Socialist Review

ARTICLES ON:-

PROBLEMS OF REARMAMENT

STALINIST RUSSIA - THE FACTS

WAR IN KOREA

THE WELFARE STATE

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SIX PENCE

CONCERNING "SOCIALIST REVIEW".

Whilst regretting our inability to meet all requests for extra supplies of our first issue, we are naturally gratified that "Socialist Review" sold so well. A greater number of copies have been produced this month to meet this demand, so we hope that all those comrades who helped to sell the first issue - to whom, many thanks! - will maintain their sales in January and subsequent months.

A surprising number of readers have taken the trouble to let us have their comments on, and criticisms of our November issue, as requested. We are greatly indebted to them and hope that this practice will continue. We have taken careful note of all comments, especially suggestions for improvement, most of which will be embodied in subsequent issues.

Faced with the rising cost of paper, and troubled by the normal difficulty of small left-wing publications - shortage of cash! - we have to appeal to all our supporters to send a donation, large or small, and thus help to maintain "Socialist Review" at its present size. We are very grateful to the comrades who have already helped in this way.

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PROBLEMS OF REARMAMENT

by Don Hallas

When referring to the Stalinist-run "Second World Peace Congress", the capitalist press invariably italicises the word peace. Needless to say the same procedure is never followed when using the even more fantastic misnomer "rearmament" to describe the sharp increase in war preparations now getting under way. The fact is, of course, that never in the history of British imperialism has such a huge military establishment been maintained in peace time as in the years 1945-50 under His Majesty's Labour Government.

In the "rearmament" year 1938-9 some £254 million were spent on war preparations. In the four years 1945-49 some £4,000 million, or nearly four times as much per annum, were expended. The 1938-9 figure was about 5 per cent of the national income, the post-war figure is about 10 per cent. In 1939 (June) the total strength of the armed forces was 480,000. At the end of 1949 it was 736,000. These contrasts are made even sharper when it is realised that a large part of the British Empire, India, Burma and Ceylon, was able to free itself at the end of the last war and that it was in these territories that a substantial part of the pre-war army was based.

So much for the disarmed state of Britain in the post-war years. The Government now intends, after consultation with its American "allies" to devote £3,600 million to "defence" in the next three years. This represents an increase of 20 per cent over the average 1945-49 but is actually an increase of 50 per cent over last year's expenditure and a cash increase of £350 million per annum. A proportion of the increase is to be paid for by the U.S. Government; the indications are that this proportion will be comparatively small; the bulk of the increase will have to come out of the British economy.

The burden of armaments on the economy has been masked to a considerable extent by the great increase in total industrial production over the last five years, an average increase of 50 per cent. If it were possible to maintain this rate of increase then the new load would be easily managed. This however is the crux of the matter. Not only does armament production remove capital and labour from socially useful production, its effect is concentrated in precisely those industries which have achieved the greatest increases in production and which contribute heavily to the total export of commodities.

"It would be foolish", wrote the editor of the ECONOMIST, "to suppose that Britain can rearm without tears. The only way in which total output can be expanded without measures of special mobilisation of manpower (a euphemism for draconic direction of labour - D.H.) is by increasing the average output of workers already in employment - through increased efficiency and/or by longer hours of work. Unless additional output obtained in this way is at least equal to the net additional burden of defence, there must inevitably be some contraction in the investment programme or in civil consumption or a return to an 'overall' deficit on the balance of payments - and probably a combination of losses under all three heads".

The output of the engineering industry for the first half of 1950 is estimated at 179 per cent of the 1938 figure (LABOUR RESEARCH, October). In the last two years there has been an increase of 12 per cent in the output per head for the industry as a whole. However, a large part of the increase is accounted for by certain sections; in precision instruments the increase was 44 per cent per head, in vehicles 33 per cent. The turnover to armaments of even a small part of one of these sections is bound to involve, at least in the retooling period, a substantial fall in the rate of increased output for the industry as a whole. The turnover of a large part would drop the increase to a fractional percentage. Now clearly some turnover is going to take place, how great depends on the question of additional American aid. If it is assumed that this will not be lavish (a fairly safe assumption given the shift of power in the U.S. after November) it can be taken for granted that the present rate of increase of output in engineering will not be maintained unless it is possible to foist a longer working week on the workers, either formally or by disposing of the limitations on overtime -- and probably not then. The position in the chemical industry - also of great importance for war preparations, is not so easy to discover. The rise in production of heavy chemicals is well above the average for industry and a great deal of capital investment has been made in recent years. It is possible that these trends will continue in spite of the new demands on the industry.

Equally important with the question of productivity of the industries directly concerned with war preparations is the question of their importance in the export of commodities. In 1949 the export of machinery was 225 per cent of 1938, the export of vehicles 285 per cent, of other metal finished goods (excluding electrical equipment) 226 per cent, of electrical equipment 265 per cent. Two-thirds of all the cars and half the commercial vehicles produced were exported, as were three-fifths of the internal combustion engines, two-fifths of the tractors and agricultural machinery and one-third of the machine tools. These figures need only be compared with the average increase in all exports, estimated as 160 per cent of the

1938 figure, to grasp the importance of the engineering industry in the "balance of payments". Increased armament production is bound to worsen the international position of the British economy by cutting down its most important exports as well as by the general rise in commodity prices caused by "boom" conditions and stockpiling. A major contributory factor to the worsening of the international position of British capitalism is the narrowing of the world market caused by the ban of the export of material of military value to the Russian Bloc which is part of the price of American "aid". This ban is bound to have the effect in the long run of tying the British economy even more tightly to that of the U.S.A. and of aggravating all the contradictions inherentin the present set-up.

It is clear from the above discussion that the ultimate effect of "rearmament" will be to increase the difficulties of British capitalism, to increase the burden of the working class directly and indirectly, and therefore to aggravate the class antagonisms in Britain. Moreover nobody believes that the present stepping-up of arms production is anything but an instalment of much greater things to come. We are now entering the immediate pre-war period; the tendency to convert the economy into a war machine is becoming stronger. The rulers of Britain are being pushed by the masters into a position from which there is no retreat. However reluctant they may be, and reluctant they certainly are, for they have everything to lose and nothing to gain, there is no alternative for them now but to prepare for the war in which they have been assigned the role of present ally and prospective victim.

