

V. G. Wilcox

OUT TO THE PEOPLE;
ON TO THE OFFENSIVE
AGAINST MONOPOLY

FOREIGN LANGUAGES PRESS
PEKING

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PUBLISHER'S NOTE

This pamphlet contains two documents issued by the Communist Party of New Zealand: the "Statement by the National Secretariat of the Communist Party of New Zealand", originally published in the January 23, 1963 issue of the weekly paper, *People's Voice*, of New Zealand, and "Out to the People; On to the Offensive Against Monopoly", a report of the National Committee to the National Conference of the Communist Party of New Zealand delivered by V. G. Wilcox, General Secretary of the C.P.N.Z.; and originally published in the April 1963 Special Conference Issue of *New Zealand Communist Review*.

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**STATEMENT BY THE NATIONAL SECRETARIAT
OF THE COMMUNIST PARTY OF
NEW ZEALAND**

The "People's Voice", a weekly organ of the Communist Party of New Zealand, published, on January 23, 1963, a news item under the headline, "Fighting Monopoly in New Zealand and Throughout the World — Statement by National Secretariat of the Communist Party of New Zealand". The full text reads:

"The date of our coming Conference is drawing near," Mr. V. Wilcox, General Secretary of the Communist Party of New Zealand, told the *People's Voice* in a statement issued this week on behalf of the Party's National Secretariat. "All indications are that it will prove to be the most important ever held by the Party since its foundation in 1921.

"To-day it is very clear, in view of the grave political and economic problems facing the New Zealand people, that in the next few years the Communist Party has a vital and key role to play —

- In the fight to preserve our living standards against the inroads of monopoly.
- To give leadership in the essential struggle to rebuild our internal economy to fit the situation facing us in a changing world.
- To continue the fight for peace and for that socialist New Zealand which will guarantee the fulfilling

(from the viewpoint of the mass of people) of those important issues.

"To-day more and more people are realising that the policy of our Communist Party, both, on internal questions and in the international field, is the one that fits the immediate needs and desires of all except those who wish to preserve the privileges of Big Business. It is the only way forward," the statement said.

The full text of the National Secretariat's statement reads:

Is it not, therefore, pertinent to ask how has the present policy and present form of activity of our Party been achieved? It has come from a long struggle throughout the years against opportunism and sectarianism.

From approximately 1950, this struggle took a more positive and active form, with a serious attempt at that period to base the Party on the workers — in fact as well as in words.

INTERNATIONAL DISPUTES

It would be foolish to think that complete success has been reached. But a big advance has been made in our attempt to make our Communist Party a living example of Marxism-Leninism in New Zealand.

We can confidently look to the decisions of our Party Conference at Easter to further strengthen our work. We have to win the mass of the New Zealand people to our policy and to open support of our Party. Success in this will lead to effective struggle in New Zealand for peace and Socialism.

There are, however, some international problems today in our Marxist-Leninist movement that threaten to

divert our minds and, if we are not careful, our activities from their correct concentration. We must refuse to be thus diverted, while at the same time not ignoring the important issues involved.

As an example of our realisation that we have a real job to do right here, irrespective of what is said overseas, while, on the other hand, we are not neglecting the ideological issues that are in dispute, we are publishing in the coming issue of the *Communist Review* certain statements expressing the views of the Central Committee of the Communist Party of the Soviet Union and certain statements expressing those of the Central Committee of the Communist Party of China.

SPECIAL PAMPHLET

But, to continue to do this in the *Review*, with its limited space, would exclude essential articles on New Zealand problems. Therefore we are going to publish in pamphlet form as soon as possible the recent full statement of the Soviet position from *Pravda* of January 7 and similar appropriate material from *Red Flag* and other ideological journals of the Chinese Party.

We do this not to divert people's minds from the struggle here in New Zealand but with the view of getting our Party members to study, in a calm manner, the issues involved, so that they can achieve a balanced opinion, based on all available facts.

No single overseas journal has made this possible, hence our decision. We are sure that this publication will also prove of interest and value to the growing number of supporters of our Party.

In regard to the ideological issues with which these articles deal, we stand firm on the fact that they cannot be solved by discussion and demonstrations at Congresses of individual Parties, as has happened recently. They will not be solved by any attitude of "We, and only we, are right all the time on everything."

PROPER PROCEDURE

Such an attitude, plus refusal to develop collective discussion internationally, makes appeals for unity useless and dismisses the honest opinions of other Parties and their leadership without consideration. It excludes collective discussion of all aspects in an objective manner.

We stand firm on the approach agreed to by all Marxist-Leninist Parties in the Statement of the 81 Parties after their Conference in Moscow in 1960.

There a method was agreed upon if disputes arose between the leadership of various Parties. It was a totally different procedure from that being pursued by the Communist Party of the Soviet Union and many other Parties. The agreement was that the leaderships were to meet and try to work out any differences.

We repeat, this has **not** occurred.

To-day, we are more fully convinced than ever that our call of February, 1962, for the holding of an international discussion on problems and differences was a correct one. Also that we were correct to emphasize, in line with the 81 Parties' Statement, the need for preliminary discussion between those with differences.

This has not been done, but it should be started without delay.

Our opinion, expressed last February, that these matters should not be publicly discussed before the propagandists of the imperialist world, is still a valid one—to judge from the present glee of all capitalist apologists in New Zealand and overseas. All should beware of doing what these people so obviously welcome.

Our Party, having had a full discussion since the 81 Parties' Statement was issued, considers correct the statement made with emphasis there that revisionism is today the main danger in our world Marxist-Leninist movement.

We are concerned that, while all possible dangers, true or false, arising from dogmatism are receiving full attention, the main danger of revisionism is, except in a few sweet words, to a large degree being ignored.

We cannot see any base at present for ideological unity with the revisionist views of the Tito "Communists" of Yugoslavia and must strongly oppose any such development.

This aspect, in view of recent statements at Party Congresses overseas, increases the need, as we see it, for a further international discussion by all Parties at an organised meeting to be held in a rational, sane atmosphere, allowing all opinions to be considered in an objective Marxist-Leninist manner. The concept of criticism and self-criticism should, in our opinion, be firmly used by all in the approach to an international meeting.

CORE OF PROBLEM

We must bear in mind that no one, no matter how brilliant a Marxist, can be right on everything all the

time. Unfortunately, Supermen are not possible, even in our Marxist movement.

We firmly state that we refuse to believe that the issues that to-day are dividing our world movement cannot be resolved.

What is the core of the problem? Is it not to decide in what way we can best eliminate imperialism on a world scale? Who then can doubt that true Marxist-Leninists can reach ideological unity?

Therefore, we repeat that to hold a world meeting and draw on the collective wisdom of our world movement, when the essential preparation has taken place, is the road to the solution.

Meanwhile our Party prepares for its own Conference. Pre-Conference discussion is now taking place at all levels. We ask all outside our Party who are interested to join in this discussion.

We want your opinions on the problems facing us in New Zealand. They will help our Conference. They will help us to emerge with a strengthened programme based on the immediate interests of the New Zealand working class and its allies in town and country.

We are sure that this is the best way we can actively contribute at this stage —

- To the strengthening of world Marxism-Leninism.
- To the strengthening of the New Zealand front of the struggle for world peace.
- To the strengthening of the fight here against imperialism and for Socialism.

It will be our way, in our own country, of defending positively in action against all inroads of revision or dogmatism, our way of preserving, as we see it, the revolutionary core of Marxism-Leninism.

V. G. WILCOX

OUT TO THE PEOPLE; ON TO THE OFFENSIVE AGAINST MONOPOLY

**Report of the National Committee to the National Conference of
the Communist Party of New Zealand**

(April 12, 1963)

Comrades,

This Conference meets at what could be an historic turning point in the struggles of the working people of our country for peace and against capitalist exploitation.

There is among our people a growing awareness that old policies and the old solutions are no longer adequate. On the industrial front there is a significant trend towards more militant action. Our local businessmen are starting to see the dangers of encroaching monopoly, where local or overseas. In fact, the small businessmen quite clearly see themselves being crushed by it. Our farmers no longer see any solution in the policies of the National Party. This is obvious from the approach and policy decisions of many farmers' organisations.

This state of things is apparent from the reports of all comrades and supporters who have taken our policy out among wider sections of our people for discussion and from general observation than was formerly done. True, we cannot report, and should not expect to be able to, that there is immediate support for the Communist Party. But there is a desire to listen when the right approach

is made, particularly when it starts from the problems concerning the person approached. The fact is that on our actual immediate policy very few disagree. Most say it is a solution. In fact, on both the industrial and the farming front, we have been paid the compliment of having portion of our programme lifted and used — without acknowledgment, of course. But the old “Red Bogy,” still so strongly pushed by mass-circulation papers like the *New Zealand Truth*, hangs on and prevents direct support. Our job is to break that down.

And so we can say that things are changing in New Zealand, that old ideas are being cast out, but that this change is not expressed sharply in any organisational form of struggle. Indeed, without a strong lead and action by our Party, it could lead to support for “quack” solutions, such as Social Credit.

Nonetheless, it is significant that there is no longer complete confidence in the immediate economic future within the framework of present Government or Labour Party policies. For the Communist Party this presents favourable opportunities for growth and for increased influence. The tasks facing our Party to achieve that growth will be outlined later in this report. The objective conditions in our country make it a practical task if correct policies and tactics are pursued, although we should not imagine that the road is now an easy one.

From this summary, the importance of the present Conference may be seen. No longer should we be content to hold what we have, to nurse our past gains. To-day, the concept advanced clearly at the time of the 1960 Conference of our Party — that we must move to the offensive — becomes the cornerstone of our whole approach. “To the Offensive, Out to New People,” must be to all Com-

munists in the coming period no mere catch-cry but a way of life.

The purpose of this Conference must be to make decisions that will help us in the coming period to use our policy decisions in this way. We have to learn from the successes and failures of the past how we can more effectively spread our policy and how we can win new activists for the great tasks ahead.

If we look at things in an objective manner, there is no doubt that conditions, both on the world front and internally, are more favourable than a few years ago. There is not only the deepening of the world crisis of Capitalism expressed in the growing frequency of “recessions” in the U.S.A. and other major capitalist countries, as well as continued “depression conditions” in many other parts of the capitalist world. In New Zealand, too, due to the nature of our economy and our dependence still on overseas markets for our primary products in a world where the market at the right price is becoming daily more elusive, there is developing a crisis. This crisis means in practice either a drastic reduction of the living standards of the mass of people or a new policy. Tinkering and small reforms are to-day useless. Only the Communist Party is presenting that alternative policy. Yet all Communists do not always see the significance of this.

It is true, and as Marxists we must face the fact, that certain ideological problems in our world Marxist-Leninist movement (particularly in view of the very public debate that started at the 22nd Congress of the Communist Party of the Soviet Union) have to some degree had a retarding effect on progress. They have left many supporters confused and to a degree have diverted

comrades' efforts from the application of policy locally into the channels of concentration on the ideological differences. This problem has affected our Party at all levels and has been an acute one at National Centre level.

ASKED FOR WORLD MEETING

Your leadership took firm action in February, 1962, on this issue. It recognised the danger from allowing such a situation to continue. It asked that the leadership of the Parties concerned meet and discuss in an objective manner the best way of solving the problems as a preliminary to the holding of a world meeting of Parties similar to those held in 1957 and 1960. The Central Committee of the Communist Party of China agreed with this and themselves (April, 1962) made a similar suggestion to the Central Committee of the C.P.S.U. Unfortunately, at that time, neither the Central Committee of the C.P.S.U. nor the Central Committee of the Albanian Party of Labour would agree to such a procedure, as both thought it would be abortive.

A number of letters and much time and energy have been spent on this issue and it is pleasing to note that, not only have a considerable number of other Parties since made similar suggestions, but now the Central Committee of the C.P.S.U. itself considers that it is desirable to hold bi-lateral and multi-lateral meetings at top level as a preliminary to a world meeting. We are confident that existing ideological differences will be overcome before long and that a united world movement will continue to build the socialist world to new heights on the one hand and to strike deadly blows against imperialism on the other hand.

If we view it in this way, we will be able to counteract any slowing-down effect on our own Party activity caused by these differences, and we will be better able to quell the doubts and problems of many non-Party supporters. Your National Committee will itself have something to say as far as the question of ideology is concerned at any future world meeting and our opinion on many of the issues in dispute will be reported on later in this Conference.

It is sufficient at this stage to say publicly that our ideological approach, both in relation to ideological problems overseas and in relation to our own policy here, is based on our understanding of Marxism-Leninism — in the latter case as applied to the particular conditions of New Zealand — and that we are firmly applying, to the best of our ability, the world decisions of the 1957 Moscow Declaration and the 1960 Moscow Statement of the 81 Communist and Workers' Parties.

POINTS FROM 1960 CONFERENCE

I now want to refer briefly to our Party Conference in 1960, when we tackled more effectively than previously the question of our immediate policy. From that has emerged a much more detailed immediate programme, based on the urgent needs of all New Zealanders — except those in monopoly groupings. The result has been more correct emphasis on the vital and important things, as shown by our propaganda around the European Economic Community issue and on specific issues of overseas monopoly infiltration into New Zealand. An example of this was the attitude adopted towards the McKendrick Glass issue where, with local monopoly and the international

glass cartel involved, we did not foolishly persist in asking for all (nationalisation) or nothing (overseas monopoly). We made other positive suggestions for the maintaining of the New Zealand industry away from overseas monopoly and with some measure of New Zealand Government and trade union influence introduced. Yet we still worked towards our programme objective on such an issue — nationalisation. Because we have a general programme that fits the immediate needs and desires of a wide section of our people and of a number of different class groupings, we will have to pay still more attention to a detailed approach. We must be firm in principle but flexible in tactics on questions when they arise. Basically, to achieve that is the core of the problem of how effectively to make a step towards the People's Alliance which we speak of in our "New Zealand's Road to Socialism."

