

The Week

A NEWS ANALYSIS FOR SOCIALISTS
Vol. 5, No. 24, 16th June, 1966

6^D

SP1 22
**Tobacco
Workers say
"Re-instate
Ken Coates"**

ZURICH OR WESTMINSTER

Tobacco

Workers say

"Re-instate

Ken Carter



THE WAGER

ZURICH

OR

WESTMINSTER

CONTENTS

PAGE	1	Editorial notes.	PAGE	7	The <u>Miners' Voice</u> .
"	2	Tobacco workers.	"	8	Industrial news.
"	3	Workers' control seminar.	"	9	Hull dockers' meeting.
"	4	British complicity in Vietnam war.	"	10	Vietnam war boom out of hand.
"	5	War crimes tribunal.	"	11	Workers self-management in Yugoslavia (a paper of the workers control seminar)
"	6	French seamen win wage increase.	"	12	

ZURICH OR WESTMINSTER?

The Swiss bankers are quite frank: they believe that the fact that British capitalism is so much in debt to them gives them the complete right to interfere with Britain's economy, industrial relations and politics. It is, of course, their right to hold such views, but the rub is that Mr. Wilson has shown no sign of disagreeing with them. All his talk about the stubbornness of the seamen can be answered with the enquiry: is he reflecting the stubbornness of the Zurich bankers? Who is supposed to govern this country - Parliament or foreign financiers? In the past socialists have posed the question of the class nature of the state from a theoretical point of view - our explanation of this phenomena has been made difficult by the care with which the capitalist class takes to hide the fact. Now it comes right out into the open.

Mr. Wilson and his supporters can be seen by all to be not merely the "saviours" of British capitalism but the protectors of the interests of foreign bankers in this country. The question of what the British people vote for is irrelevant: he who pays the piper calls the tune. When the workers of Britain voted solidly for Labour on March 31st they did not vote for a policy of wage restraint (or will it be a freeze?), but that doesn't matter. So once more the lesson is clear: either Labour follows a socialist option or it ends up by doing the dirty work that not even the Tories can get away with.

STAND BY THE SEAMEN!

It is shocking that the T.U.C. are asking the seamen to capitulate. Their policy is a strike-breaking one. At a time when the seamen are locked in battle with a case which is unanswerable, these men, who are supposed to be representatives of the interests of the trade union movement as a whole, attack the men who are to the forefront fighting for the whole of the movement. Unfortunately things have not stopped there. Leaders of certain unions - the T.G.W.U. notably - which oppose the incomes policy have failed the seamen when the latter asked for a boycott of British ships. This is not only wrong it is profoundly mistaken. These very same unions are bound themselves to come into conflict with the Government in the coming months. If the seamen lose, these unions will face an immeasurably harder task. Even if the seamen win these unions will find it very difficult to appeal for help in their struggle. On another front, a number of M.P.s, who consider themselves left-wingers, have seen fit to attack the seamen for not accepting the Pearson Report. They too are both very wrong and foolish. If they are sincere in their desire to build up an alternative left wing to Mr. Wilson's team they should see the seamen and other militant trade unionists as their allies. Instead they have played into Mr. Wilson's hands by facilitating his salami tactics.

An emergency motion was put down by Nottingham delegates, mandating the Tobacco Workers' Union delegate to the Annual Conference of the Labour Party to move the reference back of the N.E.C. Report on the expulsion of Ken Coates. This is a doubly welcome move, because the normal conference delegate is one of the very witch-hunting aldermen who started the purge in Nottingham. Numerous delegates from Nottingham attacked the expulsion. "Ken Coates was attacked for putting forward the policies of this union, against the Incomes Policy and the American war in Vietnam," said Rene Keely, supporting the motion. "If you want to know about slum housing, or about comprehensive schools in Nottingham, then go and ask Ken Coates", said Bob Reid. A strong debate took place, in which delegates from Glasgow and Liverpool supported their Nottingham comrades. "If people can be expelled for such reasons as given, then they ought to expel everybody in our factory" said a Glasgow delegate. The vote was carried by 4600 to 2300.