The working class movement is faced with some new problems, and with some old ones revived, by the current events. In the end all the problems come down to one - how to prevent world war in the next decade or so and to utilise the breathing space thus obtained to recreate the international front of all genuine socialist and democratic forces, the only possible third force, the only force that can avert the descent of humanity into the new barbarism of totalitarian servitude and achieve peace and socialist freedom. For the last twenty years the workers' movement has been split and hamstrung by the Stalinist agents of the Russian ruling class and the reformist supporters of the various western imperialisms. Both of these groups are fundamentally opposed to socialism and consistent workers' democracy, both work to preserve class society and both owe their influence to the use of pseudo-socialist and pseudo-democratic slogans. Each gains considerably from its telling criticisms of the other. Our job is to assist the most conscious sections of the working class to free themselves from their influence.

The drift towards the third world war gives us great opportunities to do this. On the one hand the expansion of the Russian Empire has given and is giving millions of people first-hand experience of the real character of Stalin's "Socialism". The fraudulent character of the Stalinist "peace" campaign

is becoming increasingly obvious. The role of the Stalinist parties as "Moscow's Foreign Legion" is being driven home at a time when the "Russian System" is losing a large part of the attraction it once exercised. Notwithstanding all its gains since 1944 and indeed largely because of them, Stalinism faces increasing internal tensions, different in form but no less dangerous than the crisis threatening its rivals.

On the other hand the bankruptcy of reformism can now be made plain to increasing numbers of workers. In Britain specifically, the reforms of the Government will be increasingly nullified by the burden of war preparations. Having already adopted Hitler's slogan "Export or Die", the Labour Party tops will soon be forced to demand with Goering "Guns before Butter". The growing dependence of the "welfare state" on American imperialism, and the visible inability of the government to make any sustained and serious effort to avoid being drawn into a war that will destroy the whole basis of reformism, can be proved far more easily today than two or three years ago. It is significant that even in the house-broken and purged parliamentary Labour Party some 29 M.P's can be found to support a motion critical of the government's subservience to MacArthur in Korea.

If we are to be successful in exposing the imperialist policy of the ruling group we must constantly tie up the concrete discontent on wages, conditions, housing, etc., with the general anti-war propaganda. This is more than ever necessary now. The rising price of essential consumer commodities is due largely to the international armaments race. Real wages are being lowered because, amongst other things, of the increasing proportion of the total production of goods devoted to socially useless ends. We must prepare workers to resist the demand for longer hours -- a demand that is as certain to come as rain in April. Above all we must continually expose the futility of imperialist war and rottenness of the specious arguments of its defenders. The first world war killed millions, rendered millions homeless and destitute, created new national antagonisms, new oppression. What single problem of the common people did it solve? Defence of democracy? It created new dictatorships worse than the old. Defence of small nations? It bound them ever more closely to the great robber nations. Self-determination? Disarmament? A war to end wars? No, it resulted in less freedom, new arms races, a fresh holocaust. What problems were solved by the second world war? Not one. Now, only five years later, the rulers of the two great empires are preparing a new bloodbath. They have no other way out. But for the vast majority of the people everywhere their road means new sacrifices, new exploitation, new oppression. And for what? To enable the militarists, the bureaucrats, the plutocrats to rivet their chains more securely on the masses.

We Socialists cannot be pacifists. The violence of the exploiters can only be defeated by the violence of the exploited. But equally we cannot support in any way the struggle of our masters for world domination. The only way to

end war is to abolish class society and the only way to go about abolishing class society is to wage an unrelenting struggle against our "own" ruling class, its state, its propagandists, its priests, its labour agents. We work to destroy the "national unity", i.e., the subordination of the workers to the rulers, preached by apologists of imperialism of every stripe. We work to create the international unity of the working class as the only way, not only to prevent war, but to achieve an international organisation of society. Reformists often sneer at what they call the "utopian", "impractical" aims of international socialism. We are not impressed. The results of the "practical" politics pursued by social-imperialists are all around us. The results of the same policies in the future will be no better. The only "war to end wars" is the war of labour against capital. "Wars...are part of the very nature of capitalism; they will cease only when the capitalist system is abolished." That is as true today as when it was first subscribed to by all the socialist parties at the Stuttgart Conference of the Second International. The problems of "rearmament" for the ruling class and its allies are concerned with dragooning the workers for another bout of mass murder. The problem of "rearmament" for the workers is how to turn the imperialist war (latent or actual) into a civil war.

...

THE GAP WIDENS "Milovan Djilas, Yugoslav Communist propaganda chief and senior member of Marshal Tito's Communist party politbureau, said today that the ideological gap between Yugoslav communism and the Soviet way of life had become 'unbridgeable'. This is the first time Yugoslav leaders have expressed themselves so categorically on their quarrel with the Kremlin, and in doing so, Western observers believe, they have finally burned their boats.

"In a two-page article in 'Borba', the organ of the Yugoslav Communist party, Djilas maintained that the Soviet Union was no longer socialist but 'now represents in the fullest degree the realisation of state capitalism'. He said the Soviet Communists were not only 'revisionist' in theory but were in practice 'becoming more and more the enemies of Marxism in any country. They do not hate us because of our weaknesses and mistakes but because we are Marxist and revolutionary'.

