as a harmless eccentric. Don't let us forget the record of that paper in the '30s, when it gave support to fascism, in Britain and abroad.

It would be a big mistake for socialists to dismiss the organisers of this affair as a few psychopaths. They represent a warning of future developments

in this country.

The various fascist and semi-fascist groups today are only the prototypes of future movements. These will compete for big business support at a later date, and will come forward with radical-sounding slogans in a period of economic crisis.

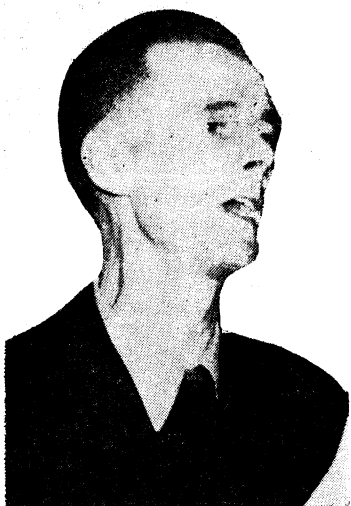
The Labour movement must be alive to these dangers. It is important to stamp out every manifestation of racialism as soon as it appears.

Last Sunday afternoon showed how foolish it would be to rely on the forces of 'law and order' to deal with this menace. As part of the capitalist state machine, the police will never be neutral between the working class and its enemies.

Trade unionists, socialists and CNDers should begin to organize now to meet the danger of a fascist threat.

JOHN GOLLAN, General Secretary of the Communist Party of Great Britain, addressed a 'Party Building Conference in London on June 17 and extracts from his speech were published in the *Daily Worker* on June 18. His speech is a pathetic expression of the inability of the old-line leadership of the Communist Party to provide the policy and organization needed by the working class of Britain.

Instead of a programme of demands that will take the working class along the road to power, as the only road to socialism, Gollan presents a purely reformist policy.



Gollan: pathetic . . . inability

Cliff Slaughter

The future of British Stalinism

He says: 'In the long run, our political influence in the country is measured by our vote in local and parliamentary elections.'

As for the Labour movement itself, Gollan says that, 'the still greater change needed in the balance of forces in the trade union movement must express itself in changes in composition of the General Council, the Labour Party executive and the Parliamentary Labour Party in the defeat of the Right and the triumph of the Left-progressive forces.'

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Instead of the independent action of the working class in preparation to smash the power

of the capitalists—a 'long-run' campaign to win seats.

Instead of a class programme of action in industry which will throw up new organs of struggle and a new leadership—a policy of pushing individuals into leading positions inside the bureaucracy of the TUC and the Labour Party.

The *Daily Worker*, only four days later, had to announce the expulsion of three prominent members of the ETU by the London District Committee of the Communist Party. Is this 'party building'? Have no lessons been learned from the ETU experience about the policy of capturing positions?

Is it not clear from this that the bureaucracy in the Labour movement is a tool of capitalism

that must be understood and fought as such?

The industrial struggle receives hardly any attention in Gollan's report. The factory branches are only discussed bureaucratically, from the point of view of *Daily Worker* sales and numbers of recruits, whereas they should be seen in a context of vital and urgent preparations for the tasks ahead.

In all industries, the workers urgently need a revolutionary Marxist leadership, conscious of the attacks being mounted by the monopolists and by the capitalist state. Just at this stage, the emphasis of the 'Communist' Party is on elections, a new weekly magazine, and collaboration with so-called 'progressives'.

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A Marxist leadership must find ways of swinging the lower middle classes behind the industrial workers, but they can only do this on the basis of a firm and fighting working-class programme. It is not true that the middle class can only be won by watering down socialist policies.

It is precisely the sham of fake democracy and hypocrisy which turns the middle class to look for desperate and even fascist measures, if the working class cannot give a clear lead against the monopolists and bankers.

Gollan seems to assume that simply recruiting more Party

members will ensure against these trends and will strengthen the Left in the Labour Party. But how does he explain the position in France, where despite the existence of a mass Communist Party, the middle class have turned in large numbers to ultra-Right and fascist groupings?