TOBACCO WORKERS KEEP LEFT.

from an industrial correspondent

The Tobacco Workers' Union held its Annual Conference at Margate last week. In keeping with its militant traditions, the union took up a firm stand against the war in Vietnam, and showed very clearly that it was not at all taken in by the Incomes Policy of George Brown. It also carried a resolution opposing Ken Coates' expulsion from the Labour Party.

The Conference heard some astonishing stories of bad conditions in this highly profitable industry. Mr. Mal Hughes, of Nottingham, told delegates, "A blood bank recently came to Nottingham asking for blood donors. When women volunteers went forward a large number of those volunteers were rejected on the grounds of blood deficiency. These women had been working excessive overtime for several months." Mr. Hughes was seconding a resolution urging the Government to reduce from 48 to 40 hours the maximum permitted weekly hours of work for women and young people stipulated by the Factories Act. This resolution was carried unanimously. Later in the day players' issued an indignant denial. Clearly they had been touched on the raw.

Nottingham speakers also took a major part in discussing a successful Bristol resolution opposing compulsory overtime. Seconding the resolution, Mr. A Curzon said: "We have women working from eight in the morning until seven at night. They are away from home 12 hours a day, and this is causing distress and inconvenience in family life."

Mr. Stan Smith said that Imperial Tobacco Company employees had to sign a document agreeing to overtime when they joined the firm. "You haven't got time to read all the little print at the bottom. You are just asked to sign," he said. "You are signing the rest of your life away on overtime." Supporting a resolution on safety and health, calling for a National Safety and Accident Prevention Committee for the tobacco industry, and for special attention to be paid to mental fatigue and noise, Mr. D. Trussler referred to the "soul-destroying torture of machine-minding". On noise he added, "The infernal whine of electric motors and other machinery turns the modern workshop into something resembling London Airport on a busy day."

LAST DAYS TO REGISTER FOR WORKERS' CONTROL SEMINAR by Ken Coates

As we enter the last week prior to the seminar on Industrial Democracy, registrations are arriving in bundles. Among the latest batch are 3 NUR delegates from Falkirk, 5 from Glasgow, 4 representatives of the London dockers including Ken Britton and Brothers Walsh and Vincent. More Scunthorpe steelmen, Yorkshire miners and busmen have been writing in. Colin Barker, co-author of the recent very effective exposure of the Incomes Policy- 'Incomes Policy, Legislation and the Unions', will be coming from Manchester with a number of other people. Joe Kenyon, editor of 'Miners' Voice', will also be bringing a party with him.

'Miners' Voice' devotes a great part of its first issue to the question of Workers' Control. Joe himself contributes a very sharp analysis of the crisis in coal, in which the demand for a realistic and honest fuel policy is squarely put. The National Union of Seamen have just published a very important pamphlet- 'Not Wanted On Voyage', which answers the Pearson Report and makes a stable-mate to the Anti-Devlin Report. It lashes the employers' secrecy about their accounts, and attacks the distortions of the Pearson Report. It should certainly be discussed at the seminar, if only for its very shrewd attacks upon the present incomes policy. (price 2/- p.p. from N.U.S., Postern Gate, Hill)

The Centre for Socialist Education is publishing a series of papers in its Bulletin, which will be out at the Weekend. These include items on Incomes Policy, Mining, Docks and Safety. Authors include Walter Kendall, Tony Topham, Jack Jones, the Socialist Medical Association and Joe Kenyon.

The need for offers of hospitality in Nottingham is now desperate. Can we appeal to every reader in Nottingham who has a bed to spare, or a couch, to come forward with an offer as quickly as possible? Offers of beds in Nottingham, and now registrations, should be rushed without delay to Geoff Coggan, 47, Brindley Rd., Bilborough, Nottingham, Telephone: Nottingham 281364.

INTERNATIONAL SOCIALIST JOURNAL NOW OUT

Issue number 14 of International Socialist Journal is now out. It includes a feature on the Army and Bureaucracy in Pakistan, by Hamza Alavi; a report on the British General Election by Ken Coates; an analysis of the American war in Vietnam by Paul Lattick; the Hull Dockers Anti-Devlin Report. Copies are available at 5/6d post free from 19, Greenfield St., Dunkirk, Nottingham.

