

The Newsletter

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Economic crisis

MAKE THE TORIES PAY

By George Weston

AS Mr. Wilson forms his cabinet and the newly-appointed Ministers jump for joy on the steps of No. 10 Downing Street, the capitalist press engages in sober speculation. In the top circles of the Tory Party leadership there is, it appears, much relief.

Whilst Wilson and his stooges carry the can, the Tories are capable of powerful pressure on the government and at the same time they can dodge into the board rooms of the City and make a little on the side while the going is good.

Two arguments will now be used to put pressure on the right-wing Labour leaders. The first is that their majority is too small to do anything, and the second is that they have no mandate to take serious action against capitalism.

The Newsletter believes that it is perfectly right and correct for the Labour leadership to take over the government even if it only had a majority of one. It must use its term of office as part of a struggle against capitalism, by placing the interests of the millions of working-class people, who voted for the Labour candidates, first.



Cousins: 'will cause hardship'

the Tories—then they will continue with capitalism which means, inevitably, placing responsibility on the working class. If they operate capitalism then they will have no alternative but to carry out Tory policy.

There are important indications that the Labour Cabinet is going to retreat before Tory pressure. The capitalist press support the stand taken by Mr. Gunter against the dockers.

The 'Daily Telegraph' of October 21 writes:

'Mr. Gunter's dilemma is thus that of the new regime as a whole—whether meekly to surrender to all demands or to risk widespread industrial unrest by opposing some of them.'

Cousins' role

Speaking about Mr. Cousins' new role as Minister of Technology 'The Times' writes, also in its editorial of the same date:

'Whatever his idiosyncrasies, he has been a useful member of the Council for Scientific and Industrial Research and is seized of the need to modernise industry. That laudable ambition is bound to cause anxiety if not

hardship among workpeople.'

If these quotations mean anything, they indicate that the Tories believe that a Labour government is going to attack the working class. What of the fake left leaders around 'Tribune'? Will they provide an alternative?

On the contrary. Mr. Wilson has seen to it that they are tied up in his new Cabinet!

Real struggles

The task of building this alternative leadership to Wilson is now the most important one confronting the rank and file of the labour movement. Conditions for real struggles in industry are opening up.

We repeat again, that a real socialist programme should have one object—make the Tories pay for Toryism, nationalize the major industries and then start with real socialist planning.

QUOTE

of the week . . .

FOLLOWING reports that the police in Quebec had used considerable violence on crowds during the Queen's visit, Mr. Claude Wagner, attorney-general for the province issued a statement white-washing the police.

After conceding that 'some unnecessary moves' might have been made by officers who lacked judgment or who could not restrain themselves when exposed to 'the insults and sarcasms of agitators', Mr. Wagner stated that those affected had not been 'martyred or bludgeoned, but merely . . . pushed back with several light blows of a baton'.

DR. ALLEN JAILED AGAIN

DR. VICTOR LEONARD ALLEN, the 41-year-old Leeds University lecturer who was on bail in Nigeria awaiting sentence on sedition charges, was jailed for two months on Tuesday following an alleged escape attempt.

He was arrested at the weekend at Idiroko, a frontier post, where he had travelled with another man who fled when immigration officials stopped them.

Dr. Allen was said to be dressed in the robes of a North Nigerian tribe. His hands, face and feet were stained deep brown and he had a travel document in the name of a Hausa tribesman.

In court he appeared in a grey suit. He admitted making a false statement and attempting to use a false document.

SENTENCES

Dr. Allen and three Nigerians—trade unionists Sidi Khayam and Jonas Kionasakenagh and teacher Olushengun Adebayo—will be arraigned before the Ikeja court on November 10 to hear their sentences for allegedly plotting to overthrow the Nigerian government during the early part of June when a victorious general strike was staged by Nigerian workers.

Dr. Allen was in Nigeria collecting material for a book at the time of his original arrest. He went on a hunger strike at the Kiri Kiri jail early in July before the sedition trial and was later released on bail.