Many militant workers in this country, in and out of the Communist Party, ask themselves: 'How is it that enormous parties like the CP in Italy and France have been unable to lead the workers to power?'

Gollan will build nothing, for he cannot answer this question.

It is all very well to talk about a bigger Communist Party, strengthening the fight of the Left inside the Labour Party. But how can Gollan explain the *Daily Worker's* failure to campaign on the prescription of the Labour youth paper *Keep Left* and the threatened expulsion of national committee members of the Young Socialists? Is this building up the Left? Or is it not a combination of opportunist cowardice in order to preserve all sorts of pacifist and gentlemanly friends at the top, together with a sectarian fear that Gaitskell might be right, that the Young Socialists are very dangerous 'left-wingers' or even Trotskyists?

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Gollan's report on Party building is made at a time when we really do need to build a true Marxist Party in Britain. This is being done by the Socialist Labour League.

● In a future issue, we will examine further Gollan's report and say why he cannot provide the Communist leadership the working class needs.

Kennedy's big dilemma

IN mid-May the expansion of the American economy still seemed to be going ahead smoothly, if not at an exhilarating rate. Heller, chairman of the President's Council of Economic Advisers, claimed 'The economy has shifted into higher gear'. Since then the big break on Wall Street on May 28 and the continued gyrations of share prices have raised doubts about the continuance of even the present mild expansion.

The demand for stimulants is growing, as businessmen fear a run-down in sales in the coming months. Small percentage changes in the main indicators of economic health are being scrutinised with more than usual concern. Lack of confidence in the future now seems to be the keynote.

What is more, doubts about the future are spreading in Western Europe, too. The financial and banking press is no longer counting upon unlimited expansion: tighter credit, pressure on profits and intensified trade competition seem to be the order of the day.

While the difficulties of the dollar have receded, they could, under these conditions, come to the fore again. That would limit the possibility of dealing with a threatened recession by increased government spending.

Yet government spending is now a permanent feature of the US economic scene. Already for the fiscal year now ending there is a budget deficit—which is partly a delayed result of the 1960-61 recession.

More spending is called for in the coming year, chiefly for missiles and other weapons.

The US arms budget for the last fiscal year was \$45,700 m.; in the coming year it will, on present estimates, increase by over \$7,000 m. In fact, the increase since Kennedy took office has been at a faster rate than at any time since the Korean war.

Whether met from taxation or from additions to the national debt, these vast sums are, in large part, channelled into the accounts of the big monopoly concerns, and through them to sub-contractors of various kinds.

The switch in recent years to missiles and nuclear submarines has involved re-adjustments, but,

civilian activities. The aircraft industry, which employs nearly one million people, could hardly maintain its present place in international competition without huge government orders.

The motor manufacturers, likewise, benefit incalculably from the orders for tanks and trucks.

Whatever has shifted the American economy into higher gear it has not been its inherent health. But for increased arms orders, the last recession might have deepened and recovery never have begun.

At the same time, each recession now leaves a higher level

by Tom Kemp

by and large, the same firms benefit from the orders. The adjustment falls, for the most part, on the labour force.

To give an example of what the arms budget means for the American economy, the manufacture of missiles alone employs 565,000 people, according to a recent number of the official 'Survey of Current Business'. The industries involved are mainly electrical apparatus, aircraft and ordnance—which are the preserves of a small number of giant firms.

Not only does the militarization of the economy involve a vast waste of manpower, of the most highly trained and specialized kind in many cases, but it redounds to the advantage of the monopolies.

Profits are kept up by these invaluable government orders and benefits—for example from research or improved methods of production—ensue for their

of unemployment. At present the official figure is around 5.5 per cent of the labour force, but there are depressed areas or underprivileged groups, such as negroes, for whom the rate is much higher.

If, as seems likely, the recovery is never really to get off the ground, Kennedy may have to turn to more drastic measures. He obviously has to balance the different claims of particular sections off against each other and devise a policy in the interests of American capitalism as a whole which is, at the same time, politically feasible.

As *The Times*, wiser than many commentators, points out, Kennedy is not anti-business.