At our 1960 Conference, we tried to strengthen our work in the struggle for peace and the building of broad peace movements in New Zealand. More will be said on successes and failures later, but suffice it at this stage to say that its importance has not been fully recognised in many Party sections and that the problem remains of how to combine effective work by the Party itself with the developing of broad peace struggle based on the masses. In particular, we need to solve the creating of "peace consciousness" in the trade union movement — the key to a stable broad peace movement.

We decided in 1960 to continue our concentration on the workers in industry while not neglecting other aspects. Examination of our work here, both in the areas and, in particular, in the trade unions, does show some improvement. But much remains to be done. This again will be commented on later.

In 1960 we also took a firmer line on the problem of how to break the hold of social democratic ideology on the minds of the New Zealand workers and their allies. Examining the causes for the rise of this ideology in the workers' movements in the imperialist world, as so clearly outlined by Lenin, we reached the conclusion that logically, with imperialist decline, this aspect of capitalist ideology will decline, too. But we saw that it would not automatically mean a move away from bourgeois ideology or petty-bourgeois ideas unless our Party correctly tackled the problem of winning the workers as they lost the old illusions created by conditions and by our Labour Party in earlier days. We recognised that this was not an easy problem to solve and that it would not be done quickly, as we also recognised that there was no solution in the making of the Communist Party a "ginger group" of Left Labour. The Party, we decided, must boldly tackle its task of leadership and recognise its correct role and the fact that only a Party based on Marxism-Leninism, irrespective of name, could lead the workers and their allies to Socialism.

The task has proved hard, as we expected, but some first successes can be recorded, especially in Auckland. I hope that some of the Auckland delegates will give us their experiences.

I mention these things so that we can get into perspective what we had in mind in 1960. Basically, it is still a question of carrying these things on in a more successful way in the coming period. That is the problem we hope to solve, at least to some degree at this Conference, working on the experience of our Party in practice over the past three years.

PRE-CONFERENCE DISCUSSION

As far as I know, this is the first time that such a heading has appeared in a Conference report, although, of course, mention of discussion prior to a Conference in our Party has always been made. I say this because it shows that we recognise more fully the value of the widest discussion by all comrades, and by as many non-Party supporters as can be encouraged to do so, before a Conference on our policy and principles. That is why the pre-Conference material departed from the old form of attempting to give a report that already expressed, as the leadership saw it, an answer to the problems facing us. In the past, that way has too often led to automatic endorsement without much independent thought or real study. The new method has been widely welcomed by our Party and by many non-Party friends, the proof being the number and length of the contributions sent from Districts, from Branches, from individual comrades (both in branches and members at large) and from many non-Party people.

But it has not only been the number of contributions but their content that has been of great value in assisting us to get a clearer idea on many aspects of Party policy and activity and has given us many new ideas. I think this is an indication that, in practice as well as in words, we are realising the value of "listening to the masses" on as wide a basis as possible, getting their ideas and views as we prepare for our own Conference. This was an innovation that has proved a success. From this we will learn for the future, although the actual material used in the approach will no doubt be improved next

time. We will still bear in mind that the objective is to provoke discussion rather than to get just an answer of "Yes — we agree."

Commenting on this approach, many non-Party friends were of the opinion that our language — the using of Marxist terms — was a barrier. We should take note of this. We cannot entirely eliminate these terms because, when all is said and done, Marxism is a science, with its special terminology just like any other science. But what we can do is to add a few notes explaining anything that might seem difficult.

To give an idea of what has occurred, I will quote to the Conference the figures in regard to this. They bear out the conclusions reached above.

I can only add that this experience indicates clearly the need to start pre-Conference discussion much earlier if we are to get the fullest value from it.

You can see from all this that the leadership have now got a pretty wide view of what our Party comrades and many non-Party friends were interested in and thinking about. That is, concerning the problems facing our Party and the working class of New Zealand. Certainly your leadership knows much more in detail about our Party and its supporters.

THE FIGHT FOR POLICY

The policy of our Party to-day, both in regard to our programme of immediate demands around which the broad mass of the people can be rallied and in relation to the question of a socialist New Zealand, is one that

has been achieved after a long struggle against opportunism and against left sectarianism in our Party. For many years the issue was one of either a Party based firmly on Marxism-Leninism and applying its understanding of that to the particular conditions of New Zealand, a Party with a working-class content in outlook as well as membership; or a Party hiding under the cloak of Marxism but in reality based on a form of petty-bourgeois idealism. In the later days of Scott's leadership, it was that aspect that in many ways was dominant. Certainly it was Scott's own position, as subsequent events and his anti-Party activities have shown.

In this struggle for a correct policy and for understanding of the nature of the role of our Communist Party in recent years, we have been greatly helped towards clarity by the two international meetings of the Communist and Workers' Parties of the world, held in Moscow in 1957 and in 1960. The Declaration of 1957 was a breath of life to our Party, because it confirmed much of what we had been striving to do (particularly from about 1950 onwards), and it gave clearly the broad perspectives for advance that were opening up for us. No longer could we doubt that the period of "holding on" had passed. It was plain that we must firmly grasp the need to move to the offensive. The 1960 81 Parties' Statement gave added clarity to our Party on the significance for us of the fact that we were part of a world now in the era of the transition from Capitalism to Socialism. It is true to say that our present programme is based ideologically on our understanding of Marxism-Leninism and on those two international Marxist-Leninist documents, applied to the conditions of our country as we see them.

Our attitude is best seen in our approach to the question of peaceful co-existence. Take that portion of our programme in which we face up to the crisis created in our capitalist economy by the problems of an adequate market giving reasonable prices for our exports of primary produce, something in which the prosperity of that capitalist economy depends. Is our approach not an example of our approach to this question of peaceful co-existence? Here we suggest that New Zealand look to the potential markets of the whole of the socialist world, the only portion where there are consistently-rising living standards, and sell to them. (At present butter is 12/- a lb. in the Soviet Union.) At the same time we pointed out that there is no solution in just trying to sell. New Zealand must also buy from those to whom it sells if stable trade relations are to be built. That is, of course, if they have what we wish to import, as the socialist countries certainly do have.

At the same time, we point out that this is but a temporary and partial solution. We point out that a more balanced economy, together with some changes in the nature of production in our countryside, is essential in the long run — even before the question of a socialist New Zealand goes on the agenda. And we have some positive suggestions in regard to the development of basic industry where possible in New Zealand. We have suggested that, in regard to the matter of financing such development, to-day in the world there is not one financial centre but two — the imperialist centre through the World Bank and the financial centre in the socialist world, based on their expanding economy. From the latter, at a very cheap rate of interest, there is finance and the goods behind it, plus the possibility of some technical assistance in the

early stages of building up such industries and the skilled technicians and workers needed to run them. From the World Bank, on the other hand, comes increased domination by international monopoly. Others among the undeveloped nations have eluded the grasp of this octopus. New Zealand can do the same.

This is applying to the particular problems of New Zealand general approach to peaceful co-existence expressed in the 1957 Declaration and the 1960 81 Parties' Statement, agreed upon by all Workers' and Communist Parties except the League of Yugoslav Communists. (They were present at the 1957 meeting but did not sign and were absent in 1960 because of their total opposition to the 1957 Declaration.)

THE MEANING OF PEACEFUL CO-EXISTENCE

Comrades,

Inherent in this approach is a sharpening of struggle in our own country against monopoly on both the international and local scene. The "Cold War" advocates of imperialism are the dominant section, as anyone will see who looks at events in regard to relations with the socialist world, with South-East Asia, with Africa, with the Arab world and, particularly obvious since the time of our last Conference, with Latin America. They are held back only by the "joint efforts of the world socialist camp, the international working class, the national-liberation movement, all the countries opposing war and all peace-loving forces." (Statement of the 81 Parties.) That is, by the strength and unity of the socialist world, by the struggles of the newly-liberated and colonial countries and by the strength of the working class and broad

peace forces in the imperialist lands. Inherent in imperialism are the basic factors that lead to war in our modern world — war against the socialist world, war between rival imperialisms or local wars conducted by individual imperialisms to preserve their exploitation in a given area. The latter are still taking place in many parts of the world.

This needs careful thought lest we reach the illusory idealistic heaven of thinking that for a long period there can be peaceful, stable relations without strain between Imperialism and Socialism; and that the objective is to see that this is achieved at all cost, even to the extent of trying to soften down the class struggle in various parts of the capitalist world.

Yes, as our programme shows, we stand for peaceful co-existence. The alternative is to stand for world war. But we also recognise that the nature of Imperialism has not changed, that the class struggle in capitalist countries will deepen and erupt into action (even if we try to stop it) and that a correct policy of peaceful co-existence will, in fact, but sharpen the contradictions within Capitalism.

Already, indeed, we can see the deepening of the contradictions within the imperialist camp. The interests of the imperialist rivals are already clashing more sharply. It is obvious in the present block put in the way of Britain joining the E.E.C. by the French imperialists, in spite of the urgent efforts of the major imperialist country, the U.S.A., to get Britain in as a full member and in spite of Britain's own efforts in that direction. Not that we have any doubts that the U.S. imperialists remain the economic, political and military centre of the world capitalist camp. But unity is maintained — for example, in Europe under NATO — with increasing strain. France is developing her

own nuclear force and is united with West Germany under a treaty that other imperialisms regard with disfavour.

AMERICAN STRENGTH IS DECLINING

In fact, definite changes are taking place in the situation within Capitalism which must be noted. It is an interesting fact that Stalin, not long before his death, predicted just such a development, in spite of the almost complete domination of U.S. monopoly at that time. The U.S. now is gradually losing its dominating position in the world capitalist production and commerce. Its share in the economy of the capitalist world is tending to drop and with it the first signs of its hold on world politics. At this point we should ask whether the strongest capitalist nation is not passing its zenith. In industrial production in the world, the U.S.A. in 1929 had 43.34 per cent., in 1937 it had 41.4 per cent. (this small drop was no doubt accounted for by the fact that, as we approached World War II, the German industrial production and those associated with them were boosted desperately), in 1948 it had 53.4 per cent., in 1960 it had dropped to 44.1 per cent., and in 1961 down to 43 per cent. In other words, back to 1929 figures.

This trend will be accelerated as the impact of an expanding socialist world economy hits, through peaceful competition, the weakening world capitalist economy. It would be a bold Marxist who would rule out the possibility of eventual conflict developing between rival imperialisms as they face the successes of socialist economy, in spite of the present U.S. domination.

Internally also, in each capitalist country, economic competition with Socialism, the key to successful peaceful co-existence, places added strain on each individual capitalist economy. One way in which this is expressed is by the fact that, while imperialist leaders talk peace, the military budgets of the capitalist world have this year reached a new high level for peace time. This has happened despite the campaign for total disarmament, though as a rallying call it is attracting ever-new support among the masses of the people in the capitalist world. The plain fact is that more, not less, is being spent, in spite of top-level negotiations on the one hand and the efforts of the mass of the people on the other.

When we speak of peace or war we would be idealistic to ignore these facts. If we did, we would not prepare the necessary campaign to counter them in the interests of all humanity.

Competition between Socialism and Capitalism will be sharp. And out of that will come a drive to intensify the exploitation of the workers, of the farmers, of everyone used by monopoly in the capitalist world. That is why we have always said that the class struggle will intensify with the world development of peaceful co-existence. We stress this because some seem to think that, with peaceful co-existence as the state policy of the governments of socialist countries, the class struggle becomes outdated in its old form and that we should now look to socialist strength to provide the basis for Socialism in our country. Internal contradictions and rising class struggle are going to be the decisive factor in our development towards Socialism. Socialist success is helpful, but it is secondary.

It is true that socialist successes will help us ideologically in the battle against Imperialism as far as the

mass of the people are concerned, and the hold of bourgeois ideology will tend to weaken. But we will advance to Socialism and build it successfully only on the basis of our own efforts conducted in our own way.

We must not start thinking that Lenin's concept of peaceful co-existence between states with different social systems means that co-existence in the ideological sphere will also be created. The battle continues as it always did.

At this point we will give a direct quote from our 1960 National Conference Report, unanimously endorsed at the time:

"IMPERIALISM IS FIGHTING"

"This point, with its consequences, must be fully understood. Peaceful co-existence does not guarantee a peaceful path to Socialism within each particular country. To-day we should have no illusions about that. The capitalist class will fight. The degree and methods of that final fight will be determined by the relative strengths of the opposing forces.

"But, as a revolutionary Party, it would be foolish for the Communist Party to expect the capitalist class to wait until it is too weak to act. The menace of a new fascism is still before us. (In many parts of the world it exists in fact right now.) The fight will still be bitter and, from our standards, anything but peaceful.

"To-day, we see the major imperialisms, particularly the U.S.A., interfering in the internal affairs of small nations.

"This applies particularly to colonial and semi-colonial countries of the recent past. Guarantees of aid against 'internal Communist aggression' are the order of the day. We nearly saw intervention in Laos and war against socialist North Vietnam recently. It was obvious that our membership of SEATO would have committed us on the side of the U.S. imperialists — but more of that later. Eisenhower recently enlarged the idea of the Monroe Doctrine to include 'aid' to South American States faced with 'internal subversion.' Because of their overall weakness, a large section of the imperialist ruling class is

obviously looking more to 'small' wars, open or under the cloak of 'aid' to a satellite government. They propose to stop the advance of Socialism. This is not a pipe dream. It is happening in the world right now.

"An understanding of these factors brings out more clearly the need for a Party such as the Communist Party and undermines ideas about a new 'left' Labour bent on the 'peaceful' but 'genuine' road to Socialism. Indeed, we see that such developments, unless the Party strength grows and wins such elements to a revolutionary position, are but added weapons for the capitalist class. To-day, it is Nash, the Labour leader, who answers the call of Washington just as quickly as the National Party leaders did a few years ago. Only our strength, our growth, workers' mass support for our Party, will create the conditions where there will be no repetition of such a performance by anyone inside the labour movement in the future."