SPECIAL ANNOUNCEMENT

We are proud to announce that the Vietnamese exporting agency has asked The Week to act as an agency for their publications. We will collect subscriptions for such journals as the Vietnam Courier, Solidarity with Vietnam, Vietnamese Trade Union Quarterly, etc. The journals themselves will be sent direct to the subscribers from Vietnam. We will be listing all the journals available in next week's issue, but in the mean time anyone wishing to subscribe to Vietnam Courier, a weekly, which gives day-to-day news of the struggle against U.S. imperialism, should send 10/- for a year's subscription (or pro rata) to 54, Park Rd., Lenton, Nottingham.

VIETNAM SOLIDARITY CAMPAIGN : CONFERENCE RESOLUTIONS

To last week's reports on The Statement of Aims of the Campaign, and the resolution on structural organisation, we now give details of the other important resolutions passed at the Campaign's First National Conference a fortnight ago:

Resolution on British Complicity in the War

The extent of the British government's complicity in the US war in Vietnam is insufficiently known. It is profound and operates at many levels:

- 1) Britain has repeatedly supported US apologies for the war;
- 2) Britain has supported the US bombing of North Vietnam;
- 3) Britain is a principal foreign apologist for the Johnson Administration's imperialism. Britain has become more than even before a built-in part of the American aggressive system;
- 4) Britain has been co-architect of Western imperialism in South East Asia by its policy in 'Malaysia' and East of Suez;
- 5) Britain has recognised the illegal and unrepresentative Saigon puppet 'government';
- 6) Britain is selling weapons to the US for its war in Vietnam;
- 7) Britain has helped perpetrate the fraud of 'peace' missions and 'negotiations';
- 8) Although co-chairman of the Geneva Conference in 1954, Britain has repeatedly failed to assist the implementation of the Agreements or to prevent the US wrecking them;
- 9) British officers experienced in counter-insurgency warfare are training Saigon puppet troops in 'Malaysia' with British weapons;
- 10) Britain's provision of the Thompson 'police mission' in Saigon makes every British taxpayer responsible for the slaughter of the Vietnamese people.

Whilst further British involvement in the war, which is sought by Washington, would be a yet greater crime, the extent of British complicity is immense. The Vietnam Solidarity Campaign will combat it by every means available

+ + + + +

Conference also agreed, in principle, to the setting up of a War Crimes Tribunal, and submitted the resolution before the Conference to the newly elected National Council. The following is the slightly abridged text of the document which has now been accepted:

A War Crimes Tribunal

Preface: Not since Nazi atrocities has the world been so roused by the extent of the cruelty shown people made victims of a great military power. Throughout the world, demonstrations against the use of chemicals, gas and torture by the United States have led to a growing desire for a properly constituted international tribunal to hear the full evidence and present a definitive indictment of these crimes. A War Crimes Tribunal which accomplishes this task will make a permanent contribution to the exposure of those responsible for this barbarism. US imperialism will find its war of aggression against the people of Vietnam is exposed in the most dramatic way. Its plans for extending these crimes wherever people resist oppression and exploitation will be better understood and, therefore, more effectively resisted.

Over /

Vietnam Solidarity Conference Continued

The War Crimes Tribunal must be guided by certain strategic principles:

1) The composition must be broadly based and chosen with a view to affecting public opinion in North America and Western Europe. 2) The breadth of the composition should in no way compromise the primary object of the Tribunal which is to set out definitively the barbarous character of the war of aggression waged by the US against the people of Vietnam. A preparatory committee should be established with representation from the US, Western Europe, Africa, Asia and Latin America.

Preparatory Committee: A Preparatory Committee of 25 should be formed, with responsibilities to create Committees of Finance, Publicity, and Administration. The leading spokesmen of the Afro-American struggle should be represented on the Preparatory Committee. The active involvement of Negro leadership in the War Crimes Tribunal will have profound importance for the American people's resistance to US imperialism. 3 representatives of S.N.C.C. - James Forman, Julian Bond and John Lewis - have agreed, in principle, to participate. It is suggested that the first Preparatory meeting should take place in Paris, and that the War Crimes Tribunal should be scheduled for 6 months from the date of this meeting.