Interim measures before attacks on workers

Government to borrow from International Fund?

Trade gap widens even further

By JOHN CRAWFORD

DESPITE his strenuous efforts to avoid the appearance of panic, Wilson's first economic decisions can only be an interim measure.

Within a few months further steps will have to be taken to deal with the crisis, whose existence he was denying only a few weeks ago.

The trade figures for September, announced the day after the election, showed on seasonally adjusted figures that British exports had fallen by a further £24 million. Sales in almost every market are dropping as competition gets fiercer.

BILL

Meanwhile, the imports bill stayed at the peak level of £471 million, leaving a widening trade gap of £111 million.

Maudling's assertion that last month's £50 million loan from foreign bankers would help to finance expansion is clearly seen to be nonsense. This short-term credit was drawn to make up for falling income.

The Labour government will now probably borrow from the International Monetary Fund in order to repay these loans. Maudling decided not to have recourse to the Fund in order

to avoid any close examination of the prospects for the British economy.

But longer-term borrowing will have deeper implications for Wilson's administration, since it must involve some measure of control by the International Monetary Fund administrators, and thus by Wall Street, over government policy.

Last week the value of the pound stood at \$2.78, the lowest level since the 1957 post-Suez crisis, and the lowest usually allowed by the Bank of England.

The crucial issue for Wilson is the confidence of foreign and British financiers. The recovery of sterling after 1957 depended a great deal on the way the Tories tackled the 1958 London bus strike.

DRASTIC

Today, the Labour government, determined to run capitalism, will have to convince world capitalism that it is able to attack the working class.

Whatever immediate policies Wilson may adopt, however, the deep nature of the crisis will demand further, more drastic measures later on.

Devaluation is still a dirty word in many circles. But gradually it is beginning to feature, or to be hinted at, in the financial columns.

Devaluing the pound would mean a big cut imposed by Wilson in the living standards of those who elected him.

All the election talk of the new, go-ahead, scientific Britain is therefore exposed as a mockery, as the Labour leaders pursue their chosen course of resolving the Tory crisis at the expense of the workers.



'Izvestia': Soviet government daily newspaper

First moves towards restoration

'IZVESTIA', the Soviet newspaper has just announced that the Economic Council of the USSR (Sovnarkhoz) met four days after Khrushchev's fall, on October 19 and 20.

At this meeting, recommendations were made that some Soviet firms should have more independence from the central plan, and should be allowed to work out their own production plans, based on market demand.

These recommendations were accepted, after reports from two pilot factories (Bolshevichka in Moscow and Mayak in Gorki), which had been proceeding on these lines since last July, had been examined.

This 'Izvestia' report would seem to confirm a statement made by a member of the 'Chinese' wing of the Italian Communist Party that 'Brezhnev is more right wing than Khrushchev'.

In any case, whatever Brezhnev's opinions, the move indicates the mounting pressures towards the restoration of capitalism in the USSR.

AIT AHMET CAPTURED

AIT AHMET, the leader of the Front of Socialist Forces, the armed opposition to Ben Bella's government, has been arrested. He is expected to be tried by a military court very shortly.

One of the nine 'historical leaders' of the FLN, Ait Ahmet became permanent ambassador of the FLN to the United Nations while the war was in process and in 1956 was arrested by the French, together with Ben Bella, when their plane was forced down over the Mediterranean by the French Air Force.

At the end of the war, he refused a ministry in Ben Bella's government, simply becoming an MP. In 1963 he founded the Front of Socialist Forces which began an armed insurrection in the Kabyle region in September that year.

Of the nine 'historical leaders' of the FLN, three were killed in the war, four are living in exile from Algeria, Ait Ahmet has just been arrested. Only one, Ben Bella, remains at liberty in Algeria.

Woolwich Arsenal to be reprieved?

THE Woolwich Arsenal, which was scheduled by the Tories to close within the next two years, may be reprieved.

There is to be an 'urgent re-examination' of the position of Royal Ordnance factories in Britain by Labour's Minister of Defence for the Army, Mr. Frederick Mulley.