"The state capitalist monopoly in the Soviet Union had taken on a 'monstrously despotic form' in all fields of life. He asked: 'Why is Soviet Russia cutting itself off from the world? What are they hiding? What are they afraid of? They are hiding their regime and their faith because it is monstrous even compared to bourgeois democracy'". MANCHESTER GUARDIAN 21.11.50

STALINIST RUSSIA—THE FACTS

THE BUREAUCRATS IN INDUSTRY

by T. Cliff

(from a series of articles appearing in INFORMATION DIGEST in March, April, May, 1949)

WE publish here the first of a series of articles on Russia with the object of bringing before the British workers the real situation in Stalinist Russia, based on facts. The workers in Britain are becoming more and more uneasy about what is taking place in Russia, and in order to answer these growing doubts, the Stalinist Parties have poured out a spate of lying propaganda about the situation in Russia. Our articles are based entirely on official Russian material and their accuracy cannot be challenged. Even when other sources have been quoted, they have been checked with the original Russian sources.

Who Controls Production?

Immediately after the revolution, it was decided that the management of every plant would be in the hands of the trade unions. Thus the programme of the Communist Party of Russia (Bolsheviks) adopted at the eighth Party Congress (held March 18 to 23, 1919) declared:

> "The organised apparatus of social production must primarily depend upon the trade unions... They must be transformed into huge productive units, enrolling the majority of the workers, and in due time all the workers, in the respective branches of production.
>
> "Inasmuch as the trade unions are already (as specified in the laws of the Soviet Republic and as realized in practice) participants in all the local and central organs administering industry, they must proceed to the practical concentration into their own hands of the work of administration in the whole economic life

of the country, making this their unified economic aim. Thus protecting the indissoluble union between the central State authority, the national economy, and the broad masses of the workers, the trade unions must in the fullest possible measure induce the workers to participate directly in the work of economic administration. The participation of the trade unions in the conduct of economic life, and the involvement by them of the broad masses of the people in this work, would appear at the same time to be our chief aid in the campaign against the bureaucratisation of the economic apparatus of the Soviet Power. This will facilitate the establishment of an effective popular control over the results of production". (Quoted from N. Bucharin and E. Preobrazhensky, "The A.B.C. of Communism", published by the Communist Party of Great Britain, London, 1927, pages 401 and 402).

Participating in the running of industry together with the workers' plant committees, were the party cells. Together with these, and under their control, worked the technical manager. These three together formed the Troika.

Of this workers' control nothing remains today. For some years the bureaucracy tried to undermine the Troika without officially renouncing it. Thus, a resolution of the Central Committee of the Party decided ("Pravda", 7th September, 1929) that the Workers' Committee of the plant

"may not intervene directly in the running of the plant, or endeavour in any way to replace plant management. They shall by all means help to secure one-man control, increase production, plant development, and, thereby, improvement of the conditions of the working class".

The manager is in full and sole charge of the plant. All his economic orders are unconditionally binding on all the workers. He alone shall select, promote and remove personnel "taking into consideration" "the opinions of the party and the trade union organisations", but is not to be bound by them.

The Troika was officially buried in 1937. In the Plenum of the Central Committee Stalin's second-in-command, Zhdanov, declared:

"The Troika is something quite impermissible... The Troika is a sort of administrative board, but our economic administration is constructed along totally different lines". ("Pravda", 11 March, 1937).

The new management of industry was very clearly defined by the official manual "Economics of Socialist

Industry" published by the Economic Institute of the Academy of Sciences, Moscow 1940):

> "Each plant has a leader endowed with full power of decision, hence - fully responsible for everything: the plant manager".
>
> "One-man control implies strict demarcation between the administration on the one hand and Party and trade union organisations on the other. This strict demarcation must be applied on all levels of industrial management. Current operations in fulfilment are the tasks of the administration. The chief of a workshop, the manager of the plant, the head of the Glavk, have full powers, each within his field, and the Party and trade union organisations may not interfere with their orders".

The Privileges of the Industrial Managers

After the October revolution, the Bolsheviks were faced with a contradiction. On the one hand they strove for the highest equality in the incomes of the people. On the other hand they needed for production those old experts who had formerly worked hand in glove with the exploiters under the capitalist system, and who were not ready to work conscientiously unless they were paid higher salaries than the workers.

The Bolsheviks solved this contradiction firstly by keeping stringent workers' control over the industries, which means also over the experts, and secondly by giving the technicians higher salaries, but within fixed, relatively moderate limits. Under the Tsar, the higher employees - managers, head bookkeepers, important engineers, scientific experts, etc.- were paid many dozen times more than the ordinary labourers.

> "In accordance with the decree issued in the autumn of 1919 the minimum income was 1,200 rubles and the maximum was 4,800 rubles, the latter figure being the maximum for the 'specialists' as well". (N. Bucharin and E. Preobrazhensky, Ibid. page 302).

Today these limits do not exist any more. The income of the managers of industry are composed of the following three main elements: (1) Salary; (2) bonuses; (3) a share in the directors' fund. Besides this they enjoy a great share in the social services. The last element will be dealt with later. Here we shall discuss the first three.

In 1937, the salary of a manager was not permitted to pass the 2,000 rubles per month limit and in some cases a 1,400 limit unless the Government gave special permission. (It is to be noted that the ruble of 1937 is not to be

compared with that of 1919 insofar as its value is much higher.) The Soviet Government has published no figures about the wages of workers after 1935. The only figure it did publish was the average income of all workers and employees - a figure which was based on averaging the incomes of charwomen, unskilled labourers, skilled workers, experts, chief engineers, managers, etc. In 1937 this figure was 230 rubles. That millions of workers received far less than this is clear not only from the way this average was calculated, but also from the fact that the Government found it necessary in the same year to introduce a minimum wage of 110 rubles per month for piece workers. There were certainly millions of time workers who, even after this decree, received less than 110 rubles per month. That even the piece-workers who received this amount made up no insignificant number is clear from the fact that this decree necessitated the additional expenditure by the Government of 50,000,000 rubles. This goes to show that 1,400 or 2,000 is certainly no mean salary.