Structure of Tribunal: There should be 12 members of the Tribunal, to include outstanding personalities and jurists. It is suggested that the Tribunal be convened by a small convening group consisting of such men as Bertrand Russell, Jean-Paul Sartre and Francois Mauriac. The Tribunal Judges should hear all evidence, after which they should prepare a report. Those appearing before the Tribunal should include Vietnamese victims, both North and South, witnesses, journalists, scholars and scientists who are able to give evidence concerning the war crimes committed by the US Government and its satellites in Vietnam. All proceedings to be tape recorded, and it is recommended that a documentary film should be made by Emile de Antonio, a Director of the Bertrand Russell Peace Foundation, an American renowned for his documentary films. The Finance Committee should prepare a budget and launch a world appeal for support which shall be signed by the convening group. The Publicity Committee should prepare printed material concerning the forthcoming War Crimes Tribunal and establish liason with world news agencies.

The Tribunal should sit for 12 weeks and receive the evidence of approximately 200 witnesses and examine the exhibits, which include photographs and analyses of the chemicals and gases employed in Vietnam. It is recommended that the venue should be France, if possible. France is the Western European country from which visas can most likely be obtained for all participants. If it is not possible to hold the Tribunal in France, it is suggested that Sweden and Finland should be tried.

The Prosecutor responsible for the marshalling of the evidence should be the American Lawyer, Mark Lane.

The Tribunal should appoint deputies empowered to take depositions and evidence from witnesses unable to appear before the Tribunal and to prepare such evidence for the consideration of the Tribunal. These deputies, acting for the Tribunal itself, can reduce the amount of work necessary for the individual members of the Tribunal, whose eminence may make it difficult for them to participate without cessation throughout the duration of the Tribunal hearings.

The French Shipowners Central Committee has just been forced to admit a 5% claim by the country's 26,000 merchant seamen. In addition to fringe benefits the 5% increase in real earnings will take the form of an immediate 3% back-dated to April 1st, with the remaining 2% taking effect from August 1st this year. The new agreement will be valid until April 1967. The 50% wage at present paid to crews on shore awaiting embarkation is to be increased to 63%, pensions are to go up by 5%, and the proportion of permanent crews is to be raised from 70 to 80 per cent.

INADEQUACIES OF THE RENT ACT

Amongst many recent expressions of concern at the working of the new Rent Act was a week-end speech by Frank Allaun MP. Speaking to his constituents at Salford he said that there was widespread concern because "the Rent Act has gone sour on us". It was not working, as everybody intended it to, to put right the injustices to tenants brought about by the Tory Rent Act of 1957. From his own enquiries, he said that it appeared that in the majority of appeal cases the assessment committees had increased the rent above what the local rent officer had determined as a fair figure. "The rent assessment committees must be clearly told by the Government that the new Rent Act was intended to put an end to the injustices of the 1957 Act, which allowed extortionate increases, and to restore the balance in favour of the tenant" he continued. "Otherwise there might need to be drastic changes in the Act, perhaps laying down that the formula for fixing rents should be attached to the rateable value of the property. Rent Assessment Committees had not ignored the 'shortage factor' as they were instructed to do by the new Act."

WILSON'S PUBLIC PRONOUNCEMENT ON THE SEAMEN'S STRIKE "GROSSLY MISTAKEN"

An executive emergency resolution, expressing fraternal support for the NUS and praising the Executive for giving 100 guineas to the Strike Fund, was carried at the annual conference of ASSET at Scarborough on Sunday. Ian Mikardo, who is of course a member of the Labour Party's National Executive, told the conference that he thought the Prime Minister's television broadcast in the early days of the Seamens Strike was "grossly mistaken and did a great deal to harden feeling and delay a possible settlement."

"I reeled with disgust, he said, when I read that an official party spokesman, speaking from the platform of a conference, described the seamen, who during the war had casualties suffered by one third of their number, as quislings. This sort of thing adds nothing to the decency and dignity of public life." He added that it was wrong to talk about planning a wages sector in an otherwise unplanned economy.