Already some 800 of the workers have been laid off at the factory which has a total force of 3,800.

In May this year many of the Woolwich workers joined men from the South London factory of Projectiles, which is definitely closing, in a demonstration and march against redundancy.

Last December the then Secretary of State for War Mr. James Ramsden said the closures would have to be carried out because the Woolwich and Nottingham Ordnance factories were 'overproducing' arms.

But the Woolwich workers had an answer then. And it still applies. Mr. Mulley should note.

'Why are non-profit-making government arms factories being closed?' So that private arms firms can make excess profits. Remember Ferranti?'

Victory for labourers

THE Surrey building site labourers who had been on strike for a week and two days following the dismissal of their shop steward (see story page four) returned to work on Wednesday following his reinstatement.

After the Election—What next?

THE result of the General Election marks the beginning of one of those periods in history when a whole generation can learn big political lessons in the space of a few months.

All the Labour Party careerists who expected this election to ensure a well-paid future for at least five years are doomed to bitter disillusionment. What they are really in Parliament for, and how long they will last, is determined not by their own ambitions and assumptions, but by the needs of big business.

Before the election, 'The Economist', organ of the very right wing financial circles in the City, came out in favour of the election of a Labour government.

They got the best possible result for themselves. They want Labour in because the main task for big business is to discipline the workers, forcing them to accept a wages standstill.

Along with this, they must increase production for export, while cutting the import of goods. To do this they must break the power of resistance of the organised workers at rank and file level and cut the

purchasing power of the workers' families. The Tories are quite content to see Wilson appoint so-called 'left-wingers' to government posts. They hope that this will condition the workers to accept 'sacrifice' and 'unpopular measures'.

Alec Douglas-Home said after the result was announced that if Wilson took wise measures to save the economy, the Tories would not take advantage of the difficulties of a small Labour majority.

Two days later 'The Times' was very explicit about the conditions of this agreement not to 'harry' the Wilson government.

In the leading editorial on Monday, October 19, 'The Times' virtually accused Maudling of lying about the state of the economy and called upon Brown and Callaghan to reveal the whole truth about the financial crisis.

The editorial poured scorn on Maudling's figure of £50 millions recently borrowed to meet pressing debts, implying that the figures must be much higher.

'The Times' leader writer goes on to say that big loans from the

EDITORIAL

Another faker hits the dust!

THE announcement that Mr. Cousins, General Secretary of the Transport and General Workers Union, had joined the government was greeted with derision in dockland.

Here was a man who posed as a left and a fighter for the rights of port workers. Now in their hour of greatest need for leadership, he becomes a Minister in a Labour government. The dockers are right to conclude that this is, in fact, a get-out for Cousins.

But what do the pacifists and Communist Party leaders think of their recent hero? The man who called for abolishing nuclear weapons is to sit in a government which will have under its control Aldermaston and other places where the H-bomb is manufactured.

True enough, he is to head a department devoted to technology—but everyone knows that under capitalism technology is above all needed for the instruments of war-making. It is in the defence industries that the greatest developments of technology take place because they have unlimited funds at their disposal.

Mr. Cousins has deserted the dockers and joined the Establishment. There is not much else to be said. Just one more fake left hits the dust. We told you so.

International Monetary Fund might entail 'surveillance' of government policy. In other words, international finance capital will decide Wilson's policy.

More important, however, is whether the Wilson government can work an incomes policy, says 'The Times'. They conclude with 'the hard word':

'The new government's precarious majority may preclude essentials, such as steel nationalization; it need not interfere with efforts to produce a sound and prosperous economy.'

This is 'Times' language for saying: insofar as you hammer the working class we won't interfere; but if you attack private property, we'll make it impossible.

The reply of socialists must be clear. The Tories and big business are responsible for the crisis. They must pay and not the workers. The only way to do this is to take the factories and the finance houses from their owners and place them in public ownership under workers' control.

This must be the organised workers' answer to Wilson's 'crash programme'. Make the bosses pay!