The main income of the manager is not his fixed salary. More important that this are the bonuses. These are dependent on the overfulfilment of the Economic Plan. Thus, for instance, for every decrease of 1 per cent of the real cost of production below the planned cost, the manager, his assistant, the chief engineer and his assistant, receive a bonus of 15 per cent of their salary except in the iron and steel industries, where the percentage is 10. For every per cent of increase of output above the Plan, a manager of a mine and his close assistants receive 4 per cent of their salaries. (Orders of the Commissariat for Fuel: 20th June, 1939 - and for ferrous metallurgy - 16th July, 1939, "Industriya", 21 June and 21 July, 1939, respectively). If the output of pig-iron exceeds the Plan by 5 per cent the top administrators receive a bonus of 10 per cent of their salary for every per cent above the Plan: if the output exceeds the Plan by 6-10 per cent, the bonus is 15 per cent of the salary for every per cent above the Plan. Thus, if the output is 10 per cent above Plan, the top administrators receive a bonus of 125 per cent of their salary.

Of course, Russian statisticians are in no hurry to publish data about the real magnitude of the bonuses the top bureaucracy receives.

The third source of income is the Director's Fund. Its official aim is to build houses for the workers and employees, clubs, canteens, creches, kindergartens, to give bonuses for outstanding achievements at work, etc. From what sources is this fund drawn? The profits of the Plant are divided between the plant itself and the higher state administration of industry. The proportion is determined by the state at intervals. The share of the state can not be less than 10 per cent in any enterprise. In 1937 industry as a whole gave 48 per cent of all its profit to the State ("Economics of Socialist Industry", Ibid. page 548). The part which remains in the hands of the director of the plant is divided into two. A part goes to develop the

plant, the rest remains in the hands of the director and is called the "Director's Fund". According to a decree of 19th April, 1936, 4 per cent of the planned profit, and 50 per cent of the profit above the plan is to go to the Director's Fund. One Russian economist has given figures of the size of this fund:

	Realization of Plan in %	Director's Fund in R.000,000	Director's Fund per worker
Petroleum industry	104.1	21.7	344.92
Meat industry	118.6	51.9	752.69
Spirit industry	108.8	86.0	1,175.0

(G. Poliak, "On the Director's Funds in Industrial Enterprises," Planned Economy, No. 4, 1938, page 61).

As has already been mentioned, the average wage of all workers and employees was 250 rubles per month in 1937. The above figures show that by exceeding the Plan only a few per cent, the Director's Fund per annum in the petroleum industry comes to more than one monthly average income, in the meat industry, to three, and in the spirit industry, to more than four and a half. Other industries present the same picture. The table shows how huge are the sums concentrated in the hands of directors of industries numbering thousands of workers.

We have no statistical data on how the Director's Funds are distributed. The only indication we have is from Yvon, "L'URSS telle qu'elle est", (Paris, 1938, page 111). He writes that in the paper "Za Industrialization" of 20/4/37 figures were published concerning the distribution of the Director's Fund in the enterprise Porchon in Kharkov:

> "Of the 60,000 rubles constituting the Director's Fund, the Director appropriated 22,000 for himself, the secretary of the Party Committee 10,000, the head of the production office 8,000, the chief accountant 6,000, the president of the trade union 4,000, the head of the workshop 5,000".

The distribution of the other 5,000 rubles is not indicated. They doubtless served to compensate the thousands of workers. This example is no doubt more glaring than many another, but the fact that such an excess can occur indicates the degree to which the industrial bureaucracy is independent of the masses, and one-man management, together with the Director's Fund, are certainly excellent conditions for the increasing prosperity of the directors.

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HOUSES - AND "HOMES"

by Peter D. Morgan

(The first in a series of articles on the housing problem)

The recent acceptance by the Tory Party Conference of a target of 300,000 houses per year brought into the headlines once again the universal social tragedy of our time, the housing shortage. The Tories - whose forbears were responsible for some of the worst slums in Europe - are obviously the last people to be trusted with a programme of homes for the workers. These are the people who want a Bigger and Better Armament Bill, who will use valuable bricks and timber on "officers' quarters" and on their little garages and outhouses, rather than embark on municipal planning. Their only policy for raising an adequate labour-force is to dragoon labourers in from the consumer industries with the whip of unemployment.

The Tories' inability to embark on an enterprise of large-scale housing construction should not blind us to the fact that 300,000 HOUSES PER YEAR ARE NOT NEARLY ENOUGH, largely due to the dilatory progress under the Labour Government since 1945.

The facts and figures present a damning indictment of private enterprise. It is a just criticism of the Labour Government that it has relied on these same private enterprise sharks to prosecute its building programme. But the human misery represented by what is euphemistically known as "the accommodation problem" indicates the failure of the Labour Government to tackle the problem vigorously and efficiently. It will only be re-elected if it has a positive constructive programme for building new homes for the people at an accelerated rate.

In this article I have space to deal only with the purely arithmetical side of the subject -- what was needed in 1945 and what has actually been done since. In a subsequent article I hope to say something about manpower and materials and put a positive programme for the solution of the problem.

The last housing census in 1931 revealed there were ten-and-a-half million houses in this country for the eleven-and-a-half million families then. By 1939 it was reckon-

ed the total number of houses had risen to twelve-and-a-half million, of which four million were EIGHTY YEARS OLD OR OVER! As the habitable value of houses ceases after 70 years, it will be seen that the majority of these could be written off as almost at once due for replacement. In fact, there were more of them due to the disastrous twenty-year halt called in house-building after 1906 than those between 20 and 80 years old. Lord Simon of Wythenshawe)Parliamentary Secretary to the Ministry of Health in the second Labour Government) writes these all off as of slum character and declares that 38% OF MANCHESTER'S PRE)WAR HOUSES AND PROBABLY ONE-THIRD OF BIRMINGHAM HOUSES FELL WITHIN THIS CATEGORY.

One of the most remarkable features of this housing problem is the way all the experts (of whatever political colour) agree in their estimates of the total number of houses and the building rate per annum necessary to secure this total. The Minister of Health in the Coalition Government accepted the figure of three to four million houses as essential during the first ten or twelve years of peace (Hansard, 1/12/13). This estimate is agreed by Simon ("Rebuilding Britain -- a Twenty-Year Plan" by E.D. Simon, Gollancz 1945), by G.D.H. Cole ("Building and Planning", Cassells 1945) and by Coppock and Heumann ("Man, the Builder", St. Botolph Publishing Company, 2/6, 1948).