ADVERTISEMENT

VIETNAM SOLIDARITY CAMPAIGN: The conference report issue of the Vietnam Solidarity Bulletin will soon be out. It will contain a complete report of the resolutions passed, decisions taken, etc., It will make excellent material for those who want to explain what the campaign is all about. It costs 9d post paid from 8, Roland Gardens, London S.W. 7.
JOIN THE VIETNAM SOLIDARITY CAMPAIGN: membership costs 10/- per year or local organisations can become supporting organisations for £1 per year (national organisation £5). Write to the above address.

Another industrial paper has joined the Voice stable. The Miners' Voice contains a wide range of articles on the situation in mining and on general political topics. The front page is taken up with items which will be invaluable for active trade unionists in the mining industry, ranging from a detailed account of the profits made by the Yorkshire section of the N.C.B. (comparing this with the level of wages) to a quotation from Frank Hodges' book on the nationalisation of the mines, written in 1920. The latter quotation shows that the basic problems facing the miners have not changed all that much in the intervening 46 years.

Of special interest is the centre-page spread on "Workers' Control in the Pits", by Ken Coates. This, living up to the usual high calibre of these Voice centre spreads, gives a detailed yet easy to read plan for the application of workers' control to the pits. It is bound to cause a big stir when it is pinned up on dozens of notices board in the pits, institutes and canteens.

The back page has articles by Joe Kenyon and Mick Weaver, and still more items about the coal industry. It is certain that this new paper will make a big impact in the coalfields. It can help the process of re-establishing the miners as part of the vanguard for militancy in the British trade union movement. Any Week reader who can help to get the paper as widely known as possible in the mining areas should write immediately to: Miners' Voice, 120, Standhill Crescent, New Lodge, Barnsley. Copies cost 9d post paid. The editors will send sample copies to any miners you suggest.

MARCH WITH THE SEAMEN IN HULL!

from Tony Topham

All active trade unionists, socialists, communists, young socialists and socialist students should show their solidarity by marching with the seamen in their demonstrations. Hull left-wingers will have just this chance this Saturday:

Time: Saturday, 18th June at 2.00;

Place: Postern Gate, Hull (the Hull branch of the N.U.S. office)

and please note banners will be welcome.

MANCHESTER SOCIALIST BULLETIN

from a Manchester reader

In introducing the Manchester Socialist Bulletin, the editors say: "concerned at the drift away from socialist policies, Manchester socialists, from trade unions, political parties and local progressive groupings, have set up a new organisation - the Manchester Socialist Conference - to provide a forum for all socialists to meet and discuss matters of local and national importance. The Conference will be organising schools, public meetings.....We will provide information of use and interest to socialists, and this Bulletin is the first issue of a project to this end. Apart from a digest of important national news, we shall report the activities of local MPs, cover local industrial news and provide a calendar of coming events in the Manchester area....." And the editors live up to their words in the first issue: the local and national calendar are very useful, and other articles include a coverage of union conferences, and material on the seamen's strike. Cost 1/- post paid to: Manchester Socialist Bulletin, 22, Lidgate Grove, Manchester 20.

DIRECTOR GETS £26,250 FOR "WRONGFUL DISMISSAL" from a legal correspondent

An interesting court case took place last week: Mr. Edwin William Yetton, who worked his way up from being a 15s. a week office clerk to being a £7,500 a year joint managing director, sued his former employers, Eastwoods Froy, for wrongful dismissal. He won his case because Mr. Justice Blain decided that when Mr. Yetton, 56, was asked to become assistant joint managing director it was a "significant and important step down" from being joint managing director, and it was reasonable for him to refuse. The company later revoked the contract by which they had appointed him joint managing director for five years from April 1, 1963.

Judgment, with costs, was awarded. Mr. Yetton had originally claimed £30,000 but the judge said he was satisfied that Mr. Yetton would be able to find a suitable position at £3,000 a year by August.

I would not quibble at all with the amount awarded - anyone who can get money out of businessmen has my full support - but I would draw attention to a difference in approach. If the shop floor worker is downgraded or transferred to work which is not so remunerative he has no legal redress at all. What is more, if workers call a strike because of this kind of thing happening it is immediately labelled "wild-cat". The workers are accused of interfering with the powers of management. Trade unionists should use this ruling - not to go to the law courts over such questions - to justify any action they take in refusing to accept transfers which would be a "significant and important step down."