Comrades,

Who would doubt that Nordmeyer, our new Labour leader, will not jump just as quickly as Nash to the whistle of the Pentagon? Over-all, is it not a fact that what we said then (which I have just quoted) remains correct to-day? We consider it is.

Intervention by direct methods and "aid" in South-East Asia is with us still, as it is in the Arab world, in Latin America and in the Congo. To-day there is still a threat of intervention into Cuba, in spite of the solving of the crisis last year and Kennedy's promise of non-intervention. It was not long after that before he was addressing the "veterans" of the earlier abortive invasion and saying that the "battle flags" of that invasion force would eventually fly over "free" Havana. Since then, the U.S. Government has been found preparing further aid to anti-Cuban Government forces, as well as making moves towards direct intervention. It is not only Castro but the Soviet leaders who say that another Cuban crisis is on

the agenda. So much for reliance on the word of any imperialist leader.

The belief held by our National Committee that under certain conditions the possibility in some areas of peaceful transition to Socialism within the framework of growing world socialist strength is a correct one. But also correct is our view that incorrect over-stress of this cannot only hold back but be harmful to the whole Marxist-Leninist revolutionary movement. At the time of the 81 Parties' meeting we were right to place due importance on the "other methods" mentioned in the Statement issued. In fact, armed struggle is being conducted in many parts of the world right now — in South-East Asia and South America in particular. There is no guarantee that, hard as we will try to achieve it, our road to Socialism will be the peaceful way.

THE FIGHT FOR PEACE

The 1957 Moscow Declaration and the 1960 81 Parties' Statement brought out clearly that the central task, the hard core of our work, is the fight for peace. Consideration of how this is to be most effectively carried out and what are the ramifications of such a struggle is the key to an improvement in our activity in this vital sphere. The fact is that we have in the past, and still do to a degree, put "peace activity" into a special compartment in which only some comrades are active. Yet all Communists must be peace-fighters and the battle for peace must be carried on on all fronts.

The central task of our Party is still to conduct on all possible fronts an effective struggle for a peace policy as far as our country and its Government is concerned. We know that our Government's present policy is one of direct support for the imperialist policies that fundamentally lead to war and that they have, on several occasions, led us to the brink of it. Take, for example, our Government's approach to the recent crisis in South-East Asia, where our link with SEATO would place us behind the U.S.A. Its attitude and policy over the Cuban crisis have also made this plain. That there was considerable opposition to our Government's policy was apparent at the time, but it remained to a large degree unorganised and, consequently, ineffective. We should realise the seriousness of the question and ask whether we have been conducting the peace struggle consistently and effectively, using all our strength and contact. We think the answer is "No" and that this Conference must ensure an improvement.

In our opinion, too many comrades have tended to think that activity in the peace struggle meant just the various peace organisations and the task was only one of strengthening these organisations on the broad front. That this has to be done and that it is of primary importance is correct. But comrades have in too many instances regarded this activity as something to be done solely by Party "experts" who work in this field. Thus the whole struggle is, as far as our Party effort is concerned, narrowed at that point.

Again, many have adopted the point of view that the everyday fight against monopoly's growth in New Zealand is also conducting the peace struggle and therefore they have done enough. That the fight against monopoly is part of the fight for peace in our country is correct, but

no comrade should leave it at this vague stage and be satisfied with what he has done.

MAKE THE WORKERS "PEACE CONSCIOUS"

In relation to the peace organisations, what has been our attitude? All the time we have stressed the necessity for the building of the general broad movement, based firmly on the working class, because, when they become peace-conscious, they will be the most stable element in any fight. Has not our experience taught us that if this is not done and the movement is left in the control of intellectuals, of "public figures," of those whose whole outlook is based on a petty-bourgeois position, then in times of crisis there will be wavering and argument rather than a decisive lead given to the New Zealand people? Surely that is the lesson to be learned from what occurred with the sudden Soviet decision to start re-testing recently. Soviet reasons were valid and were based not on preparation for nuclear war, like the imperialist testing, but on the preserving of peace. Socialist strength in this field, as in all others, was the only effective answer to the imperialists that could be made. What then emerged in many cases was not a fight to make the new Soviet decision the base for renewed effort for the total banning of the manufacturing and testing of The Bomb but an attitude of "a plague on both your houses," some despondency and a reliance on a pacifist position with all its weaknesses.

We therefore say that the immediate task is to make the workers "peace-conscious" and to draw more of them, both individually and through the trade union movement, into active organisation. In saying this, we do not ignore

the work done by those outside the workers' ranks or the valuable contribution they will make in the future. But we stress that the essential base must be the workers — the masses — if consistent struggle and leadership is to be achieved.

This may seem a local problem, but it is also an international one as far as peace organisation is concerned. The World Peace and Disarmament Congress in Moscow last year, while drawing in a large number of people representing wide strata of the population, was deplorably weak in direct trade union representation. There is no excuse for us to accept such a situation here in our own country.

Another point is that in our approach to the broad peace organisations there is a tendency for many comrades to try (and expect) to get our Party's policy for peace accepted to the full. That this will only narrow the movement is obvious, and to persist in it is plainly very sectarian. The Communist Party has a particular approach to the peace struggle that can and will be put forward only by the Party itself in its own publications and activity. The root causes of modern war arise from the nature of Imperialism. Therefore, for the Party, the struggle for peace is the struggle against Imperialism. But our Party accepts the position that, in the struggle for peace, the broad peace organisations in the imperialist world and elsewhere, and similar organisations in the socialist world, will play an important role. But it follows that we also believe that the struggle against Imperialism in the colonial world and in the newly-liberated areas, the movement for national liberation, also plays a vital part, as does the struggle against Imperialism anywhere. But at present we can expect nobody but our-

selves and our immediate supporters to realise the implications of this.

On this aspect of our peace work we have been weak, though, judging by branch and industry bulletins, by reports from Districts and by perusal of the *People's Voice*, the *Communist Review* and other publications, it has improved during the past year.

Peace organisations will undoubtedly continue to have different concepts and policies in their struggle for peace. We must expect this. Some will have limited objectives, such as the C.N.D., though even there the scope of activity and even the objectives will vary from place to place. The Peace Councils, on the other hand, have wider objectives and do to a degree recognise the importance of the struggle against Imperialism — as shown by their approach to SEATO and the liberation struggle in South-East Asia and by their recent attitude to the Cuban crisis. For anyone to rush in and try to force, at the present stage of the peace organisations, such a policy would be hopeless. But there IS a field for an attempt to get general unity around specific issues, such as the proposed French H-Bomb tests in the Pacific. Unfortunately, this has not been achieved and the lack of unity weakens the protests.

With regard to those outside the Party ranks who are active peace-fighters, we have generally regarded their work as a sufficient achievement. But we have failed to see that, to be fully effective, the best of the peace-fighters must be won to a Communist position. This, too, is a task facing us and it will require great flexibility to ensure that we win these peace workers to the ranks of the Communist Party while not in any way narrowing the broad movement. The broad movement must be built;

but so must the Communist Party if an effective fight is to be conducted against our reactionary Government's foreign policy and the fight for peace made a living thing in every home in New Zealand.

There is no doubt that more attention will have to be paid to these angles so that, right down through our Party, our policy is carried out organisationally and to the full. Understanding of the all-embracing aspect of the struggle for world peace will be the starting point for conviction on the need for immediate action.

Let us always remember the statement in the 81 Parties' Statement of 1960, which reads:

"The problem of war or peace is the most burning problem of our time. As long as Imperialism exists, there will be soil for wars of aggression. The people of all countries know that the danger of a new world war still persists. U.S. imperialism is the main force of aggression and war."

FIGHT MONOPOLY NOW

The 81 Parties' Statement clearly indicated that the main task of the Communist Parties in the imperialist world was to organise the mass of the people in the fight against monopoly. Both before and since that Statement was issued, this aspect has been the central point of Party policy. The importance of the struggle for peace, of the struggle against the menace of the E.E.C. to our immediate future, is all part of the fight to restrict and finally eliminate the stranglehold of monopoly, economically and politically.

In this battle we must first fully realise that the point at which we must hit hardest is the continuing invasion

of OVERSEAS monopoly, either direct through new investment in new industry, by "take-over" methods of existing business or by infiltration into existing native-born monopoly. All these methods have been intensified recently, because, on a world scale, the scope for profitable investment for overseas monopoly has been narrowed by the victories of Socialism and of the national liberation movement. We should, indeed, be warned by Imperialism's desperate efforts, unfortunately with some success, to turn the victories of the national liberation movement of the former colonial world away from advance to the socialist revolution and into the channels of a neo-colonialism. In this way, Imperialism's opportunity for exploitation of those areas is to a degree regained. A classic example of this trend has been the recent developments in India under Nehru and the Congress Government.

There is to-day a desperate drive on the part of international finance to get into the "under-developed" areas. Although only a small country, New Zealand is in this sense an undeveloped country, with basic industry almost non-existent. Thus it is an attractive proposition. This is the reason for recent developments in that direction and we can be sure that in the immediate future they will increase, unless the working class and its allies are mobilised to stop them.

Let us have no illusions. Once Big Business is firmly established in New Zealand, the situation that faces it on a world scale will ensure that the drive for the exploitation of both our country's natural resources and its people (labour resources) will rise to the maximum. This struggle against monopoly is no "kid-glove" struggle and, as time goes on and the forces opposed are organised into

action by our Party through its own activity and that of the trade union movement and the farmers' organisations, there will be no doubt in anybody's mind that the class struggle is intensifying in our country. Our entry into the World Bank recently is an indication of how the ruling class is preparing to meet the situation. They welcome international capital in and they know that the Bank's policy is basically one of interference in the affairs of member countries. Notoriously the World Bank exerts influence on governments to see that any concept of a "Welfare State" does not include any foolish "hand-outs" that are likely to interfere with their drive for profit.

The settling up of the Economic Commission, headed by Professor Holmes, is another sign of the times. The Commission's reports have to date been largely ignored, but we cannot doubt that, as the internal crisis deepens, they will become Government policy — if our present National Party Government remains in office. It is the solution to capitalist crisis presented to them by an "impartial" body. It means drastically-reduced living standards for our people, with full freedom for monopoly to operate with official blessing.

Fighting monopoly now is not an academic question, as I am afraid some have tended to see it. The Communist Party to-day must be sure that all aspects of our policy and activity hit hard at monopoly interests.

If we regard the struggle against monopoly now as a means of uniting varying strata of our population under the leadership of the Communist Party and the working class, we will realise that it is not as simple as at first it may appear. Or, for that matter, as easy as we have so far thought. To date we have tended to make it the one enemy — monopoly, both overseas and native. This is, of

course, correct as in a general way. Native monopoly has no special feature that makes it kindlier towards the mass of the people than overseas monopoly. However, the fact is that the most dangerous, the strongest and the most vicious in the long run of the monopoly interests that do to a degree dominate our foreign as well as internal policy are those located overseas as far as their head office is concerned.

Therefore, tactically, we must make overseas monopoly the main enemy. From time to time it is possible that in the fight against overseas monopoly we will even develop temporary alliances with certain local monopoly interests, without, of course, having any illusions about the nature of native monopoly or conceding any principles. Flexibility on this question is going to be essential as the overseas interests move in. When we think of our concept of the People's Alliance, it should make us realise that, from the struggle against monopoly, we must build support and move forward, having united various class strata.

There is a need for firmness on principle but flexibility in tactics. It is the all-or-nothing attitude that leads many comrades to regard the "Fight Monopoly Now" concept as but a general slogan, little related to real life or to everyday struggle. To develop an effective fight now against monopoly on all fronts this must be eradicated from our work when we are applying general policy to various particular developments in our country.

I mentioned earlier the political role of the World Bank. We must realise that large-scale monopoly, not only through that medium but individually or in groups, does work for definite political domination. We need to show this clearly in our propaganda. We must do this

just as clearly as we show that, irrespective of the name of our government, if it continues with SEATO membership, support for NATO policies and with following the U.S. "right or wrong," then such foreign policies make nonsense of any suggested programme of reforms within New Zealand.

EXPOSE MONOPOLY'S POLITICAL DOMINATION

While it is essential to expose by actual facts monopoly price-rigging, control of markets, take-overs, etc., as we have done (this is the aspect most clearly and easily understood by the workers), we cannot leave it at that. No government administering Monopoly Capitalism can afford to run counter to it without having the economy disrupted. That is where the political domination comes in, a classic example coming from the early days of our first Labour Government. In 1938-39, the threat was made that if the government pursued its industrial development policies there would be an embarrassing "flight of capital."

We must now look more closely for evidence of political pressure by monopoly on governments and expose them, although it is difficult to get the actual facts. This, of course, is because it is all done behind the scenes. The appointment of big businessmen to committees and commissions, etc., is one way. No doubt clubs and dinner parties of the elite are other ways.

The Governor of the Bank of England, Lord Norman, said: "My job is to think out what the government wants before it knows it." In evidence to the 1957 Tribunal, he said: "The Bank of England is the banker, agent and con-

fidential adviser to the government over a wide range of financial matters, domestic and international.”

Before passing on to some comment on Big Business operating within our shores, it might be illuminating to point out that the number of employers in New Zealand has decreased from 12 per cent. of the population in 1891 to 9 per cent. when the last figures were given in 1958. This is a significant trend that opens up possibilities of unity, on specific issues opposing monopoly growth, with small businessmen as we work towards the People's Alliance. The percentage of workers has grown in the same period from 58 per cent. to 80 per cent. (That includes, of course, all categories of workers.)