It will be readily seen that an <u>average</u> figure of 300-400,000 for each of the ten or twelve years after 1945 was absolutely imperative to cover current wastage and make up the loss. Already we should have had AT LEAST A MILLION NEW PERMANENT HOUSES BUILT. Cole (whose figures are unimpeachable) brusquely set aside the Caretaker Government's programme of 300,000 new houses built or building by May 1947, as being much less than a single year's output at pre-war rates. This, of course, is quite correct, as in every year after 1934-5 the number exceeded the 350,000 mark. Cole's final target figure is 630,000 HOUSES PER YEAR in order to house the present total of 13,000,000 separate families in the post-war decennium.

Now Cole is not a Communist, nor even "fellow-traveller." He is, unofficially if not officially, a spokesman of the present Government. So he is not likely to adopt any wild schemes. But beside his sober suggestions outlined above, Bevan's record pales into insignificance. Whenever the Minister of Health speaks or writes on the subject, he is careful to mention "homes" and not "houses". The latest return of "new homes" is 1,130,328. (Cmd. 8072 published October 1950 by His Majesty's Stationery Office covers the period 1st April 1945 to September 30th, 1950). Of these only 686,394 are new permanent houses. From this total, 146,781 "private enterprise houses" must be deducted as the bulk of them certainly do not go to cases of need as a glance at the prices in any estate-agent's window will prove.

Whenever I have attempted to put "prefabs" in their proper perspective, I have been attacked as not appreciating their value. Let me make it quite clear that I fully realise their importance as an after the war stop-gap. But the point to be grasped is that they offer no PERMANENT assistance to the housing population. Most of them are only guaranteed ten years' useful life, though their manufacturers will privately back them for a hundred years against normal wear-and-tear. But our objections are based on very much more serious grounds:-

(1) In nine cases out of ten they are inconveniently sited on land which has been cheaply bought. For instance, a great number are on public parks; it is inconceivable that the workers in large cities will for ever put up with this encroachment on their green belts. The local authorities will be compelled to restore this land sooner or later. Still others are on blitzed sites, which are themselves involved in Town and Country Planning schemes, which will certainly necessitate their removal.

(2) The living space -- and particularly the garden space -- does not conform to modern recognised standards of health and welfare.

(3) Because any addition to the family requires removal to a larger house, prefab population is constantly changing, and the consequent wear-and-tear must be considered abnormal and constitutes a grave strain on the property and surroundings.

In fact, everything leads us to suppose that unless prefab tenants are re-housed by 1960, these sites will themselves become an addition to the already acute slum problem.

The remaining 320,000 odd "homes" have been provided by (1) repair of badly-damaged property, (2) the division of larger houses into flats, and (3) conversion and adaptation of existing property. Here again, although we recognise this as a temporary alleviation to cover emergency needs, this represents no PERMANENT addition to the 1939 housing total, which must be the target of all planners.

So we see that in the fifty months since Labour came to power, only 539,613 new houses - at the most - have risen, where at least a million are needed. At the present rate we shall reach a million-and-a-half by 1960, where three to four million was put as a minimum. Is it any wonder there is widespread disgust with housing progress? Is it any wonder that the electors are getting restive?

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THE WAR IN KOREA

(The writer is one of the leaders of the Trotskyists in Ceylon. First printed in the July 8 issue of JANATA, organ of the Socialist Party of India, this article was quoted in LABOUR ACTION on Sept. 11th.)

by V. Karalasingham

The cold war in East Asia has erupted into a shooting war in Korea. The North Korean Government have invaded territory held by the South Korean Government leading to open armed intervention by the United States. Suddenly, in fact almost overnight, two groups of partisans claiming to stand for Korean independence and Korean unification have sprung up.

But this hypocritical concern of Moscow and Washington for the future of Korea will deceive none. If today both talk in terms of Korean independence or unification it is only to utilize the question of Korea as a pawn in their game of power politics. So long as there was agreement between the Big Powers - the U.S. and U.S.S.R. - neither power nor their hirelings was in the least bothered about any of the high principles they today invoke in their application to Korea.

In fact, it was by agreement among themselves at Yalta that Korea was cruelly divided at the 38th parallel. It was by agreement among themselves that Korea was carved out between these two power blocs and troops stationed in the areas of this country apportioned to the U.S. and the U.S.S.R. In short it was by agreement among themselves that the first act of aggression against Korea was perpetrated as far back as 1945.

When all this was done, there was of course no talk of taking the wishes of the people who were so vitally concerned - the Korean peoples. The self-styled democrats of the West and self-proclaimed Socialists of the East (the Stalinists - Ed.) were united in their conception that Korea was to be only a pawn.

When, however, big power relations deteriorated, Korea became a point of conflict between them and the conflict - diplomatic in the first phase and military today - is being carried on through the agency of two governments each dependent and completely subservient to one of the power blocs.

This is, however, not to deny that there is no element of civil war involved in the war. But it must be understood that this aspect of the struggle is almost totally

submerged by the cold war developed into a shooting war.

What should be made clear, therefore, is that Korea which was a pawn at the table of international diplomacy in 1945 is today a pawn in the arena of actual battle.

The two governments being abject tools of the two power blocs exhibit in the most concentrated form the worst features of the two major powers.

The Rhee regime in South Korea has hardly any popular support representing as it does a microscopic minority of capitalists, landlords and blackmarketeers at the top. Without popular backing it is sustained in power by the U.S.

In the words of Mr. Johnson, till recently New York Times correspondent in Korea, it is "totally dependent on the United States economic military and political support for continued existence". Therefore the lack of democracy in this part of Korea is not surprising since only a ruthless police regime can hold the people under the Rhee regime.

As for the North Korean Government, it is as totalitarian and bureaucratic as is possible on the material basis of Korean backwardness in transport and communications. Even Andrew Roth, a liberal Stalinoid, is constrained to declare,"unlike China, where the Communists have won power overwhelmingly by their own efforts, the North Korean Communists leaned heavily on the Soviet occupying authorities. They show evidence of becoming an imposed regime particularly in their fawning propaganda".