RUHR STEELWORKERS WIN 40-HOUR WEEK from a special correspondent

It is not only in Britain that the workers find that militant action - or threat of militant action - pays off. German steelworkers have been pressing for a 40-hour week without any sign of success. They then threatened strike action and at the eleventh hour the employers gave in. The 40-hour week will be introduced on July 1.

MIKE KIDRON REPLIES TO TONY TOPHAM

Tony Topham has done a disservice to your readers. In his review of Tony Cliff's and Colin Barker's pamphlet, Incomes Policy, Legislation and Shop Stewards (The Week, 2nd June), he writes: "The implication of much of the pamphlet's final section is that shop stewards must break away from the 'dead weight of bureaucracy' and form an alternative to trade unions." He adds, "All reforms, according to their thesis, are 'reforms from above'".

Topham has either not read the pamphlet or has read it in order to misconstrue it, for the authors are explicit. On the first they write: "Local bargaining" (i.e., the area of shop steward activity, M.K.) "and national bargaining" (i.e., the trade union sphere, M.K.) "are the two legs on which workers walk, and a man with only one leg hardly walks faster or more strongly than a man with two" (page 66). On the second, their views are put unambiguously in the final section, called "Do-it-yourself" reforms, where they write inter alia that in their daily struggle workers are "destroying the tradition of reformism-from-above. They are developing a new tradition of 'do-it-yourself' reforms..." But your readers can judge for themselves by sending for the 136-page pamphlet - 3s. post paid to Chris Davison, 83, Greyhound Rd., London N. 17.

The meeting called by Hull Centre for Socialist Education on June 10th on the future of the docks was attended by Kevin McNamara, M.P. for N. Hull. It was reported at length in the Daily Mail, from which we take the following extracts:

"The first step towards an efficient port industry is to raise the dignity of dockers by assuring them of a good, regular weekly wage, said Mr. K. McNamara. The situation in which men went home with scratches and bruises after fighting for a job was not a system under which a man could work properly. Nationalisation of the docks had to come as soon as possible with the immediate step the passing of the Docks and Harbours Bill..... He called for the abolition of the piece-work system and the introduction of understandable rates of pay. There should also be a proper system of training and the maintenance of a good wage for elderly workers. The docker should have a more active say in the running of the industry, not only in terms of his own conditions, but concerning future dock developments.

"Mr. Tony Topham, the regional convenor for C.S.E., said the Government was on the one hand in favour of the Devlin Report and on the other in favour of nationalisation. The Devlin Report suggested decasualisation of employment, which was a very good thing, but offered it at the cost of extending the powers of the private employer. The employers of the seamen were the employers of the majority of dockers, he warned. The report was in favour of merging firms. If efficiency was the purpose, why not reduce the number of employers in Hull not from say 90 to 10, but to one - the State? Dockers in Hull were aware of the weaknesses of orthodox nationalisation. For instance, the British Transport Docks Board was composed almost entirely of representatives of private industry. He suggested a national authority with regional or port authorities with responsibility for planning the industry and maintaining installations. National and local boards should be appointed by the Government with rules that no business interests should be represented. Port workers' councils should have the power to supervise and veto these appointments. The step of sweeping aside the private employer was a logical one. The private employer was simply a labour contractor, a 19th century survivor which fulfilled no useful function. Powers should be given to workers' councils to hire and fire dockers. All dockers would be regular workers, with regular employment and regular pay.

"Mr. Harry Spaven, chairman of the Hull Unofficial Port Workers' Committee, said that in general dockers thought the industry should be nationalised, and Mr. Brian Barker, of the T.G.W.U., said many dockers in Hull could tell the employers how to better their industry."

NEW LEFT REVIEW NUMBER THIRTYSEVEN

from a special correspondent

(5/- post paid from M.L.R., 7, Carlisle St., London W. 1.)

A whole number of gifted and authoritative writers have contributed to the latest issue of New Left Review: Connor Cruise O'Brien on the "Embers of Easter 1916-66"; Bob Rowthorne scrutinizes Andrew Shonfield's "Modern Capitalism"; Andre Gorz writes on "Satre and Marx"; whilst Ben Brewster contributes a penetrating comment on this essay; Joan Robinson discusses the Chinese Communes; Hamza Alavi makes an extensive and revealing critique of Mike Kidron's "Foreign Investment in India"; and Michael Barrat Brown and Royden Harrison continue the incomes policy discussion.