No doubt he would have dearly liked to be able to avoid the choices which now become inevitable. The coming year's budget was reckoned to show a surplus, which would have

pleased big taxpayers and the financially conservative sections of American business.

Now he will have to decide whether artificial stimulants are needed to keep the economy prosperous which will produce another big deficit. To wait too long, or to fail to do enough, may mean a slide into depression by the end of the year.

To act precipitously means to make enemies and take the chance that there will be another run on the dollar and a balance of payments crisis.

In a sense, *The Financial Times* is right when it sees the first real testing-time for so-called Keynesian measures at hand. At the same time, it should not be forgotten that the present 'prosperity' is underpinned by the huge arms outlay.

No wonder that American businessmen are luke-warm about disarmament and that there is no sign of any let-up in the Cold War from the American side.



Kennedy: drastic measures?

Left MPs try to expose Gaitskell

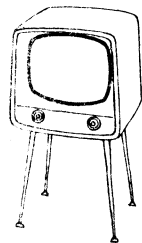
STUNG into action by Gaitskell's statement that he had no plans to nationalize ICI and the resultant Cunard Eagle-BOAC merger, 50 Labour MPs have tabled a motion for debate in the House of Commons calling for an extension of nationalization.

The motion, under the names of Mr. Ellis Smith and Mr. Blyton and backed by such notables as Emanuel Shinwell and Anthony Greenwood, is really a paraphrase of Clause 4. It calls for an extension of public ownership 'so that parliamentary control is established over the means of production, distribution and exchange'.

Such a motion, if debated, will, of course, be overwhelmingly defeated, but it will serve to draw out Gaitskell, Brown and company—as well as many fake Lefts and centrists—to show where they stand on this question.

However, the rank and file of the Labour Party must not stand idly by while the fundamental question of nationalization is debated in the House of Commons.

With resolutions for annual conference now being discussed, this an excellent opportunity to make sure that this vital matter is thrashed out at Brighton in October.



Pilkington Report

BBC — not a stain in sight

THE main conclusion reached by glass manufacturer Sir Harry Pilkington and his colleagues had leaked out long before the publication of their report on broadcasting. But shares of the ITV companies dropped severely just the same.

Commercial television had taken some trouble over the past year to prepare for the committee. A number of 'serious' programmes (known as 'Pilkingtons') had been produced to forestall comment on the general run of rubbish put out between the commercials.

They were wasted however. Sir Harry describes much of ITV's material as 'vapid and puerile'.

It is perhaps not surprising that papers like the *Daily Mirror* got very annoyed at the report. Large holdings of ITV shares are in the hands of

But it's 'Brand X' for the working class

some of the newspaper combines. The *Mirror* owns a chunk of Associated Television, which controls a fifth of weekday broadcasts.

The Pilkington Report will set off a pressure group campaign as high-powered as that which ushered in commercial television in 1954. At that time, the powerful TV lobby succeeded in getting the government to turn down the majority recommendations of the Beveridge Committee and accept instead the minority report of Selwyn Lloyd.

Now, with cigars, wine and caviar supplies strategically placed, the advertising agencies and public relations men go into action. They are unlikely to overturn the recommendation that the third TV channel should go to the BBC, but they will fight

to the last drop of whisky to stop the reorganization of ITA along Pilkington lines.

This would involve a drastic cut in the enormous profits made out of commercial television in the past seven years. If ITA were to take over the running of the programmes from the individual companies, what would happen to that 'licence to print money' indiscreetly referred to by Roy Thompson?

The character of commercial television is an inevitable product of capitalism today. Consumer goods manufacturers are forced by competition to spend large sums on advertising, using the most up-to-date methods available.

Of course, the consumer actually pays for publicity; one of the results of monopoly is

thus to raise prices when competition is fiercest.

Every technical resource must be thrown into the battle to sell more and more expensive detergents and cigarettes. The talents of the musician, the poet, and the photographer are expended in an attempt to step up sales of aspirins, toothpaste and washing machines.

Every aspect of modern culture is debased in the course of this process. Viewers must be stopped from switching off their sets, so as to maintain the stream of commercial persuasion pouring into their living rooms.