Like all other countries under the Russian tutelage, North Korea exists without even the fig leaf of democracy. The nakedness of its police rule is only matched by the ferocity of its repression.

The victory of either government will not usher in the changes so much desired by the Korean people - national independence and unification and nationalisation of economy under popular democratic control.

The victory of South Korea will mean the extension of U.S. influence to the North and the conversion of the whole of Korea into a U.S. landing ground on the East Asian mainland. While the victory of North Korea will mean the elimination of the landlords and capitalists, it will at the same time reduce Korea to a bureaucratic pattern of Soviet Russia - i.e., without popular control of nationalised industries and socialist democracy. At the same time the immediate result of the victory of Stalinism in Korea would be the liquidation of the independent socialist movement and the disorienting of the socialist vanguard.

The war is, therefore, not going to bring the liberation of Korea - although it may lead to the country's unification. Korea even though unified by the victory of either government will be still further removed from independence.

We can, therefore, give no support to either camp since the war will not achieve the declared aims of either side. Further, so long as the two governments are what they are, viz., puppets of the two big powers, the Korean socialists can give no support to their respective puppet governments.

We, in India, can well appreciate this position. In 1942 even though we took our stand against Japanese imperialism, we did not lend support to the British slave masters whose puppet was the then Government of India.

The fact that the U.N. has given its benedictions to one government does not alter one whit the position stated above, since the U.N. is only a facade behind which U.S. imperialism, one of the participants in the war, operates. The U.N. cannot act independently of the Big Powers and specifically of the United States. Its decisions invariably conform to the foreign policy needs of the Big Powers. Not abstract principles of democracy but considerations of Big Power politics alone determine the decisions of the U.N.

If we are to support the decisions of the U.N., then it is tantamount to an abandonment of the position we have hitherto taken on neutrality as between the two power blocs - a position that distinguishes us from all other currents in the left movement. Our Third Force position - "Neither Western Capitalism nor Stalinist Totalitarianism" - demands that we lend no support to either camp in Korea. Instead our solidarity is with the Koreans in their struggle against both war camps and for national independence and democratic socialism.

...

LIBERATION "In South Korea the war destroyed almost all the motor transport, 75% of the textile production, one-third of the locomotive and rolling stock, and in North Korea the destruction may have been worse. Mr. Foster, administrator of the E.C.A.... said that the first need was to check inflation. This is true; but what is to be thought of the 'currency reform' of the South Koreans which devalues almost to nothing the currency of the Northerners, and wipes out their savings?"

MANCHESTER GUARDIAN, 20.11.50

THE "WELFARE STATE"

by Rhoda Tarbuck

An article published in June 1950 in the Bulletin of the Oxford University Institute of Statistics, entitled "Human Needs of a Single Person", written by Miss T. Schulz, a well-known statistician, provides an apt commentary on the chatter about the "welfare state" which is so fashionable these days. Whilst space does not permit its reproduction in full, the extracts given below give quite a clear picture - a picture of human misery. Starvation on organised lines is still part of the British way of life.

.....

The minimum budget, explains Miss Schulz, bases itself upon

> "the outlay required for food, clothing, fuel, lighting, and some other essential or quasi-essential items for household and personal use. The cost of housing, of travelling to and from work, and of amusements were excluded from our calculations, the former two items because they in most instances represent rigid overhead charges that the individual must accept, and the last item because bought amusements may be deemed to fall outside the confines of 'human needs'. However, we considered a daily newspaper and wireless indispensable, and allowed for their purchase".

"Human needs" of a single woman

	All meals at home	6 dinners out
Food	11..11¼	17.. 0¼
Clothing	3.. 6¾	3.. 6¾
Fuel and lighting	2.. 7	1..11¼
Household	2.. 6	2.. 1
Sundries	3.. 6	3.. 6
	24.. 1	28.. 1¼
Additional clothing	2.. 8¼	2.. 8¼
Additional household replacements	10	8¼
	27.. 7¼	31.. 5¾

Food

The weekly diet allowed for in this budget is as follows:

Full rations	½ tin sardines
2 lb. greens } No onions or	4 lb. bread
½ lb. carrots } beetroot	¼ lb. rice
7 lb. potatoes	1 lb. rolled oats
¼ lb. plum jam (no other sort)	½ lb. flour
2 oz. prunes (no other fruit)	½ lb. legumes(peas,beans,etc)
2 oz. syrup	½ pint milk per day

A man's diet is estimated to require 25% more calories, so he is allowed 1 lb. pork sausage, and another half a tin of sardines in addition to the above diet.

Clothing

The Oxford Bulletin states that, in compiling the clothing budget, the minimum is based on the amount of clothing that could be bought in 1943 when clothes rationing was in force, assuming that the person used up all coupons available. It goes on:

> "...the figures are based on...the lowest prices generally charged for garments of a reasonably reliable quality".

Annual Clothing Budget

	s.	d.
1/5 coat	19..	0
1/6 raincoat	7..	9
Jumper or jersey	20..	0
Skirt	35..	0
Shoes	12..	0
4 pairs stockings	6..	0
2 vests	6..	0
2 knickers	8..	6
1 bodice	12..	0
Nightdress	12..	3
Sundries	7..	3
Shoe repairs, dry cleaning	15..	0
per annum	184..	9
per week	3..	6¾

Supplementary clothing (1/3 short summer coat, blouse, dress, overall, hat)
per annum 140/- extra
per week 2/8½ extra

The article continues:

"No special provision, apart from the small sum allowed for 'sundries', has been made for the purchase of a slip or petticoat, slippers, gloves, handbag, scarf or handkerchieves, and some of these items could therefore only be bought out of savings effected on others. ... The cost of clothing for a man depends much more than that of a woman on the type of work he is doing, yet on the average, an annual outlay of £11 would probably also provide for his needs".