In spite of the slackening in the business growth rate, which first became evident in May, American businessmen and economists are becoming increasingly uneasy over the continuing threat of serious inflation. Among their main causes of concern is that the Vietnam War will intensify the mounting strains on the nation's production capacity and make an upward spiral of prices and wages inevitable. The administration's assurances that inflation is not a pressing danger has not alleviated their anxiety.

A poll of the National Association of Purchasing Agents found more than half of their number in agreement that the Vietnam War was affecting their companies' business. But while some said that sales had increased because of defence demands the great majority complained that these demands were doing more harm than good: they had caused shortages of materials, a tight market in skilled labour, long lags in deliveries of materials, and rising prices.

Earlier the Wall Street Journal reporting on shortages resulting from military demands, said that railways and shippers all over the country were complaining at the shortage of freight cars, that machine tool manufacturers were being warned by the Government that they were going to get more and more priority orders for machines needed by producers of military goods, and that some big aircraft companies had had to tell airlines that, because of military priorities they would not be able to deliver some of the commercial aircraft promised for this year. Shortages of manpower, 'affecting more industries than shortages of specific goods', and shortages of money, 'cutting across all kinds of business activity' were also noted.

But economists, however much they differ about some other matters, are almost to a man agreed that the most pressing problem now facing the United States is inflation. This was brought out last week in a poll of more than 500 of them conducted by the Chase Manhattan Bank of New York. 86% of the academic economists who took part in it and 94% of the business economists said inflation far from being merely prospective was already here.

But there is no general agreement on what to do about it. Some, but less than 30% of them were for higher tax rates. About an equal number were for reduced Federal spending. Fewer than one in five favoured tighter money.

In a survey of 146 manufacturers by the National Industrial Conference Board about 75% expressed belief that economic pressure would engender serious inflation unless checked. Most of them advocated a reduction of non-military spending by the Federal Government, 42% favoured tighter credit and a further rise of the Federal Reserve discount rate; 39% were for some increase in taxes; and 32% suggested further informal pressure by the Government on labour and management to hold down price and wage increases.

But in advocating Government action to halt inflation, a number emphasised that brakes should not be put on too hard or too fast quickly if the risk of sending the economy into a deflationary cycle in the next two years was to be avoided.

* This article appeared in the 13th June issue of The Times under the headline: 'Vietnam War Demands Causing Shortages.'

To assess the influence of the Yugoslav trade unions on Yugoslavia's stasised economy is no easy task. This is in part because there exists no period of normality with which one may make comparisons. Western democracy never flowered in Yugoslavia. The more than half-hearted Parliamentary system set up after Versailles was suppressed in 1929, and in the immediately pre-war years Yugoslavia was a reactionary Balkan police state. Yugoslavian industry, largely foreign owned, never developed widely. As a result, unlike in Britain, the working class remained a minority within a basically peasant population, and the trade unions, the victims of state suppression, were quite unable to achieve a power and influence in any way comparable to that achieved by our own. During the war Yugoslavia's working class was the victim of a severe repression by the forces of the German occupation. After 1945 all real power was rapidly concentrated in the hands of the Communist Party and the state apparatus under its control. In this absolutist set-up the unions were an essential part of the apparatus of Government control. Even now the Yugoslav unions do not, as far as we could establish, negotiate collective contracts, at any level, high or low, of the economy. That being so, it is hard to say that they are trade unions at all.

Any assessment of Yugoslav trade unionism must be made against this background, one which differs from that of our own at almost every point. As is to be expected, the Yugoslav unions are in very many ways different from those of Great Britain. Strangely enough, however, recent incomes policy pronouncements of the Labour Government seemed designed to bring the British unions closer to the Yugoslav model.