Pilkington imagines that this symptom of a decaying social order can be cured by setting up public corporations like the BBC. But it is an illusion to think that such organizations can be immune from the influ-

ences which dominate ITV.

The BBC, so praised by the committee, is as much a part of capitalism as the state itself. While in a typically British fashion it builds up an image of respectable impartiality, it is a major weapon for the ruling class.

Since 1926, it has sided with the employers in every major dispute in industry. Its programmes back up each move in British foreign policy. In its attitude to religion and to the monarchy, the BBC is a most reliable prop for the capitalist state.

And no one who saw the infamous broadcast about the ETU a few months ago can seriously argue that the 'objectivity' of BBC news programmes is anything but a mask.

Socialists should welcome the Pilkington report's attack on some of the features of commercial television. But let us have no illusions that entertainment or news broadcasts can be independent of capitalist influence this side of socialism.

'When the wind blows...'
Thorez on Trotsky

1924
Extract from a letter to Boris Souvarine, dated 15th April.

'Dear Comrade,
Please make good use of my modest subscription for the edition of Trotsky's pamphlet. I take this opportunity of assuring you once again as to complete solidarity just as much where the French Communist Party is concerned as on the question of the international "crisis".
Fraternally, THOREZ'

In a letter to the same person, dated 2nd May, about the situation in the Pas-de-Calais Federation:

'... A very small circle of militants is trying to reach a conclusion and most of them are agreed that Trotsky is not a Menshevik and that the real Right wingers are not those that one in fact places on the Right of the Party.'

1952
Stalin was still alive and at the height of his power.

Extract from the works of Maurice Thorez, second book, seventh volume, note on page 15 giving the biography of Trotsky in the following terms:

'Trotsky (1879-1940): Agent of the international bourgeoisie in the Russian working class movement. Opposed Lenin and Stalin on all the fundamental questions of forming a working class party of a new type, and on questions of strategy and tactics in the 1905 revolution and up to the seizure of power in October 1917. Adopted an adventurist policy against the Brest-Litovsk Pact, for the militarisation of the unions, and against the poor and middle peasants, and denied the possibility of the construction of Socialism in the USSR. After attempting to hold an anti-Soviet demonstration in Moscow in November 1927, was expelled from the USSR. Became leader of terrorist gangs, of sabotage groups on Soviet territory, and of groups for splitting the international working

class movement, to the benefit of the fascist powers and of cosmopolitan finance circles.'

1961
After the 22nd Congress and the demand of the Italian Young Communists that the role of Trotsky in the Revolution be examined. Extract from the speech of Maurice Thorez in the Central Committee of Ivry, 25, 26, 27 November, 1961

'On the role of Trotsky, I will repeat what I said yesterday to the militants of the 20th arrondissement.

'I took part in the meeting of the Executive Committee of the International which in 1927 excluded Trotsky from its ranks. This expulsion was pronounced at the end of a four-year political battle pursued in the heart of the CPSU and all its brother parties. Trotsky was excluded because of his political positions and because of his factional activities in the USSR and in the Communist International movement.

'Contrary to the legend people tend to spread around, Trotsky was never a Leninist or a Bolshevik. He was a fellow traveller in the moment of revolutionary advance. He joined the Bolshevik Party a few months before October. Up to that time he had been the determined adversary of Lenin and the Bolsheviks. In 1912 he had been the instigator and principal leader of the famous August Bloc, comprising Mensheviks, Trotskyists and other opponents of Leninism.

'And like a petty bourgeois who feels his wings only when all is going well, Trotsky, once the difficulties had begun, experienced simultaneously disarray, the lack of perspectives of the unstable elements and the tendencies towards military bureaucratic methods for surmounting these difficulties.

'He has always distrusted the peasantry. He opposed the militarisation of the Soviet trade unions. At the same time he put the unity of the party in danger

and its basis of principle and organisation.

'With his battle cry "Neither Peace nor War" rightly opposed by Lenin, he would have thrown the Soviet Union into adventure and catastrophe. He had no confidence in the possibility of building Socialism in one country. He wanted to "stimulate revolution by war".