In 1930, there were 137 factories out of a total of 5,168 employing over 100 workers (2 per cent.). In 1960, there were 267 out of 8,550 (3 per cent.). But, significantly, there is no indication in the statistics of the large number of “take-overs” in recent years, something that means that the actual ownership of factories is falling into fewer and fewer hands (I need not elaborate on the “take-over” aspect—it is confirmed by the financial columns of every capitalist newspaper and is still continuing. We have stressed this aspect in our pamphlets and propaganda ever since our last Conference).

An indication of the speed of capital development recently can be seen as follows: In 1920, the value of plants, buildings, land and machinery in the manufacturing industries was about £25 million. It took 25 years (to 1945) to double. Only seven years (to 1952) to double again and six years (to 1958) to double again. No doubt the unavailable figures for 1963 would show a similar or even greater increase. If you could strike that many doubles through the T.A.B. you would be happy.

All this is quoted to show that it is not a fairy tale when we say that monopoly, and international monopoly in particular, is looking at our industrially undeveloped country and has already made the preliminary moves.

FOREIGN MONOPOLY IN N.Z.

Let us have a brief look at foreign monopoly operating in New Zealand. The world's 20 biggest monopolies (in order of turnover) are:

General Motors (1963 net sales £5,230 million, net profit £521 million), Jersey Standard Oil, Royal Dutch Shell, Ford, General Electric, Unilever (pre-tax net profit £106.5 million, sales £1,477 million), U.S. Steel, Socony Mobil Oil, Gulf Oil, Swift, Texaco, Western Electric, I.C.I. (1963 net profit £38.4 million, sales £547 million), Nestle's, Philips, Siemen's, Krupp's, British Motor Corporation, British American Tobacco (net profit £2.3 million in 1963 in spite of the anti-cancer campaign).

This is not just general information. The fact is that nearly all of them have been operating in New Zealand for some time. For example, **General Motors**. Many are setting up “local companies” somewhat similar to where, in another sphere, we have “satellite” governments in South America and South-East Asia operating in the interests of the U.S. Central Government and the profit of monopoly.

Shell Oil (N.Z.) Ltd. took over operations in 1959 with a capital of £2 million. In that year its turnover was £20 million. That year it was left with the miserable net profit of £300,000. A pretty good effort. But, note, it

also spent £1.3 million on plant, equipment and exploration.

Likewise, Unilever have set up **Lever Bros. (N.Z.) Ltd.**, complete with resident directors (although one is a resident of Sydney). No one is likely to be fooled that this is a native monopoly. It was first incorporated as a private company away back in 1919 with £80,000 capital. By ploughing back some of the unexported profits it has bumped up the capital to £1 million. This firm in 1961 joined with Birdseye Foods (N.Z.) Ltd. to set up Knight's (N.Z.) Ltd., with the same directors as Lever Bros. They no doubt are optimistic about getting enough profits for distribution and ploughing back because the original capital was only £100. Incidentally, Birdseye (N.Z.) Ltd. also have the same directors as Lever Bros., but their capital totals £100,000.

NEW ZEALAND ALSO EXPORTS PROFITS

With more time, a similar tale could be told about many of the others. It's almost like a fairy story but it is not one. It is grim reality, with the working people paying the piper but monopoly calling the tune.

When we speak of a native monopoly, Fletchers almost automatically comes to mind; years ago we were almost proud that we had at last found one, but to what degree even Fletchers is now native is doubtful. **Fletchers'** shareholding is as follows: C.S.R., 27 per cent.; A.M.P., 9.7 per cent.; N.Z. Government, 2.6 per cent.; Fletcher Family, 2.1 per cent.

Other lesser shareholders are the N.Z. Insurance, Bank of N.S.W., the Australian and N.Z. Bank, various smaller insurance firms, I.C.I. and E. H. Rhodes (£21,000).

A process of infiltration into the New Zealand monopoly concerns from outside can be seen in most cases now, although the dominant holdings may still be held in New Zealand. This process will continue.

Now let us look at the question of exported profits, because some people tend to think that we export only dairy produce, meat, wool and a few other items. From the following figures it can be seen that this not so.

It is difficult to say exactly what the total foreign monopoly investment and its consequent rake-off would be. Much is hidden in a way that statistics do not disclose. However, in 1958, there was about £200 million of British capital invested here and about £20 million of U.S. capital. I think we can say that without doubt the total has risen since 1958, especially as far as the U.S. capital is concerned.

In the four years prior to 1958, total dollar investment was £3.5 million, of which £2.8 million was re-invested earnings. Only £700,000 was new capital. On the total U.S. investments, profit and dividend remittances were £8 million, leaving us therefore with an exchange deficit of £7.3 million. (Interesting in view of the claim that overseas capital investment helps to "solve" our exchange crisis.) **What it amounts to is that during this period the New Zealand workers provided the U.S. monopolists with surplus value exceeding £10 million on a £20 MILLION INVESTMENT.**

New British investment in the same period was £35.2 million, of which £17.3 million was new capital. Dividends and remittances amounted to £3 million. This is compared with the £8 million to the U.S. from a £20 million investment. (These figures on overseas investment are taken, by the way, from a contribution made

by Mr. W. Fisher, of Fisher and Paykel, to the 1960 Industrial Development Conference.)

Two significant things emerge. One is that U.S. monopoly is the more exploiting force at present compared with United Kingdom monopoly. So much for those who persistently cry that we must look more to "Uncle Sam" for capital to develop our country's resources. The second is that there has been a quite considerable British investment. Many have tended to think that British investment had dried up and that it was only on the past investment that the export of profits to British monopoly was based. The new British investment at that period (1954-58) stemmed no doubt from the loss of profitable fields for investment in former colonies, etc. Another factor which must also be borne in mind, but on which we have no information, is the degree to which U.S. monopoly infiltration into established British monopoly hides to some extent U.S. monopoly penetration into New Zealand.

Mr. W. B. Sutch, at the same conference, said that in 1958 New Zealand began to correct lack of balance in the economy with extended industries. In two years to 1960, £73,690,000 capital had been invested in new manufacturing industries whose estimated annual production was £68,462,000. The major capital, he said, come from abroad, mainly from Britain and Australia. (U.S. subsidiaries in these countries can be taken as being included in this investment.) The biggest section is petroleum and by-products (capital £21 million and annual value £15 million). Here we find Shell and Standard Vacuum leading.

At the same conference, Mr. W. Rosenberg showed that the net inflow of foreign capital (inflow less outflow) was £52.7 million in 1959.

Mr. P. R. Coney, of the Reserve Bank of New Zealand, at the same conference said that in the nine years ended March 31, 1959, New Zealand had received about £139 million net overseas capital (7.2 per cent. of the gross capital formation). He claimed that no accurate figures were available for earlier periods. He said that the income accruing to overseas residents in 1959 was £19.6 million (7.4 per cent. of value of exports). Nine years previously, the sum was £11.6 million (5.7 per cent. of the value of exports).

And remember that Imperialism is only beginning to look seriously at our undeveloped land!

Mr. Rosenberg claimed that the savings for New Zealand development could be supplied from domestic resources. To show the disadvantages of dollar investment, he quoted the Sydney Sun-Herald in 1955 as saying that in the past two years General Motors Holdens had sent about \$14 million in dividends to the U.S.A.—three times the dollar investments in Australia made by General Motors over a period of 25 years. That is a really good effort at achieving maximum profit!

The Communist Party, of course, considers that the wealth of New Zealand should be used for development not by private exploiters but as Governmental activity.

I will not weary you now with an outline of the names and ramifications of the various monopolies flourishing in New Zealand at present or tell you the interesting story of the inter-relationship between either the capital or the leading personalities of those in the monopoly class. It is added as an addendum to this report and, if

studied, will, we think, prove useful in the future in our propaganda work. It certainly removes forever any illusions that small business is the keystone of our industrial economy, as the National Party would like to persuade our people.

The effective influence of the big banking institutions and their infiltration into, and inter-relation with, monopoly has also been dealt with. More study of this remains to be done, but an examination of the Australia and New Zealand Bank Ltd. and of the Commercial Bank of Australia Ltd. shows that it is highly developed, something that Social Credit ignores in its approach to banking.

WHO FIGHTS MONOPOLY?

The situation outlined above really exists. No political party except the Communist Party states clearly that all the time it will fight to restrict, and eventually eliminate, monopoly in the interests of the mass of our people. On the other hand, no political party has dared to say openly that they support monopoly growth (with the possible exception of a National Cabinet Minister, who said some two years ago that small, inefficient, "sick" businesses would have to go by the board). In practice, of course, the National Party AND the Labour Party have both, when in office as the government, greatly aided monopoly growth. The Social Credit League does not effectively oppose monopoly. In some strange way, it proposes to give more to you and me, to the workers, the small farmers, the small businessmen and professional people —

AND at the same time give more to monopoly. It ignores totally the political and economic power of monopoly and its inherent drive for maximum profit at the expense of all outside its orbit and its inter-relationship with the banking institutions.

The former Labour leader, Mr. Nash, said in 1957 that monopoly controlled 70 per cent. of prices in New Zealand. Following Labour's election to office that year, the Restrictive Trades Practices Act (1958) was passed by Parliament. Many Labour supporters in the workers' ranks point to this with pride, failing to see that all it does is demand that if monopoly has any "price ring" it must be registered and open to public viewing. This does not stop monopoly concentration, its domination or its spread. It is what you do and not what you say that proves a thing in the long run. And it is apparent that Labour, who in their first long term of office from 1936 to 1949 allowed, and in many cases aided, a rapid monopoly growth, have no intention of controlling monopoly.

In 1936, there were 21 new foreign company registrations in New Zealand; in 1957, when Mr. Nash was speaking about monopoly price control, there were 26; and in 1958, when Mr. Nash was our Labour Prime Minister, there were 27.

By 1959, Mr. Holloway, the Labour Minister of Commerce, said: "Proof of good administration and the confidence of investors lies in the fact that large amounts of capital are being invested in New Zealand by large overseas interests, such as the establishment of the oil refinery, an undertaking involving some £20 million."

COMMUNISTS FACE MAN-SIZED TASK

We have heard since something of the long list of secret agreements with foreign monopoly that the Labour Government entered into during its three years of office. This knowledge comes from the National Party exposures later when they indulged in the old political game.

While stating they claim for the "small man," National make in practice no pretence about helping monopoly. The example of what has occurred around the issue of the glassworks illustrates this. They favour monopoly and they favour overseas monopoly. Every step the Government took was a blow at McKendrick's local monopoly set-up and helped the international glass cartel. The refusal to grant a few hundred thousand to stabilise the industry contrasts sharply with the £10 million direct aid (and unknown indirect aid) to the Tasman Pulp and Paper concern. (The Bowater's take-over followed.) Or, again, it contrasts sharply with our National Government's eager desire to spend some £30 million on the Manapouri power development mainly for the benefit of Comalco.

From all this it is clear that to mobilise all those opposed to monopoly, starting with the developing of a united front of the working class as the nucleus, the Communist Party faces a man-sized task. This task can be carried out only if we clearly recognise the special role of our Party as leaders of the struggle and if we now make every effort to strengthen our Party by increased membership and influence. To do this to the full along the lines of our concept of "Out to the People" with our policy is the core to success. We can't tail behind certain

left-Labour elements and we can't tail behind the Federation of Labour leadership or anybody else.

If we do, the fight at this point will be lost. We ourselves must move more openly and effectively to the offensive.

SOCIAL DEMOCRACY IN N.Z. TO-DAY

In considering the ways to develop more effective struggle around peace and against monopoly, the first stumbling block we reach is the hold of social democratic ideology on the minds of the workers. The building of the united front of the working class is the starting point of the road ahead. Yet this ideology stands in the way at once. It leads to acceptance of things as they are, the idea that it is hopeless to struggle, that all one can do is to rely on the Labour leaders—who are, in fact, the tools of monopoly themselves, as their policy clearly indicates.

The question now arises: Is social democratic ideology as firmly based to-day as it was in former years? We say it is not. The idealistic belief that, with the return of a Labour Government in 1936, all things would be solved is no longer found, except in a few of the older workers. Yes, they will vote Labour, they say, but they don't expect much. In discussion, many admit that, as far as governments are concerned, it is a case of Tweedledum and Tweedledee. But, except in a few significant cases, they do not move to open support of the Communist Party.

On the other hand, there is, in spite of the wide anti-Communist publicity campaign, no mass hostility. When contacted, the workers usually admit our programme is a good one and, in many cases, they say they can't see the Labour leadership carrying it out. Outside the workers' ranks, among the other wide sections of exploited in town and country, there is confusion, some despondency, a lack of faith in anything and a tendency to look to petty-bourgeois alleged solutions, such as those presented by Social Credit.

One thing can be said. That is, there have been very few people satisfied with either Labour or National Governments during the last few years, no matter how they vote. (That is, outside the ranks of monopoly, of course!)

Is it not a fact that, to-day, to look for a mass basis of activists for the Labour Party is like looking for a needle in a haystack. There are no great numbers of enthusiasts working consistently as in 1935. Mass membership rests mainly on passive trade union affiliation. In this situation there is much that is negative and much that is positive. We must grasp the positive and correctly develop it in order to eliminate the negative.

First let me deal with what I see as the basic aspect of the negative. This is the idea, held by many, that the workers will automatically pass to a working-class ideological outlook as the hold of social democratic ideology weakens. And that this will have a tremendous effect on the ideological outlook of the allies of the working class, too. In fact, events are making it very clear that this idea is quite wrong. Social democracy is only a particular form of bourgeois ideology. When the workers lose faith in the particular socialistic trimmings that social democracy has provided, they remain ideologically

in the bourgeois camp. If we think seriously, we should not be surprised. For we must always consider the fact that for many long years the New Zealand worker has received (when Social Security aspects are taken into account) one of the highest living standards in the capitalist world; and that, during that period, there has been full employment.