In larger scale industry no private property exists. The ownership of plants nationalised by the state in the immediate post-war years is now legally vested in the Workers' Councils of the enterprises concerned. In the years up to the inauguration of Workers' Self-Management, the unions, organised on the Russian model, were paternalistic organisations controlled from above, created to enforce state directives in the field of production, administration and social service provision, and to carry out ideological education among the working class. These "trade unions", like those of Eastern Europe, could not in any sense be termed working class organisations, or indeed trade unions in any sense at all. They were merely disguised governmental agencies - a form of company union operating in a stasised economy.

As a consequence of the Stalin-Tito breach and the subsequent launching of the Workers' Self Management movement, the role of the unions began to change. The movement has been for the better, and in the direction, in some essentials, of genuine trade union practice. At present the unions stand some way between the norms of what I shall term the opposing poles of "stasised company unionism", and "free trade unionism". At what precise point the transition at present stands it is difficult to express a definite opinion upon the basis of a ten day investigation. It is my view that on all major questions of policy, the trade unions continue to fulfil the role of a semi-governmental agency acting in accord with the leaders of the Communist League of Yugoslavia. On the other hand the unions are no longer simple Governmental agencies, as in 1945-50.

The decentralisation of the economy means that at many points and on many occasions the unions are acting independently, and exercising genuine influence on the course of events. The unions, in addition to exerting governmental pressure on

the working class, now also, almost certainly exert definitive pressure on the whole range of issues on the government itself. Such pressure would, I imagine, receive real consideration, although remaining less effective than that applied on the British Government by the T.U.C. To visualise the unions as a homogeneous bloc would be an error. Attitudes seem to vary from region to region, in part at least due to differing economic circumstances. That some union officials are a great deal more sympathetic to democratisation and reform than others is also clear. The heavy devaluation of the Yugoslav currency which took place on the eve of our arrival provided an excellent test case. The devaluation raised import prices and lowered individual item export earnings, and in many ways seriously affected working class living standards and earning opportunities. Such a currency devaluation is open to legitimate criticism, both as regards its scope and intensity, and as regards the need to take positive steps to safeguard working class living standards from its impact. One would have expected such views at least to manifest themselves at some point in our many discussions. They failed to do so. On this question trade union and government views seemed indistinguishable.

Similarly in the field of pricing. The adoption of a "socialist market economy" has led to a large scale abandonment of the arbitrary price fixing, formerly the rule. Prices have increased and with them the cost of living. Adjustment of individual product prices up and down has produced sharp impact on the earnings potential of most groups of workers. One would have expected to have discovered some specifically trade union view on these matters. We failed to do so. In Zagreb the author was engaged in a lengthy exchange regarding plans for the total abolition of unemployment benefit for all workers. Replies which we received to questions all reflected a management view - "unemployment benefits too high", people drawing benefits do not wish to work", the "need for mobility of labour", etc., and little or no appreciation of the problems from the workers viewpoint. Suggestions to intelligent trade unionists that they might express their dissatisfaction by protests or deputations were regarded as unnecessary and, I believe, regarded with a certain incredulity. The trade unions seem to accept the basic tenets of government policy as given, and the belief that working class problems can be resolved by utilisation of workers' self management opportunities.

The basis list in workers council elections is normally proposed by the union. The unions have economic departments and consider the aim of raising wages is to be achieved by utilising the influence they possess to maximise productivity, improve working of workers council management, etc. Collective contracts on the customary model do not exist. Though industrial stoppages are no longer punishable by law, unions have no strike funds and stoppages are, in fact, very rare. Wages should be based on productivity, and the British view that that fair shares should take precedence over economic incentives was unacceptable. There was conflict within the unions regarding methods of piece work payment, but piece work as the basic method of wage payment does not seem to have been seriously disputed.

The situation, in short, is complex and unstable. Yugoslav unions are neither free, nor totally under state control. As an alternative to the "unions" of Eastern Europe they represent a real advance. As an alternative to the unions in Britain, in the field of industrial democracy and that of basic attitudes to wage payments, they represent a real but far greater regression. The Yugoslav unions raise issues which until now there has been no open and honest endeavour to expose and to solve. What should be the role of the trade unions in a wholly statistised society? That Western and Eastern European experience alike demonstrate that there can be no democracy in a modern industrialised society without a trade union movement independent of state control seems, however, established beyond any possibility of dispute.