'We should add that Trotsky knew the art of "flattering youth".
La Voie Communiste,
March-April 1962

IN an unplanned society, it is not an easy task to foretell the economic future, but it is interesting to know what big business thinks it is going to be.

The Federation of British Industries carries out a survey, from time to time, of selected firms who supply replies to questions on level of output, length of order books, finished stocks, etc. It also enquires about possible future business activity—and the latest replies are very enlightening.

Now the government, through its spokesmen Lloyd, Erroll and others, have made recent pronouncements to the effect that there are signs of increasing business activity and that the British economy is emerging from the doldrums.

One would expect the businessmen to corroborate this point of view. In fact such is their confidence in the future that half of those questioned stated that they are to spend less on capital investment in the next 12 months. An even greater proportion state that they are working below their productive capacity, and that their profit margins are continually declining.

Two economic indicators that are important pointers to the future are the number of orders on hand and work in progress. So far as orders are concerned the FBI's questionnaire produced the significant information that more capitalists had a declining volume

WHO'S BEHIND THE LITTLE SCREEN

The following table shows shareholders of some of the 13 ITA programme contractors.

	%		%
Anglia TV		Scottish TV	
The Guardian	21	Thompson Newspapers and Thompson TV	80
Associated Television		Southern TV	
Daily Mirror	13.4	Assoc. Newspapers	37.5
Sunday Pictorial	13.4	D. C. Thompson	25
Westminster Press	6.7	Television Wales and West	
Birmingham Post	5	News of the World	20.5
Border Television		Berrow's Newspapers	4
Cumberland Newspapers ...	21	Liverpool Daily Post	14.5
George Outram	12	Tyne Tees TV	
Tweedale Press	5	Daily News	21

City Slants by colin chance

of orders on hand than the reverse.

Picture the trend that these answers indicate in the case of a typical large-scale manufacturer. Equipped with modern plant and machinery, capable of a greater volume of production than ever before, there are actually less new orders coming into the factory so that future turnover (sales) must be smaller.

Work on hand, valued in terms of the cost of material and labour involved, is actually down, yet the

£ £ £ £ £ £ £ £ £ £

Crystal glazing

£ £ £ £ £ £ £ £ £ £

indirect costs of producing are proportionately up (rent of buildings, depreciation of plant, incidence of general overheads).

To make the situation worse, the net return is further reduced because the capital employed is greater than ever before. If outside capital has been provided to finance the cost of plant then interest charges too have to be paid.

My illustration has shown the effect on the large-scale capitalist.

But in order to ease the burden of falling trade he seeks to share it with the smaller capitalist who, not having the reserves of his mighty rivals, soon goes out of business.

The Engineering Industries Association reports that the larger concerns feel the impact of the credit squeeze 'hardly at all, by taking extended credit and this is snowballed throughout the industry until it reaches the smaller firms, which, incapable of retaliation, must grin and bear it or go out of business'.

Replies from the Association's members show that the percentage of debts to turnover increased by 7 per cent at the onset of the credit squeeze. This increase was simply due to the large manufacture, withholding payment to the small firm, usually its subcontractor.

'Do you feel more or less optimistic about the general business situation in the country than you did four months ago?' asked the FBI of its members. 80 per cent replied they felt the same or less optimistic. 19 per cent replied they felt more optimistic.

Perhaps Messrs. Lloyd's and Erroll's cheerful predictions are due to their being very well acquainted with the 19 per cent.



Big textiles struggles ahead

From JACK GALE

THE woollen textile industry is facing a tough time, and this undoubtedly means struggles ahead in Yorkshire woollen towns like Bradford. Last week several woollen firms published their annual reports.

● British Cotton & Wool Dyers Association Ltd. declared that their group trading profit was £345,338, compared with £452,092 last year. The group net profit was down from £140,963 to £107,812. The dividend was reduced from 12½ per cent to 8½ per cent.

● Troydale Industries' net profit is down from £165,000 to £141,000. The trading profit is reduced from £421,000 to £436,000.