It is inevitable that he does not immediately grasp the basic reason for his lack of enthusiasm, and so he still usually gives his vote to Labour. He does not immediately see the fact that there will, under Capitalism, be no further advance but instead a whittling down of his living standards, as it taking place now. He does not immediately see that this will be followed (due to the acute nature of the internal crisis developing in New Zealand) by mass poverty and unemployment. He still thinks we can afford to give capital (i.e., monopoly) its profits.

To turn to the positive side. Is it not a fact that to-day there is no mass hostility to our Party, that when we go out to them people listen and think? That more and more people say they agree with many of our programme points and in some cases even adopt them in the organisations in which they are active, including the trade union movement, as mentioned before?

At first sight, this may not seem much. But consider the more favourable objective situation for Party work that is constantly developing. Take into account the growing capitalist crisis on the one hand and the growing ideological impact of socialist successes on the other hand. Then we see that all this provides the conditions for our Party to start to win the bulk of the working people (80 per cent. of the population) to a working-class approach ideologically. And it provides the conditions

for the whole labour movement, industrial and political, to adopt a fighting workers' programme against monopoly and for peace. And is that not, in fact, the united front of the working class?

This will not be achieved by blasting everybody with profound ideological arguments on Marxism-Leninism, although they have their time and place. No, it will be done by taking our policy of immediate demands out to new people, by patient argument, by listening and by learning from our new contacts. Only from them can we learn what they feel are their own immediate problems. To a degree, these problems differ from area to area, according to age groups and many other factors. But we must take them up no matter how small they are. For, if we give real leadership in this way, out of these things will come understanding of the major fight for peace and against monopoly which faces those who need to preserve their living standards and way of life.

That understanding will become fertile ground in which to plant the idea of a socialist New Zealand. We cannot drive, we have to nurse and to lead, step by step, until the working class sees the correctness of our Marxist-Leninist approach and becomes conscious that only a Party based on such theories can lead the workers and their allies against monopoly and to Socialism.

THE "MASS-LINE" METHOD OF WORK

This is a suitable place to say a few words about the question of listening and learning from our new contacts, from the workers. This is essential if we are to develop the "mass-line" method of work that draws ever-greater numbers into activity and struggle around the

particular thing they are interested in or are good at. But some comrades go too far. They seem to think that if they meet somebody on a bus, get into conversation with him about some aspect of Party policy and don't get agreement, then there is automatically something wrong with the Party policy.

This, of course, does not follow. Our policy is based on objective reality, the reaction of the contact is very likely a subjective one. If we follow other opinions like this, then we will in time be tailing. Our Party must lead, but outside opinions can and will not only improve our tactical approach but widen and strengthen our policy itself—if correctly used. We must use opinions by examining them carefully to see where they contain something of value. But don't take it that since something is from a non-Party source it is necessarily of great value. I give this warning because, as we move out to people, we must keep our feet on the ground or we will, as I said before, end up in a tailing position on many issues.

Returning to the general situation facing us, let us, in the changing position of the workers and their allies in town and country, firmly grasp the positive aspect and work on it. The possibilities will grow. That is obvious from even a brief examination of the nature of social democracy and of how its ideology grew in the workers' minds in the labour movement in our country and throughout the imperialist world in the earlier period.

Lenin spent a lifetime fighting the infiltration of what we now call social democratic ideology into the ranks of the Social Democratic Parties which had originally been based on Marxism. In words their Marxism remained, but in content it had completely vanished by the start of

World War I. Revisionism was rampant. It was this question that caused the split in the Russian Party, then called the Russian Social Democratic Labour Party, dividing it into the Bolsheviks and Mensheviks. It led later to the formation of a new International—the Third (Communist) International. Had the problem not been effectively tackled by Lenin and others, the course of history, as far as the Russian Revolution was concerned, would have been different and the path of the October Revolution of 1917 would not at that time have been taken.

How did Lenin explain this phenomenon in the workers' ranks in the imperialist countries? In effect, he said that, out of the development of Imperialism, from a world angle it became possible for Capitalism to create a "labour aristocracy" in the major industrial countries without seriously cutting into the rising profits and imperialist expansion at that time. In fact, the dampening down of the class struggle in the metropolitan countries gave them at that time a favourable balance in any profit and loss account.

We know that it was not Capitalism giving the masses of humanity a higher living standard, as some capitalist apologists try to persuade people. No, this was the period of the most brutal and intensive exploitation of their rapidly-expanding colonial empires. So, in the countries where social democratic ideology now has a strong hold, there was room then to buy off the movement by flattery, by honours, by sinecure jobs for its leaders and, for the most effective section of the workers, by higher living standards. This tactic of the ruling class spread right through what we now have come to term the "West."

Unlike that period, to-day imperialism is in decline. Its scope for exploiting activities is dwindling and there are few new areas to move into. This proves the correctness of the conception that we are in the era of the transition from Capitalism to Socialism. If Lenin was correct in describing the material basis on which this ideology, a form of bourgeois ideology within the ranks of the working class, grew up, does not the opposite follow to-day? Does it not logically follow that, in a time of imperialist decline, in the period of the growing world crisis of imperialism, to-day the material basis of this ideology is also disappearing, creating the material conditions for the decline of the ideology itself?

The opportunity for the ruling class to use this tactic is vanishing. Already Social Democratic Parties in the imperialist countries and in the countries which are junior partners of imperialism have now emerged as straight-out capitalist parties. Now at last their words are matching their pro-monopoly deeds. The deceitful socialist objective they formerly pretended has been dropped.

The last conference of the New Zealand Labour Party clearly indicated that this is so with them. The Labour Party here is exposed as a party whose bulk of membership and supporters consists of workers, but whose ideology is wholly capitalist. In these circumstances, the Labour Party can have no programme except one that is compatible with the interests of monopoly. For the worker, for his living standards, for his needs and aspirations, social democracy in New Zealand has nothing more to give.

It is in this situation that we say the objective conditions are arising that will aid our Party in its task of win-

ning the workers to a working-class ideological outlook. Our slogan is "Out to the People — On to the Offensive."

CONCENTRATION ON INDUSTRY

At this point it is well to examine our work during the past period when we have consistently stressed that our relatively small Party, having decided its policy, must concentrate at the vital point. This point is where the opportunity is greatest and where the results, when we make gains, are likely to be firm and of a lasting nature. This vital point means the workers in industry.

To some degree we have concentrated here. But our whole Party has still not seen the importance of this or how to do it. Many comrades not in industry leave it to those who are. They fail to see the importance of their own contact with industrial workers and the possible spreading of influence from that. On the other hand, many comrades in industry get so bogged down with the essential activity and lead they give on "bread-and-butter" struggles that they forget the need to introduce our politics.

Lenin referred to the trade unions as the "mass organisations of struggle of the working class," and it is as such that we should regard them. It follows, therefore, that when we say concentrate on winning influence and members in industry, then work — Party work — in the trade union field assumes immense importance. On this there has been no disagreement. But, when we warn our members that to see such work only within the scope of trade union struggle on economic demands is not a Communist

approach — but is basically to fall into the error that Lenin criticised so effectively in such works as "What Is to Be Done?" as an economist approach arising from the infiltration of social democratic ideas into our own ranks — the warning is not always understood or taken seriously.

COMMUNISTS IN THE TRADE UNIONS

Communists must give leadership around immediate demands, victimisation issues, etc., as a duty. The Communist Party must never walk away from the workers in struggle, no matter how "sticky" the issue may be, or, for that matter, no matter what Federation of Labour leaders or others may think about a particular dispute. If the workers are in difficulties in any particular dispute due to wrong tactics, we must find a way out, not leave them in a mess. We must never forget that basically, when the mass of workers in any industry move into action against the boss, they are in the right as far as we are concerned. We must make no bones about being biased in that direction — any more than the employers make no bones about being biased in the opposite direction.

However, if we make our whole objective in trade union work the carrying out of the economic struggle, the "bread-and-butter" issues that I referred to previously, then we are not working inside the trade unions as Communists but only as militant trade unionists.

Communists here, as elsewhere, have a special role to play. That role is to win the mass of the trade unionists to realise that wider issues than the economic field are of vital importance, that politics in the trade unions are an essential thing if successful struggle is to be conducted.

By politics we mean working-class politics, such as those expressed in the Immediate Programme of the Communist Party to meet the present growing crisis conditions.

Tactics as to how to bring this aspect into the trade union field must be worked out in each industry, in each union, according to circumstances, the strength of our influence, etc. But it must never be forgotten, regarded as a secondary or an impossible task. I know that many of our comrades who are active and very busy trade unionists get a little irritated from time to time at our persistence in bringing this general point forward. But we would ask them to look at the position in their own union when it comes to building our Party and its influence. An objective look will show that a lot more could have been done in this, as a lot more could have been done in other aspects of Party work. There is even a lack of appreciation sometimes of the necessity of providing the *People's Voice* with information when issues arise from time to time, because there is a failure to see that the paper must use such things as a political weapon in our general struggle and as a lead to wider sections of workers than those engaged in any particular dispute. Too many times the *People's Voice* staff and the National Secretariat end up having to say something based merely on the biased anti-working class information provided in our capitalist daily press. This failure is but an unconscious expression of the infiltration of "economism." It's dollars to doughnuts the union journal, if one exists, would get the information pronto.

A report supplied by our National Trade Union Subcommittee as this report was being compiled says:

"In 1961 it was laid down that politics must be primary in trade union work. Since that time, there has been, despite

weaknesses, a systematic struggle against economist trends. There is still much to be done. There have been successes, but almost wholly on particular issues where the trade union bureau has been able to give personal leadership. There is a long way to go before a real dent is made over-all. However, the particular issues have their importance, since we ourselves are learning a lot."

I think that sums up our position.

Returning now to Lenin's concept that the trade unions are the mass organs of struggle of the working class, it must be clearly understood that Lenin did not at any time think that "struggle" in itself was enough. He fought, as we have to fight, to see that working-class politics be made a living part of the trade union movement so the battle against the boss can be finally won by the elimination of the boss class.

Let us just briefly see what happens when this is not the situation. There are many of our New Zealand trade unions where economism and reformism is rampant. There is, it is true, passive struggle. All legal means are used around those "bread-and-butter" issues. But what are in fact reactionary politics, bourgeois politics, are introduced. Those who cry loudest against the introduction of politics into the trade unions are, in fact, steeped in hidden political action themselves. Hidden because they have, and use, the politics of the employing class. We must not forget that there are two ideologies in the world today — bourgeois and proletarian (socialist).

THE QUESTION OF "NO POLITICS!"

Perhaps the best example of how those who cry out against politics use them themselves is to be found in what occurred with the foundation of the World Federa-

tion of Trade Unions after the conclusion of World War II. The W.F.T.U. was split by the British, American and other trade union leaders (although nobody had cried louder against "politics" than the U.S. union leaders concerned). And what was the world trade union movement split about? The main issue was support or otherwise for the Marshall Plan, the political imperialist policy of the "Cold War"! On the other hand, where Party leadership is strong, we see from the subsequent history of the W.F.T.U. struggle around economic issues coordinated with a strong political line.

We must learn from this. In New Zealand we often find, particularly in relation to Federation of Labour policy nationally, that, on immediate economic issues affecting the workers' living standards, many progressive policy points are advanced. We welcome and support these. But in the political field, around such issues as our membership of SEATO, or even on the matter of fraternal visits to and from trade unionists of socialist lands, trade with the socialist world, etc., a reactionary political line emerges.

We can ignore, or remain passive on, this to the peril of the New Zealand working class. **We must fight to get a progressive policy around the whole range of important economic and political demands. We must achieve strong Party leadership in the trade union movement, based on rank-and-file support, Party leadership which realises that to be a good trade union leader one must base one's work on the Communist approach as outlined here.**

It is necessary to say that we have made some improvement in our work in this direction. (Those more closely associated with it can describe this in their contributions.)

But it would be an illusion to think that the economist danger has been overcome, any more than has the danger mentioned in previous reports of basing ourselves and our policies on a few advanced sections of the working class — a sort of modern "Triple Alliance" idea. Such an illusion must be guarded against. It is dangerous "leftism," as a little thought will show. The employing class are more and more using the Government, the capitalist state apparatus, even in minor disputes, and no advanced section or combination can on its own successfully battle against the full forces of the state. The strong sections must use their strength to build up the weaker ones. Then a united trade union movement will arise, based on the weapon of class struggle.

The foundation for trade union unity to-day is good. Many right-wing leaders have received a setback, arising from our correct methods of work. The Federation of Labour has a policy that allows for its programme to be taken on to the jobs. Recently, several aspects of F.O.L. policy, outside of the direct economic field, have been good. (For example, around the Cuba crisis, the French Pacific Bomb tests and the denial of Chinese visas.) This is a heartening sign. Our weakness is that we have done little to help take our policy on to the jobs. There has been little strength in our push. The trade union movement in Christchurch has probably done more on this than anywhere else. But to what extent the Party influence has been a major factor is as doubtful there as elsewhere.

We have stated from time to time that there is growing militancy among the workers. The following table setting out the figures for industrial disputes during recent years shows this:

<i>For Nine Months Ended</i>	<i>Total No.</i>	<i>Total Duration (Days)</i>	<i>No. of Workers Involved</i>	<i>Working Days Lost</i>
Sept. 30, 1957	39	119½	10,539	16,738
Sept. 30, 1958	41	120	10,219	12,339
Sept. 30, 1959	61	182¾	15,277	22,197
Sept. 30, 1960	51	330¼	12,557	34,263
Sept. 30, 1961	59	291	13,997	30,423
Sept. 30, 1962	75	426½	20,509	58,227

Considering the strikes since September, 1962, we have no doubt that the process is continuing.

To conclude this portion of the report, we say that comrades in the trade union movement, particularly those in leadership, have to fight against an environment in the New Zealand movement which is based on arbitration and conciliation over a lengthy period. For this environment does tend to develop narrow trade union ideas rather than revolutionary Marxist ones. We cannot stress too much the fact that one of the most effective weapons we can use in this whole struggle, and one that will not only help us in our efforts to win wider contact and influence in industry but also help ideologically, is the development of industry programmes—programmes that apply Communist policy to an industry and its particular problems, programmes that break down our general national policy into detail as it affects the workers in an industry and that also bring in our politics. We have talked for years on this but at last, with the building industry programme and others, we are on the way. The importance of the further development of industry programmes is obvious.