Household Needs

(weekly)

Soap and cleaning materials		10 d
Laundry (only bed linen)		10 d
Household replacements	1..	8 d

Sundries

(weekly)

Newspapers		9 d
Wireless licence		4½d
Personal expenses	2..	4½d

So there we have it; a budget which excludes rent, fares, and amusements, and yet still exceeds 26/-, the Old Age Pension, the "gratitude" of the State - a "gratitude" which thinks that not for these old people are amusements such as a bit of tobacco, a few sweets, an occasional drink at the "local", or a visit to the cinema; a "gratitude" which gives them a diet seemingly designed to shorten their remaining years, hand-in-hand with a clothing budget apparently based on that assumption; which forces them to wash all their own clothes and linen, except bed linen.

Gratitude, in fact, which is not gratitude at all, but a miserable pittance forced from the State only by pressure from the working class. Our old folks have spent their lifetimes in toil and sweat, in being exploited by the capitalist class. Many of these Old Age Pensioners must have been pioneers of the early Socialist movement, and indeed may wonder at the painful frugality to which they are condemned in this, the "Welfare State".

Whilst it is clear that only a socialist order can end this situation, it is equally clear that it is the boundon duty of all socialists to give full support to the demands of the old people for higher pensions.

...

GOD'S OWN COUNTRY

NOT BAD ----- NOT BAD AT ALL "Even before the impact of the government's stepped-up armament spending has had a chance to be felt, profits for America's corporations have reached staggering figures. It is clear that in many cases the cause of profit increases from the previous year has not been an increased volume of sales, but simply price rises made possible by the prospect of full-scale armament.

"Here are a few figures compiled by Labor Press Associates: Latest reports show that the profits of Philco Corp. for the first six months of 1950 are 234 per cent over the same period in 1949. Goodyear profits were up 46 per cent; B.F. Goodrich 39 per cent; and Eastman Kodak reported profits up 21 per cent on an increase in sales of less than 1 per cent. Kaiser Aluminium & Chemical Corp. reported a drop in sales for the 12 months ended May 31, 1950, but the earnings for the three months ended May 31 were the highest in its history. The figures were $4,053,683 against the comparable period a year ago of $2,769,209.

'Here are a few more figures. Take a good look at them. Then see to it that your union joins the cry for an excess profits tax NOW!

	1950	1949
American Telephone and Telegraph	$134,408,481	$107,909,414
Pacific Telephone and Telegraph	21,517,584	11,947,360
Anaconda Copper	18,241,285	18,005,738
Goodyear Tire and Rubber	11,914,465	8,133,358
Philco Corp.	6,672,000	1,998,000
Johnson and Johnson	5,566,973	4,465,405
Auto Lite	5,187,591	3,593,707
Pullman, Inc.	4,268,597	3,918,266
United Foundry	3,422,625	2,565,507
Publicker (alcohol)	1,268,797	870,496
Stewart Warner	1,884,833	796,564
Mohawk Carpet Mills	2,248,616	1,814,368
United Aircraft	6,432,136	3,595,421
Grumman Aircraft	3,921,914	1,457,734
Western Union	3,206,300	-3,672,241
Consolidated Natural Gas	13,978,714	10,294,745
Eastman Kodak	26,162,282	21,646,085
Electric Bond and Share	2,013,253	458,379
B.F. Goodrich	12,427,793	8,909,653

LABOR ACTION 11.9.50

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BLOOD MONEY "According to a recent patient at one of the more prominent New York hospitals, rates for transfusing a pint of blood were: $50 for Private Room Patients, $40 for semiprivate patients and $30 for those in the wards. The Bowery Bum gets $5; the Blood Bank sells it for $15; the hospital gets $30 to $50.

Nor is this racket limited to New York City. Go clear across the continent, and what do we find? The Los Angeles "Mirror" of January 31st, 1949, tells us:

'BLOOD FLOWS ON SKID ROW.
BLOOD MILL DRAINS POOR.
L.A. FLOTSAM EXPLOITED.

'There is a million dollar Red river of blood flowing through Los Angeles. Its source is the human junk pile of Skid Row. It ends in reputable, high-class hospitals all over the city. Who reaps the profits to be gleaned from society's castoffs, who have nothing left to sell but their blood? Is it diseased? Are sick people in hospitals pumped full of rotten blood taken from the dregs of humanity? The buying price in Los Angeles' Hell's Half Acre is $4 a pint, the selling price to the hospitals is $25 a pint. Who gets the $21 profit?

'Half a dozen Blood Banks in Skid-Row daily run hundreds of winos, drunks, degenerates and bums through the blood mill... One man has already traded his life for the pitiful $4... How many more of those men have perished for someone's $21 profit? Or who knows how many innocent people in hospitals have died from transfusions containing contaminated blood?'"

AWAKE, August 8, 1950

...

IT SEEMS YOU CAN HAVE IT BOTH WAYS!

"Nothing less than 2d. off the pint would help to stop the drop in beer consumption, Mr. R.H. Butler, chairman of the Brewers' Society, said at its annual meeting in London yesterday. 'Most of us', he added, 'would like to be able to say that our profits yielded ½d. a pint, let alone 2d. for our shareholders'. By far the greatest reason for the falling demand for beer was that it was too dear, and it was too dear because the duty was too heavy. It was impossible for the brewers to reduce the price out of profits... 'the tide is fast running against us... so that it is becoming increasingly difficult to hold our position".
BIRMINGHAM POST, 15,11,50

Ansells Brewery Dividend

"Despite a further, though moderate, contraction of earnings in the year ended October 1 last Ansells Brewery Ltd. is to make a larger distribution to its ordinary stockholders. Thus it follows the example of another well-known Birmingham undertaking, viz., Atkinsons Brewery, whose results were announced earlier this month".
BIRMINGHAM POST 25.11.50

THE "PEACE" CAMPAIGN

By P. Smith

The "Peace" Congress which finally met in Warsaw last November attracted widespread attention in this country. This is not surprising, since preparations for war are already placing heavy and increasing burdens on the workers and the middle class, and since it is generally recognised that war to-day constitutes the main threat to the future of mankind.