● Allied Colloids, which produces dyestuffs and chemicals for the industry, reports a decline in trading profits from £201,133 to £187,497.

Unemployment and short time working in Bradford is the highest for over three years—3,612 for the month ending June 18. There has been an increase in unemployment in every industry except building. Most of the short time is in textiles, but is also growing in engineering.

School Leavers

To add to this, 2,000 boys and girls will be leaving school in three weeks time, the highest total since the war. 1,200 left a few weeks ago at Easter and a further 1,200 in the new year.

According to Mr. W. Walters of the Bradford Youth Employment Bureau, job prospects are 'not as good as this time last year' but the bureau is 'living in hope'.

But something more than hope is needed. Board of Trade export figures for May show that exports in wool textiles are lower than

last year in all the main sections except woollen yarn.

Exports of woollen cloth in the first five months of 1962 are 6 per cent lower than the corresponding period last year. Worst cloth exports are 10 per cent down, and tops almost 15 per cent down.

Exports to America fell from £8 million to £7.9 million, to West Germany from £6.4 million to £5.9 million.

Imports of wool tops into the 16 main importing countries have risen by 15 per cent between the final quarter of 1961 and the first three months of 1962. But British shipments fell by 8 per cent.

No Orders

Three of Britain's main customers for wool tops—China, India and Japan—are all taking less. Current production is exceeding orders in most establishments in Bradford and no large orders are coming in.

To make matters worse, Canada has just slapped a 5 per cent surcharge on wool cloth, as well as on other 'less essential' imports. This will hit, especially, medium priced cloths, and is a severe blow from the wool cloth industry's largest market (£8 million worth exported to Canada last year).

Another ominous sign for Bradford is that imports of raw wool are declining. Compared with last year there has been an 8½ per cent drop from 353.4 million pounds to 323.5 million pounds.

An article in last week's NEWSLETTER showed how a falling rate of profit leads to intensified drives against the working class. This is certainly on the cards in Bradford.

NUM leaders defeat pay claim call

Newsletter Reporter

LEADERS of the National Union of Mineworkers, meeting in annual conference at Skegness this week, defeated a move by the delegates to call for a general pay claim with priority over all other considerations.

The leaders won, instead, approval for them to press for a complete revision of the mining industry's wages structure.

They plan to open negotiations with the NCB in the autumn, and hopes for any substantial rise beyond the 'guiding light' maximum of 2½ per cent are forlorn, to say the least.

At the conference, the union

President, Mr. S. Ford, ended the wages debate by accepting a motion calling for a substantial increase, but made it completely ineffective by stating that it was the executive's responsibility to 'interpret the mandate given by the conference'.

The delegates made a disastrous error by not challenging this dictatorial statement. Mr. Ford now has authority to make, shelve or not make a claim as he thinks fit.

● Nominees for the NUM seats on the TUC general council next year are Mr. A. Martin, Mr. Will Paynter and Mr. Ford.

3 per cent for the engineers

Mr. Carron passes buck

Dangerous pattern for future claims

By ALAN WEST, Our Labour Correspondent

'WE would have liked more, but our members wanted the matter cleared up quickly, so we decided to accept,' said AEU President Mr. William Carron, on Tuesday when leaders of 39 engineering unions accepted a 3 per cent pay rise for their members.

So the blame for this dismal settlement and sell-out to the Tories is quickly passed to the engineering workers themselves. The poor, harassed union leaders tried hard, they would have stuck out for more, but the impatient rank and file urged them on, so they reluctantly accepted 3 per cent!

This petulant apology will fool no one, particularly AEU members and other trade unionists in the Confederation of Shipbuilding and Engineering Unions. They can see through Mr. Carron, just as they saw through the 'militant' decision to have a Confederation strike-ballot earlier this year.

The rank and file decisively opposed strike action then, not because they were afraid of a showdown with the employers, but because they knew that victory was a very slim possibility if they went into action under leaders who have proved over many years their great ability to sell-out strikes.

EMPLOYERS PLEASED

In recent weeks a number of tiny sections of the Labour movement have won concessions from the government with wage increases that far exceed the 2½ per cent minimum laid down by Mr. Selwyn Lloyd. But to date no major section of industrial workers has seriously threatened or damaged the pay pause.