WE MUST WIN THE YOUTH

A number of those who contributed to the pre-Conference discussion stressed the need to do something about the winning of youth and were critical of our lack of work among youth. This is correct and must be more effectively tackled. However, little in the way of positive suggestion emerged, apart from the fact that we should still persist in the formation of a Youth Movement. This lack of ideas is not surprising. The contributors have evidently met the same difficulty as we have at the centre. The trouble is that for a long period the objective conditions have not been at all favourable for any great advance in this field. The economic conditions have provided plenty of jobs and to-day's youth have grown up in a period of passivity of struggle which has done nothing to awaken their interest in direct economic demands. This is the rock we have struck in our efforts in industry and in the trade unions. Moreover, in New Zealand, even the horrors of atomic war still appear very remote to the average young person. In these conditions, the most blatant bourgeois propaganda (much of it direct from the U.S.A. and expressing the decline of even bourgeois "morality" as the world crisis of Capitalism grows) has had a considerable effect.

Here, however, as elsewhere, the objective conditions are becoming ever more favourable. To-day we know of many young people who on leaving school have been unable to take up apprenticeships in the trade they wished to follow. For the firms concerned have decided to reduce or cut out the taking on of new apprentices. I speak here of Auckland from personal knowledge. No

doubt it is happening elsewhere. It is a sign of the times. According to the daily press, 200 secondary school pupils in Auckland went back to school this year because the jobs they wanted were not available. Of course, work can still be got at good wages, but in dead-end occupations that will be the first hit when the crisis deepens. These are the economic conditions that are changing.

NEW CONDITIONS EMERGING HERE, TOO

In the political field there is the first sign for some time that our Party is beginning to attract the youth. At the National Centre we have had a number of letters from young people inquiring about our Party and its policy and asking for advice. This is significant and encouraging. We see more and more young people taking part in certain social activities, at film showings, etc. The number of young people at the October 1 film evening run by our Auckland District and at the November 7 occasion last year was quite considerable. If we look at the *People's Voice* picnic held in Auckland, we cannot say that we have no contact with youth. They were there in numbers — and not just dragged along by their parents. In my own area, some seven young chaps aged between 17 and 19, only two of whom had any previous association with us, went to immense effort organising how to get to the boat for that picnic. It was significant, perhaps, that they preferred to make their own arrangements as to how to get to the boat. I think it shows that the key to success lies in having confidence in them and letting them do things their way, even if that way does seem a little "peculiar" to us. **The background of their**

earlier years in which they have grown up does make them shy off being organised too much.

I mention these things to show that, while immense difficulties do exist, all is not gloomy and there is a scope for advance in winning the young people right now. Arising from a decision of the Political Committee about 18 months ago, it was decided to attempt to re-establish a centralised youth movement in Auckland. This attempt has failed. In fact, an initial effort to hold a central film evening using the Moscow Youth Festival film attracted only three or four youths.

This lack of attendance was not solely due to lack of interest by youth contacts — it also showed a sad lack of "youth consciousness" by Party members, something we must overcome.

So we should not think we cannot proceed. At present a central organisation may not prove attractive, but there are signs of organisation springing up in the various suburbs, particularly in those a little more remote from the city centre. In such areas it is also worth noting that other youth organisations are beginning to flourish and there is emerging a small section who vaguely look to some organised activity, mainly social but leaning towards a socialist approach and the peace struggle, while for a few the revolutionary aspect of the Communist Party is becoming an attraction — as it should.

We must not ignore local youth organisations, including the religious. They have many positive points. On youth organisation we are progressing, but it must be done according to the local circumstances and nature of contact, with more or less politics according to those circumstances. Above all, we must take care never to appear to be imposing conditions or policy. If we work tactfully,

our lead will be accepted. But youth will not be driven. Working this way, we will, in the not-distant future, succeed in establishing a central youth organisation based on a socialist outlook, one capable of giving leadership to wider sections of our youth than its actual membership.

I have spoken only about Auckland experience on the question of youth for two reasons. First, too little has been reported from other centres, although to a degree they must have had similar experiences. Secondly, it was in Auckland, our strongest centre, that we decided to attempt to move out organisationally as far as youth was concerned.

To sum up — the position is still not good, but the prospects are improving. We will make an advance if we use them and act.

OUR MAORI PEOPLE AND POLYNESIANS

Many branches, individual comrades and non-Party contacts have referred to our lack of an effective programme for dealing with the particular problems and needs of our Maori people and the large number, at least in the Auckland area, of Polynesians who have settled in New Zealand after leaving various Island territories. (Incidentally, our Maori population is growing rapidly. There has been an increase of 20.3 per cent. in the 1956-61 period, bringing the total to 165,006.)

This lack of a programme to deal with the immediate problems of the Polynesian people, as distinct from the general problems they face together with the Pakeha worker, does not arise from lack of attention but from a

lack of detailed knowledge. Some quite good work has been done, both through the trade union movement and by the Party in its direct activity in industry and in the areas where there is a considerable Maori population. The number of Maoris and Islanders who buy our paper regularly in Auckland through pub sales is quite considerable. It has increased from the initial spurt at the time of the "No Maoris — No Tour" campaign around the All Blacks Rugby tour to South Africa.

But, beyond that initial contact and a general friendliness to ourselves as Communists, we have not progressed. We must strive to bring Maoris into our Party. Such comrades would have personal knowledge of the particular problems of our Maori and Island people, which do not vary so very much from those of the Pakeha — at the workers' level, anyway. Such comrades would teach us to understand and help at the point where the tribal background and the cultural heritage from the past come in conflict with modern capitalist society in New Zealand. From this would evolve a programme beyond the issues of no racial discrimination, etc., around which we have already, on many occasions, conducted struggles.

We have to win the confidence of the Maori people and Maori Communists are the ones to accomplish this in the initial stages. We must allow for the general distrust among our Maori people of the white man, including white workers, arising from (and justified in many cases by) past history and the colour bar still existing to-day in many places.

The fact is that we have not seriously tried to recruit among our Maori contacts, both in the areas and in industry. I know that the Maori (and the Polynesian gener-

ally) is very hard to pin down to firm organisation. In my youth, in the Far North, I worked on relief work on many occasions with gangs at least 95 per cent. Maori and played football in teams in which a couple of Pakehas were the exception. In the unemployed struggles and everything else, they joined enthusiastically and firmly — but not to organise or lead.

Things are changing, however, and the Maori and Island workers now in industry in our cities have come under the general impact of capitalist society, and eventually Maori and other Polynesian Communists will emerge, playing the leading role that is the essential task of a Communist. We must not wait for this to happen spontaneously — we must go and look for these members now. Success here will bring us nearer to the semi-rural and rural Maori population where the tribal background and heritage is stronger and where difficulties in understanding exist for us.

Whatever happens, we must not approach this problem from the angle that “we know.” The fact is we don’t and we must learn.

The National Centre, due to the good fortune of having two or three interested comrades working in this field, recently set up a sub-committee which will greatly help our knowledge of Polynesian history, background and other factors. But, to a large extent, this will remain academic and our programme will remain one of vague generalities unless we build up that essential contact of which I have spoken. I do believe, however, that this move will enable us to discuss their own particular problems with our Maori and Island peoples and thus open the way for us to learn more still from them.

WORK AMONG WOMEN

The question of developing more effective work among women around their special problems is one that will again have to be tackled in the coming period. On all these questions, however, we must remember our smallness of numbers and that the need to concentrate at certain points is still a limiting factor. Some good work has been done in drawing women workers into greater activity in industry, while many area branches have done good work by the holding of women’s afternoon or evening discussions and film showings. Experience shows that, on problems such as prices, cost of schooling, cost of housing, etc., women are very often more agitated and worried than men — although in their own opinion they are totally non-political.

There is scope here for advance not only among women in industry, where naturally the greatest possibilities exist. Advance is also possible among the housewives who do not go out to work in industry, if our branches will make the effort. This could slowly but surely lead to the organisation of women around the things which are worrying them. This should be our objective.

THE COUNTRYSIDE

The Party has recently gained respect and a little influence in some of our rural areas. This small advance among the working farmers and the rural population in general has been based on our forthright policy on the

European Economic Community and the marketing problems of primary produce. The average farmer is facing acute difficulties as far as future market prospects are concerned. In many cases, he is deeply in debt through mortgages, hire purchases of farm machinery and other things. He is hit by the rising costs of production, due to the fact that most farm requirements are sold to him by groupings where monopoly price rings are operating. Consequently, he is not impressed with present Government policies.

Among the smaller farmers, the old hostility towards monopoly is re-appearing and a trend towards the extension of co-operative methods in distribution and purchase of farm requirements has started. It is significant that in recent months it is farmers' co-operative organisations that have bought Russian potash and glass in bulk. This trend in the countryside (in the areas where the small and middle farmer predominate) is a welcome one. The time is ripe for our Party, difficult as it may be, to make the preliminary moves to get out into the countryside. We know it can be done only on a small scale and that we cannot divert any main force away from concentration in industry. But there are some things which we can do, as is proved by recent experiences where an effort has been made.

The pamphlet, "New Zealand's Way Out of the Common Market Menace," was distributed not only to farmers' organisations nationally but locally, too, whenever possible. Where farmers were contacted personally with it, they not only read it but discussed it keenly, showing they had appreciated it and were in favour of the programme advanced. Some time ago, when we issued a leaflet on the E.E.C. issue, some comrades distributed them at the

local monthly stock sale with a very good response. Where comrades in the trade union movement have on certain issues contacted farmers, pointing out that they have much in common because all are the victims of monopoly, they have not been chased away as "subversive influences."

The winning of our allies in the countryside is a vital question for us, not only now in the immediate struggles but for the future as we look towards the People's Alliance — to Socialism. It is one of the questions on which we come into sharp conflict with the social democratic outlook, which has all the time endeavoured to convince the workers that all farmers are as much his enemy as the employing class.

It is right here that I think we can start to do a little more. In the trade union movement, our comrades must use every opportunity not only to make contact locally and, if possible, nationally, with the farmers' organisations, but to overcome in the trade union movement this erroneous idea that the farmer is automatically an enemy who must be fought on every possible occasion. He will be an enemy only if we do not win him into unity in common struggle. The trade union movement must be convinced of this. I recall that, as we emerged from the depression years (approximately 1937), it was a group of branches of the then Farmers' Union (now Federated Farmers) in the Far North who approached the Auckland Trades Council for a meeting with their leadership to discuss common problems. The meeting was attended by some 500 farmers and discussion in groups afterwards went on into the small hours. Now, as we look to the future, it is not the farmers to whom we should look for the initiative but the workers' organisations. That is why

we can only make tentative moves now because any major effort must be based on a strong conviction in the cities on the question. However, as already said, something can be done.

In those days, all *People's Voices* that were not sold were picked up from the printery or the District Offices and, when cars were moving through the countryside, thrown out at farmers' gates and to any group of workers on the roadside. It seems elementary, but it is a fact that the then *People's Voice* had a bigger sub. list in rural areas than it has now. Much of it could be traced to this method of contact. It was better than selling the returns as waste paper or whatever happens now. It would take a little organisation and effort to do that now. But it should be done.

When Party propaganda is topical and deals with rural problems, distribution at local stock sales etc., could be done, as it was with the E.E.C. leaflet in one case. It could be done with the *People's Voice* when the issue contains articles of farming interest, too. When we get started we could even consider issuing a *People's Voice* special when we have the right material.

Many comrades and Party sympathisers have friends and relations in the farming areas. The whole of New Zealand is like this. But do we use the contact? I doubt it. Yet the more favourable response lately shows the importance of utilising every opportunity.

I have tried here to show that, while we can't do all we would like to do right now to win the allies of the working class in the countryside into unity around the struggle against Big Business, we can, and must, do something.

I will quote briefly from a recent issue of the *N.Z. Commercial Grower*, the organ of the New Zealand Vegetable and Produce Growers' Federation. It almost reminds me of the *People's Voice* when dealing with the cost of living index. It says:

"For the grower, one of the most interesting points in this little summary is that the increase in the fruit and vegetable and egg item is only 16 per cent., which, when compared with the 46.6 per cent. increase of such other essentials as rent and home-ownership, is minute. For growers, too, there is the other uncomfortable reflection that retailers appear to be taking a higher percentage than was the case seven years ago."

It then goes on with a statistical table showing increases in living costs over the past seven years. This kind of thing shows what a wide basis exists for contact and discussion around policy.

ECONOMIC SITUATION AND OUR POLICY

I am not going into detail about the policy we have been advancing to meet the growing crisis conditions. It has been well thrashed in the *People's Voice* and in Party pamphlets, leaflets, bulletins, etc. It is the opinion of the National Committee — and obviously the general opinion, if one judges from the nature of the pre-Conference discussion material — that it is a correct policy, that it meets the present situation and that the main problem remains the finding of more effective ways of taking it out to wider sections of the workers and others who are to-day exploited by monopoly.

The programme is not perfect, and in our opinion the weakness is that it has not been developed in a fully com-

prehensive way. The problem of the incoming national leadership, as we see it, will be one of expanding it in more detail around the various points, particularly those of the propaganda put out nationally in industry (through industry programmes) and in the areas (by tackling local problems).

However, for the record, and to refresh your memories, I will include the main points.

Seek new markets for New Zealand's exports on the basis of mutually advantageous and reciprocal trade with the countries of Socialism and the newly-independent countries of Asia and Africa.

Break completely with the disastrous foreign policy of "follow the U.S.A., right or wrong."