The employing class as a whole will be well pleased with their colleagues' work on Tuesday, for the union leaders' capitulation will set the pattern for hundreds of thousands of workers.

The shipbuilders' leaders, who meet the employers next Tuesday, are virtually bound to accept 3 per cent for they are part of the Confederation, together with the engineers. Workers in jobs allied to these industries like white collar engineering staff and 160,000 government engineering employees and maintenance staff, traditionally follow the Confederation in wage claims.

The engineers' rise will cost the employers £50 million, but in many ways this will be considered cheap at the price. The claims were originally made 10 months ago and the ability of the employers to hold off for such a lengthy period makes the chances of a substantial rise for Confederation workers in the next couple of years highly unlikely, unless they fight for it.

The employers have another trick up their sleeves, too; they are believed to have told the union leaders that they are 'anxious' to revise the wages structure for the industry and raise the minimum



rate. This move is designed to obliterate one of the few weapons in the union leaders' tiny armoury, that of the appalling low minimum rates of pay.

If this is done then the employers will insist that all future negotiations are based on the minimum rates, which might then be reasonably high compared with the general rates for British industry as a whole.

Tuesday's agreement was reached after three hours' discussion. The unions went in with a demand for 7 per cent and the employers countered with 2½ per cent, as laid down in the 'guiding light' policy of the Florence Nightingale of the Treasury, Mr. Selwyn Lloyd.

The employers agreed to raise the offer by ½ per cent, which will give workers on the minimum rates an increase of 5s. a week to £8 9s. 10d. Skilled workers get 6s. more, bringing them up to £10 1s. 2d. and women workers get an extra 5s. a week; their new rate will be £6 18s. 6d. There will be corresponding rises for youths, apprentices and girls. All the increases apply from next Monday.

LEFT DEFEATED

Before the 3 per cent was finally agreed to, the union leaders had a short meeting at which the left-wing of Mr. Ted Hill, Mr. Dan McGarvey and Mr. Claude Berridge voted against the settlement. They were heavily defeated.

This decision must be viewed as a major set-back for all the Labour movement. Carron and Company have given the Tories and the employers a most effective bargaining ground for all future wage claims.

But if the engineers' miserable five bob serves to further underline the need for a new leadership that will throw off the reactionary bureaucracy at present in command and prepare for a real struggle against the Tories for nationalization and workers' control, it may turn out to be quite an expensive concession for the employers after all.

Foulkes: 'I won't rat on ETU'

By Reg Perry

AT a special meeting of ETU members, held in North London this week, Frank Foulkes, President of the union, told over 50 members that although he had had many lucrative offers of employment with staggering salaries, he had no intention of resigning from the presidency.

'Let me make it quite clear,' he said 'that I have no intention of ratting on the union or on the Party to which I belong. I hope that the stand which I am making will act as a rallying point for all the Left forces in the union against the Right wing.'

This is the kind of fighting talk which will be welcomed by most union members.

In the course of the meeting Foulkes exposed the way in which the Right wing were trying to stifle his case against the charges they had brought against him.

By charging him under Rule 38



Foulkes: rally against Right

instead of Rule 13 they would be able to hold up his appeal to the membership for nearly 12 months. In the meantime, with Foulkes sacked they would be able to proceed with the special conference later this year with a chairman of their own choosing.

Meanwhile Byrne, Chapple and Carron took further steps this week to consolidate their control over the union. They have made four charges against George Scott, ex-EC member, for conduct detrimental to the union and summoned him to appear before the EC next Monday.

If Scott is expelled the only opposition to Chapple for the post of Assistant General Secretary will have been removed.

In the ballot of branches for nominations for the post which has just closed, it is confidently estimated that Scott received twice the number of nominations for the post than Chapple.

This move follows those which the EC have made recently which removed many of the candidates for the delegates to the TUC and Labour Party Conference.

Union members have bitterly complained against the decision by the EC to appoint the delegates themselves. This move will also strengthen the Gaitsekell-Brown leadership in the Party.

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