Demand withdrawal from the SEATO Pact on the grounds that its membership is against the national interests, the United Nations Charter and the furtherance of Pacific and world peace; and from the ANZUS Pact for the same basic reasons.

Insist that our Government should lead in the United Nations and elsewhere in the campaign for banning atom bombs and for world disarmament.

Demand withdrawal of New Zealand's forces from Malaya, refuse to engage on behalf of any imperialism in any similar aggressive action elsewhere.

Base foreign policy on peaceful co-existence and friendship and base New Zealand's defence policy on recognition that friendship and mutual trade with our neighbours and the world are our soundest defence. On this principle we would reduce defence expenditure to £5 million annually from the present £30-odd million and use part of the funds saved in pursuing a policy

of establishing friendly relations and trade with our Asian neighbours and with the socialist nations.

Recognise the Chinese People's Republic straight away.

Fight the power of monopoly over our domestic economy. Our policy is to:

Nationalise such key industries as the freezing companies, fertiliser companies, the coastal shipping companies, the stock and station agencies, the insurance companies, paper pulp industry and related sections irrespective of whether capital held in New Zealand or overseas. Break the power of the banks by nationalising the trading banks. On the basis of experiences of licensing trusts, nationalise the liquor industry.

Develop new basic state industry in the following spheres and keep monopoly out: Iron and steel, chemical, aluminium.

Build government oil refinery. Oil deposits in New Zealand to be developed only by government. Policy in this field to be to work in co-operation with establishment of government-owned coal utilisation plants in national interests.

Start the development of government-owned overseas shipping service.

Industrialisation to be financed from countries that will take New Zealand products as payments in negotiated long-term deliveries and by long-term credits from such sources at low-interest rates.

Nationalised industries to have full trade union representation on controlling bodies. This principle to extend to existing nationalised industry and services.

Government action to prevent mergers, overseas "take-overs" of existing industry, distributive business organi-

sations, etc., where such moves are contrary to public interest.

A living wage for a forty-hour week: Here our policy is that the government should effect a wage order with a minimum wage of £16 for a forty-hour week; restoration of full margins for skill in industry in interests of all workers; equal pay for women.

Repeal of all anti-trade union laws contained in the I.C. and A. Act and the Police Offences Act.

Strict and effective pegging of prices, profits and rents to be instituted immediately.

Introduction of effective control of capital issues in national interests.

Development of joint government-consumer organisation on a wide basis, including the trade unions, to develop methods of control of prices, profits, etc., in the workers' interests.

Place the burden of taxation on the wealthy. Achieve this by increasing the maximum rate payable on high personal and company taxation. Personal exemption to disappear at £2,000 per annum. Sharp increase in taxation of personal incomes over £2,000. Similar sharp increase in taxation of company incomes over £10,000.

Raise the personal income tax exemption level to £13 a week (£676 per annum) and increase the allowance for a wife to £4 a week (£208 per annum) and for each child to £2 a week (£104 per annum). Abolish taxation on extra wage payments received for dangerous, unhygienic or specially arduous work.

Abolish the Social Security tax (which is a flat-rate, ungraduated tax on all income). Incorporate the present Social Security tax in the income tax on companies and

wealthy individuals on the basis of the principles outlined above.

Abolish the Sales Tax on all but luxury lines.

Generally cancel or tighten up on all the concessions granted to Big Business, such as special depreciation, the lower average maximum rate of tax on dividends, etc.

Sharply increase sales tax on luxury items.

To meet the immediate needs in our health services we propose:

The provision of an adequate number of full-time hospital staff and facilities to meet all the needs of the people.

The withdrawal of subsidies from private hospitals and use of this money to improve public hospital services.

Removal of right of doctors (general practitioners) to charge extra for their services on top of the Social Security subsidy. Increase in payment from state to doctors to cover this, taking into account the rise in the cost of living since the original subsidy was set.

A policy for our education: Greatly-increased all-round salaries for teachers. Urgent attention to housing needs for teachers. A country service allowance and increased allowances for degrees and other such qualifications.

More and larger bursaries for students at university who intend to become teachers.

Increase in spending on school building programme to ensure adequate classroom space for smaller classes. Replacement of prefabricated buildings by better permanent buildings.

Provision of assembly halls, gymnasiums and ample playing fields for all schools.

Addition of free stationery to present free textbook scheme but work to be done by special administrative

staff so that teachers do not lose teaching time. Similarly, sports periods to replace military training periods and no introduction of religious teaching into syllabus (sufficient staff would allow teachers adequate free periods to prepare, mark work, etc.)

Provision of adequate finance for School Committees and Parent-Teacher Associations so that they can get on with their real job of helping administer the school in the interests of their children. (At present the great majority of their effort has to be spent in money-raising fairs, raffles, etc., to get funds for things that should be supplied by adequate government funds.)

A programme for youth: Apprentices to have fuller facilities for training and technical education. This to include sufficient time made available during working hours. Training to be paid for by the state.

State grants for education, primary, secondary and university, to be increased.

State to make financial provision for more sports grounds and coaches. Also aid to athletic clubs. This to be under supervision of appropriate government department. Coaches to be attached to clubs.

Assistance to cultural groups. More trained personnel to lead and direct this. Approach should be broad enough to cover diverse tastes.

Special assistance and encouragement to Maori youth. This to include preservation of Maori culture and legislation against racial discrimination.

Build cheap homes for the people: Increased state-house and state-flat building programme, financed at low rate of interest (1 per cent. to 1½ per cent. through Reserve Bank, as done formerly).

Provision of finance at low rate of interest to working people wishing to build own homes. Effective government over-all control of costs charged by private builders where government loans used.

Control of any luxury building that adversely affects housing development or essential industrial construction.

Give essential aid to all small farmers. This can be carried out by loans at a low rate of interest for development and housing. Guaranteed price for butter-fat to be on a sliding scale ensuring adequate income for small producer. Development of similar guaranteed price schemes for other sections of farmers where possible in co-operation with farmers' organisations.

Government aid where necessary to strengthen rural producers' and consumers' co-operatives. Aid co-operative development in buying and machine utilisation agencies.

Increased grant to Department of Agriculture to strengthen technical and scientific assistance to working farmers.

Scale down mortgage commitments where effect is crippling production and producing a low living standard.

* * *

The main factor in our situation in New Zealand is that we remain tied firmly to the plans of Imperialism, particularly those of the U.S. Events every day show more clearly that this prevents any freedom of action toward solving the internal economic problems that face us. Therefore we have to make our people see that our Government's continued membership of SEATO, their support for the "Cold War" policies in the United Nations, their

attitude to NATO, their opposition to recognition of China and its entry into the United Nations and their continued recognition of Chiang Kai-shek — their position generally makes any development of long-range reciprocal trade with the socialist world but a pipe dream. It leads instead to “solving” the problems in New Zealand by the placing of the burden of capitalist crisis on the shoulders of the working people and not on those of the capitalist class who exploit our resources and people for their own profit.

In other words, the growing crisis in Capitalism sharpens the struggle against monopoly and against Imperialism in our own country. There is only one way out and that is to fight. We have to make the rank and file of the labour movement see this and from that knowledge go forward together on the offensive. On a world scale, reaction, to meet the growing problems arising from imperialist decline, is mounting a world-wide offensive against the working peoples and against the revolutionary movements. They will deliver sharp blows in New Zealand as elsewhere. Communist policy is the only one that provides the answer.

The rejection of Britain for membership of the E.E.C. has led some comrades to consider that our position has suddenly improved economically. This is not so. We said in a Political Committee report in, July, 1961, that, whether Britain was in or outside the Common Market in Europe, New Zealand faces crisis. This still holds good. As we stated then, Britain no longer can provide the more or less stable market at an economic price for the bulk of our primary exports as it has in the past. This is because of the rapid decline of British Imperialism. This decline continues and, in Britain, no adequate alternative policy to entry to the E.E.C. is likely to change it, any

more than British entry as America's satellite would have done. Our problems remain and the only solution to them remains reciprocal trade with the socialist world and with the newly-developing countries where the national liberation movement has fought through to victory.

The rejection of Britain's entry into the E.E.C. as a result of the veto of the French Government may provide a breathing space, as is indicated by our increased butter quota for Britain. This will enable some producers to switch rapidly from cheese production in order to relieve the marketing difficulty of selling the growing mountain of cheese. However, it is likely to prove but a short breathing space. An urgent need of the British Government now for internal reasons is to provide cheaper food to Britain. They won't try to do it as far as industrial goods for consumption are concerned, as that is in the sphere of monopoly. Increased butter quotas will lead to reduced price and in the end, if the New Zealand Government hangs on to the present policy, we will find the British Government solving its problems at our expense.

In fact, that is likely to be the direction of British policy as far as the whole of the Commonwealth is concerned. For the British Government, that will be its way of finding a breathing space. That ties of Empire and blood mean nothing has been proved. So there is no solution for us in that direction. The menace, as outlined in the pamphlets, “New Zealand Faces Crisis” and “New Zealand's Way Out of the Common Market Menace,” remains.

For that matter, there is no certainty that Britain will not enter the Common Market in the future. I outlined earlier the background of French opposition, which basically is a challenge to U.S. Imperialism by another imperi-

alism trying to find freedom for its own designs. It would be a bold man who would say that it is certain that U.S. pressure at this stage will not in time alter that situation again for a period. Don't forget that the U.S. imperialists desperately need Britain in to help meet that challenge.

Some comrades may consider that lately we made an error in saying that Britain would join the E.E.C. in view of the fact that Britain has now been rejected as a full member. This is true but it was not a serious mistake. It in no way alters the correctness of Party policy around the whole issue. We did, however, fail to realise the sharpening of conflict in the imperialist camp that led to the French bucking the U.S. and applying a veto.

EMPLOYMENT:

Employment statistics are worth looking at and are a reply to those who say we are over the top as far as economic problems are concerned. In 1951, notified vacancies were 21,968. In 1959, they went to their lowest figure of 5,300 and then rose to 6,764 in 1960 and 9,196 in 1961. But in December, 1962, they were down to 6,849. Although on a small scale, we now have some permanent unemployment. But if overseas borrowing for current income (which has been a feature of recent years and which cannot continue indefinitely) stopped, it would rise sharply immediately.

Terms of trade are also running against New Zealand consistently, as the following figures show:

All exports —	Year	Index No.
	1957	100
	1958	86
	1959	100
	1960	96
	1961	90
	1962	92.6

An average of 94.1 over the six-year period and four out of six unfavourable. Therefore, our balance-of-payments problem remains, as does the solution of reciprocal trade with socialist countries.

Industrial expansion in New Zealand will not prove a solution, either, if the present policy of helping it by introducing greater monopoly interests into our country is pursued. That is National policy and, unfortunately, it is also official Labour policy. The figures given earlier of monopoly exploitation by overseas interests should make it plain that that policy is directed to help Big Business, not the economic interests of the people. Only the programme for economic expansion outlined by our Party will guide New Zealand to the solution. Therefore, as was said before, our main task is to develop our Party programme on a wider and more detailed basis.

THE COMING ELECTIONS

This is election year and our Party must prepare to participate in the campaign to the full. As yet, the majority of people still look on politics as concerned only with Parliamentary and other elections. There is always a greater political interest aroused at election time. This presents us with the opportunity of taking our programme

out to a wide section of interested workers. It follows that our Party must be active and must get its propaganda out to all areas possible, naturally with concentration on those electorates where we are standing.

It is interesting to note that a number of comrades and non-Party friends, as well as Party branches, have raised the issue of the need to-day to stand Communist candidates in as many seats as possible. In fact, a number raised the desirability of standing in over half as a means of showing that an alternative, from the workers' point of view, was available as a government even to-day. They stressed the psychological effect of this approach on the mass of the people. This is a welcome development, as formerly we very often found ourselves arguing about the necessity of standing even three or four candidates and in practice our campaign would be simply a "get-behind-Labour" one.

From a general political angle, it is certainly desirable to stand the maximum number of Party candidates and it would be very fine if we could advance, for example, fifty. From the strategical approach, that is our objective. However, we have to examine all factors and consider certain tactical questions. True, we are not and must not be blackmailed by the Labour leadership with the cry that the "Communists are splitting the vote." To accept that is to hand the Parliamentary field to them and merely hope that the workers' influence in the movement will force a few progressive legislative actions. On the other hand, we have to take into account the hold of social democracy still and advance on the political parliamentary field in a way that does not initially drive workers away through lack of understanding. We have to convince them that the crying need to-day is for Communist

M.P.'s who would fight inside and outside Parliament in the workers' interests and that in 1963 no one else will consistently do that.

I doubt, however, if to extend ourselves to the extent of contesting a majority of seats would accomplish this result except in a very small circle. On the other hand, we should stand a large number of candidates, certainly more than at the last election. First and foremost, we must contest seats in the areas where we have the greatest Party strength. In the cities, proper co-ordination of the campaign can make it effective over a considerable number of seats. Outside of that, where we have some Party organisation, even if it is based on only one or two members plus their contacts, we should also consider standing. In that way we will effectively reach a greater number of people with our policy than if we did not contest. We will have to face up to the fact that the campaign run may not be a full one but that it will be better and produce more results than no direct campaign behind a Party candidate. Candidates in these areas should be selected on the understanding that they would have to do a considerable amount of organising themselves; in fact, they would have to initiate organisation.

I think the time has come when we must consider contesting some of the seats held by National Party members and certainly we should consider the possibilities in a few of the semi-rural seats. On the other hand, we must realise that we have a National Party Government, the defeat of which will be a blow to reaction, so that we should not deliberately contest seats where our vote would almost automatically mean the return of National and the defeat of the Labour candidate. A whole survey of the electoral situation in view of the boundary changes

is essential straight away, because it is necessary to announce our candidates as early as possible in view of the wide selection already made by other parties. We need to start the initial campaigning as early as possible so that our candidates and policy are known before the heat of the battle develops.

Our general approach must be:

To defeat the National Government.

To return Communist M.P.'s. (Let us lose this time the concept that we are just contesting for propaganda purposes and that votes are not necessary. An increased vote will be a blow to reaction and a big help in winning increased direct support to our Party. We are in to win.)

We support the return of a Labour Government with a critical campaign designed to leave no illusions in people's minds that the return of Labour is what they need. On the other hand, where we are not contesting we say: "Vote Labour."

We must base our propaganda on our immediate programme but we must not forget to bring forward, as the only socialist political Party, the question of our objective — a Socialist New Zealand.

In the campaign we should not ignore Social Credit but should devote more time to a critical analysis of their policy and what it leads to.

It should be recognised by all comrades that there is need to take up more vigorously the need for electoral reform. The "first-past-the-post" set-up, with its tendency to a two-party system and the elimination of minority representation, must be attacked and our policy of proportional representation and its progressive aspect more fully explained. It is the answer to the vote-

splitting cry and a change here would alter our whole tactical approach. The "first-past-the-post" voting system is to-day a weapon in the hands of monopoly. We have not fully recognised this in the past.

OUR PARTY

All that we have been discussing in this report, the correctness of our aims and policy, mean nothing unless we can actively do something about them. So the situation in our Party, its ideological and organisational strength, are of prime importance.

It is correct to say that our Party is stronger in both membership and influence than it was some five or six years ago. There has been an over-all gain in membership, conviction has grown that we are in a period where we can make gains and, from that, activity and application of policy have improved. I think this is so right from the national leadership down, and the rank and file up. The development of the method of collective leadership has continued at all levels and our propaganda has not only increased but has improved in content. We say this in order to get things into the right perspective before we take a critical and self-critical look at the position.

In spite of some small but vital gains, the past two years have shown a dangerous trend towards stagnation at the level reached. Certainly Auckland, our major District centre, has continued to advance slowly, and this is a very heartening fact. But, in some other areas, Wellington, for instance, there has been no real advance,

while in some of the smaller centres there has actually been a loss in some spheres of organisation and work. On the other hand, in some of the secondary towns and one or two rural areas (mainly in the Auckland Province), we have not only gained members but they are under way to develop new Party branches. It is significant that never has Party finance been so healthy, showing increased support and obvious possibilities to advance still further. So we can only conclude that there is still a considerable weakness in the work of our Party at all levels.

STAGNATION SHOWN IN PAPER SALES

When I speak of stagnation (and we all know that we can't stand still — we must either go forward or back), I will quote the example of our main propaganda and organising weapon, the *People's Voice*. We have increased its circulation since we started our "Build the Party" campaigns by well over a thousand. But, by 1961, it was 4,800; in 1962, it was 4,900; and, in 1963, it is now 5,100.

You may say that that is not stagnation — we are still gaining. True, but the gains came from Auckland and, to a small degree, Wellington and by increased subscriptions gained mainly from areas without any direct organisational connections. Throughout the rest of New Zealand during this period the sales are either the same or have dropped. This is serious and must be looked into. Because, while it may be true that the class issues are a little sharper in Auckland and the Auckland Province, that is not the whole answer. Opportunities are obviously being missed. We say obviously because during

the last year we have reached and surpassed the objective of a £30 a week *People's Voice* Maintenance Fund without in any way losing support for the special appeals for the *People's Voice*. At the time of our last Conference, in 1960, we were averaging only some £17 a week. If this does not mean the road to more sales is open, what does it mean?

In putting this forward, we do not want to create gloom. There is no need for that. All that is needed is a little more understanding of the central role of the Communist paper and a greater drive out. We have a healthy base to start from. This year has actually seen some advance already, as a report from the *People's Voice* staff shows. I think we can say that to some extent this is due to the decision taken last year to concentrate on the *People's Voice* in our Party Building Campaign, while not ignoring other aspects. However, our efforts here are open to criticism as far as the work from the National Centre down is concerned, as will be mentioned later.

Auckland sales for February this year were as follows for the four issues in that month: 1,598, 1,603, 1,676, 1,712. Wellington sales were 883, 891, 943, 921; Christchurch sales were 479, 479, 479, 479; Dunedin sales were 138, 138, 141, 141; Greymouth sales were 214, 214, 214, 214.

The total sales on the Dominion-wide basis are up a hundred for the last two-month period. But is it not again an indication that something more is needed in our branch sales drive when we notice that new subs. totalled sixty of that hundred?

When we speak of strengthening the ideology of our Party we realise the importance of our organ of theory, the *Communist Review*. Here again it is the same story.

The total is now 1,050 (through Districts and Branches 741, and subs. 268). But, in 1961, while the total was less, Party organisations' orders were 771.

When individuals come to us in numbers but our organised sales drop, what else can we say than that we are tailing?

Briefly, on the 1962-63 "Build the Party" Campaign, the situation is as follows: Party membership, an overall gain of approximately 5 per cent.; *People's Voice*, an increase of 200; *Communist Review*, no increase, although Wellington are within two of their target. Other written propaganda, branch bulletins, industry programmes, etc., a general increase.

On printed national publications an indication is that, during the period since 1961, among those issues were: "What a Socialist New Zealand Will Be Like" (10,000), "New Zealand's Way Out of the Common Market Menace" (15,000), "Common Market" leaflet (15,000), leaflet on Wage Struggle (20,000), leaflet, "Common Market Threatens Our Jobs" (25,000), "New Zealand versus Big Business" (5,000), "New Zealand Faces Crisis — In or Out of the E.E.C." (2,500), and many *People's Voice* specials in leaflet form. (Pamphlets issued have just paid as far as National Centre finance is concerned.)

Finance: Inner Party, an improvement but not on to new targets. However, healthy. Some arrears, but date back years. Current quotas being paid regularly by all Districts and Branches.

People's Voice Maintenance Fund: A really bright spot. Overfulfilled target. Auckland and Wellington show consistent upward trend. Others tend to come in well but irregularly.

In this there is an over-all gain, but too much of the advance rests on Auckland and other small outside areas. I would recall to your mind the figures given earlier on the *People's Voice*, *Communist Review*, etc., for 1961 and you will realise the reason why the term, "a trend to stagnation," was used.

The incoming National Committee must examine this without delay.

SOME WEAKNESSES IN OUR WORK

There is no doubt that we must continue our "Build the Party" Campaign in the coming year with targets that mean a real advance but which are reasonable and capable of being achieved, taking into account our strength and the objective conditions. The whole approach of this report indicates that we can make a further advance. It is suggested that we continue to concentrate on the *People's Voice* without neglecting other aspects. Remember, the *People's Voice* leads to new members, to finance, to everything we plan to achieve.

Our inner-Party work remains weak in two important spheres that are actually inter-connected. I refer to Party Study and the development of new cadres for leadership. One National School has been held and, at District and Branch level, study has in the main been consistent, based usually on material from our National Education Subcommittee. The weakness is apparent when we look at the results. There has not been that improvement in Party work all through that would enable us to say that the study has strengthened comrades' activity. Nor do we see those new cadres that I mentioned before. Yet if we do not develop young new cadres for leadership, then

our future is indeed black. We are all getting older, we hope wiser, too. But we cannot hope to retain the fire of youth.

Some positive results can be recorded, it is true, but we would be foolish to be satisfied with them. With the problems that exist in our Communist movement internationally in the ideological field, it is evident that our Party education must be based more closely on fundamental Marxist-Leninist theory — from that we can work out its application to New Zealand conditions. Experience internationally, as well as here, has shown that we can't successfully work from the local to the basic theory. It is putting the cart before the horse.

It was stated earlier that there remains an obvious weakness in our work. This weakness is not a new one. It has been dealt with in Conference reports, National Committee reports and Political Committee reports consistently since 1957, and, for that matter, was tackled on many occasions before that.

The fact is that, as yet, in spite of some improvement, we have not fully succeeded in giving effective organisational form in all fields to our policy, our politics. We decide policy. We all agree. But we are then weak in application. This is so at all levels of our Party. (For example, the decision of the Political Committee last year in regard to our "Build the Party" Campaign. After examination, we decided to concentrate real effort on the increase of sales of the *People's Voice* and improvement of its content.)

The weakness still starts from the National Committee down. So I suggest that we examine it at that level before we say anything about weaknesses at other levels in our Party. Decisions are taken, but do members of

the National Committee then fully grasp their leading role in their own Districts in getting clarity and political conviction as to why the decision was taken? Do they, in fact, lead in a way that helps create organisational activity that produces results? In the main, this aspect of our leadership tends still to be spontaneous — in bursts. And then we get bogged down in the little national or local details that in themselves are very often only problems because of failure to tackle the big questions.

This organisational weakness is not something operating in a vacuum — it is a real **political** weakness. It means that when we move to test policy in action, we are not convinced that we can accomplish what we set out to do. The time for excuses is past — we must recognise our failings and correct them.

The Political Committee also suffers from this weakness. Cde. Wilcox makes a report. It is adopted, with certain improvements arising from collective discussion. It contains positive points for action. But, if you re-examined past reports, you would be surprised how often the suggestions have in the course of time been forgotten. Maybe a Secretariat circular has gone out, but there has been little if any follow-up.

Here all the members of the Political Committee bear a great responsibility, but the individual responsibility rests on the National Centre — on the Secretariat and full-time national cadres.

To return to the Political Committee decision on the "Build the Party" Campaign and the *People's Voice*. When that decision was taken, certain organisational action was suggested in a short report by myself to the Secretariat. It included the developing of a campaign in the Party to win full understanding of why we considered the *People's*

Voice so important at this stage, a campaign that would make all the members realise that the *People's Voice* is our main propaganda weapon, our main agitator and organising weapon when we speak of "On to the Offensive — Out to the People." Yet, apart from the visits around of Cde. Ostler and Cde. Holliss, little has been done. Certain other suggestions were made, including the important one of check-up. There has been a very weak check from the Centre, which has waited for things to come in instead of going out to get them, and, consequently, little if any check-up throughout the Party.

BOGGED DOWN IN DETAILS

These are facts that must be faced. As General Secretary, it is true that my main task is in connection with the political line of our Party. But I also have to remember the importance of checking up on progress concerning what has been decided. You see, one of my weaknesses is to proceed, when something is decided, as though it will automatically be done with no further effort on my part.

I think other National Centre comrades will realise their weaknesses in this if they look at it that way. National cadres (and we have not many) get too bogged down in detail in small things. Because of this, they do not use their political ability to the full in giving organisational form, life, to our political decisions. We have been tackling this for a long time and it seems as if something always gets in the way. International problems in our movement have taken up considerable time, comrades go overseas, etc. But then things will always get in the

way. That is life. So we must allow for this and press on regardless.

True, at the National Centre, there has been considerable improvement. Work is co-ordinated out from and into the Secretariat in a way that did not formerly occur. Sub-committees do report, and their reports are discussed and something done about them. The best example of this is in the trade union field where the work of the Bureau has been closely co-ordinated with the Secretariat.

The conclusion to be drawn from all this is that we must improve our work AFTER we have made political decisions and ensure that we give a national lead, with frequent check-up on ourselves and others in regard to carrying decisions out. We are not elected as leaders at any level in our Party purely as a recognition of past work or as a badge of office. Communist leadership must be active political leadership at all levels. Inherent in that leadership is the ability to grasp what is the essential political task at any time, eliminate the unnecessary and draw in other comrades, when needed, to help with the many tasks that still face us.

Comrades in leadership in the Auckland District will, I think, agree that they face similar problems in fulfilling their tasks in our largest Party District. The situation is the same in Wellington and elsewhere. What can we expect at branch level if we allow this weakness to continue? What often occurs is good activity developed without that leading help that should be available, help which, if correctly applied, would greatly strengthen the work of the whole Party.

CONCLUSION

In conclusion, comrades, I can only add that many important aspects have not been dealt with in this report. But time does not permit. In the main, these things have been dealt with by meetings of the National Committee and Political Committee since our last Conference and a re-reading and re-consideration of them as we go from this Conference would prove helpful in our future work.

Again, there is not in this report a long outline of international events and a political summary of what they mean. To a degree, this method is but padding. It is unnecessary in a Conference such as this, which has so many issues to consider as they affect us in New Zealand and has such limited time available. We do not, of course, ignore them. As stated earlier in this report, we fully realise their general impact on our country and people.

The main thing is to understand from what has been printed in our own publications (and in overseas ones available) that the general march of advance in the socialist world has continued. The 22nd Congress of the C.P.S.U. set out the path for the advance to Communism in the Soviet Union in the coming period, and the difficulties of growth in all the socialist lands are being successfully tackled. The inclusion in this report of the printed map from the Building Workers' Programme gives an effective visual idea of the advance of Socialism on a world scale.

In the imperialist world, the crisis grows and imperialist decline continues to intensify the class struggle in all capitalist countries, including our own. I quoted

before the figures for the rise of industrial militancy in our country. An example overseas of recent date is the French miners' strike and the mass public support that it received, causing even the dictatorial de Gaulle to sit up and take notice.

The world peace forces grow everywhere. The defenders of Imperialism, while attempting to mount a new reactionary offensive in Latin America, in South-East Asia, in Africa, in the Arab world and elsewhere, are in reality fighting with their backs to the wall. Victory for Peace and for Socialism on a world scale is getting closer.

The battle will be hard and we cannot expect to emerge unscathed. Imperialism in its death throes will, like the dying tiger, still retain its fangs. But the victory will be to the working people, to all the exploited masses everywhere, if all over the world our Parties retain their international proletarian approach, based on Marxism-Leninism, and utilise to the full the policy and conclusions reached and set out in those valuable Marxist-Leninist documents, the 1957 Declaration and the 81 Parties' Statement of 1960.

As with us in New Zealand, so on a world scale it is a question of from policy, from theory, to practice. Application of that on a world scale means Peace and Socialism.

維·乔·威耳科克斯
到人民中去：对壟断資本發動攻勢

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