The policy of the Government towards the Congress revealed the hypocrisy of the leaders of the Labour Party who profess to uphold the principles of democracy but in fact denied democratic rights to 72 Congress delegates (statement by Chuter Ede, Hansard, Nov. 13th). Without actually banning the Congress, they made it impossible for it to be held in Sheffield as originally planned, giving as their grounds for doing so their fear that prominent members of the Communist Parties would use the Congress as cover under which to hatch subversive plots. This excuse is obviously specious, since the same Communist Party leaders have plenty of other opportunities to carry out such activities if they wish without the excuse of a World Peace Congress. The real motive behind the government's policy is, of course, that they are lined up on the side of USA against Russia, ready for the coming imperialist conflict, and they are therefore opposed to all the attempts of the Communist Party - as a potential fifth column - to win support for Russian policy, whether it be in the guise of a Peace Congress or by any other method. Nevertheless, although the Government's policy was based on a real and fundamental political and economic antagonism to Russia and her agents, the method they chose to hamstring the Conference was singularly inept even from their own point of view. It not only gave plenty of ammunition to the Communist Party in their attacks on the Government for imitating American methods and for being only fake democrats, but ensured that the Congress was held in a far greater blaze of publicity than might otherwise have been the case.

Whatever their attitude to Russia and the Communist Parties, all socialists must have been disgusted at the spectacle of a Labour government denying even the limited rights of bourgeois democracy to a political minority.

On the other hand, there must be no illusion in the minds of the workers about the real character of this "Peace" Movement. In spite of the emphasis which the "Daily Worker" is at pains to lay on the fact that many of its supporters are not members of the Communist Parties - an undeniable

fact - it is clear nevertheless that the control of the movement is in the hands of the Communist Parties and therefore of the Kremlin, for whom the former act as obedient agents. The movement, which according to the Cominform's directive of November 1949 must be "the pivot of the entire activity of the Communist Parties", was originally launched in August 1948 at Wroclaw (Poland) under the aegis of the Cominform. It has been developed first by means of congresses held in Paris, New York and Prague in the first half of 1949 and, later, by means of the so-called "First World Peace Congress", which was held in Stockholm in March 1950. Throughout these stages of development, the leading committees have been largely composed of members of the various Communist Parties. The "Observer" of 19th November 1950 states that

> "The World Peace Committee is directed by a Permanent Bureau of 12 persons, of whom seven are known and prominent Communists and four are politicians who have consistently taken a Communist line over several years. Its president is M. Juliot Curie.
>
> "The Committee itself consists of 138 persons, of whom 58 are known Communists, 30 representatives of Russia and her satellites, and 36 long-established Communist sympathisers. This leaves 14 members of undefined political affiliations.
>
> "Both through the Permanent Bureau and through the Plenary Committee, the World Peace Committee is intimately linked - by identity of leaders - with a number of other Communist-controlled international organisations, in particular the World Federation of Trade Unions (W.F.T.U.), the World Federation of Democratic Youth, the International Union of Students, the Women's International Democratic Federation, the World Federation of Democratic Lawyers, the International Organisation of Journalists and the World Federation of Scientific Workers.
>
> 'Subordinate to the World Peace Committee are National Peace Committees whose exact membership is not publicly known. The British National Peace Committee is headed by Mr. J.G. Crowther, who persistently denies being a Communist. Active in it are Professor J.D.Bernal, Mr.John Platts-Mills, Mr. D.N. Pritt, K.C. and the Dean of Canterbury".

Although it is not possible to give a similar analysis of the local committees, those familiar with the committee in their own area will know that there too the members and fellow-travellers of the Communist Party are in control and were in the forefront of the campaign to collect signatures for the Peace Petition. To discover the real motivation for this campaign it is therefore necessary to look to the foreign policy of Russia for which it acts as a publicity agent.

The rivalry between the U.S.A. and Russia, one monopoly capitalist, the other state capitalist, is the do-

minating factor in the world to-day. Both these imperialist powers and their satellites are arming as quickly as possible for the war, which in the absence of successful proletarian revolution is inevitable.

In this situation, the peace movement serves two important purposes. In the first place, it masks the real aim of Russian policy by claiming that Russia is "peace-loving" in contrast to her enemies - and particularly her main enemy, the U.S.A. who are guilty of "war-mongering". This deludes many honest but politically naive individuals of varying political shades. Further, it is an attempt to lay a basis of popular support for the Communist Party if war breaks out when it will be conducting a campaign for sabotaging the Western war effort and when it will be useful to be able to claim that the whole blame for the war should be laid on the U.S.A. In the second place, constant harping on the theme of war and peace actually tends to increase war hysteria, and to focus attention on the main tenet of the Communist Party faith, the need for all the interests of the working class to be subordinated to the defence of the U.S.S.R., the excuse for so many of the crimes of the Stalinists, of which perhaps the most flagrant examples were the Stalin-Hitler Pact of 1939 and the stifling of workers' revolution in Europe in 1945. This factor is particularly important in Russia and Eastern Europe where the crushing burden of rearmament and the exactions of the Russian ruling class need to be justified by propaganda that the Wall Street imperialists are plotting an attack at any moment on the innocent, peace-loving "Socialist Fatherland".

The demands of the Peace Petition reveal the insincerity of this "struggle for peace". It calls for a meeting of the five Great Powers to secure, through the United Nations, approval for, first, a ban on the use of all atomic weapons with international control and inspection and second, a declaration that the first government to use atomic weapons shall be branded as a war criminal. The demand for a conference of the Powers serves only to sow confusion in the minds of the workers by suggesting that the deep antagonism between Russia and the U.S.A. can be settled amicably around a conference table, when history proves that, whatever temporary settlements are made, imperialist powers are in the last analysis incapable of settling their differences by any method other than war. To suggest that there is a peaceful solution of this problem is to disarm the workers ideologically as seriously as to suggest that capitalism can evolve peacefully into socialism. The call for a ban on the use of atomic weapons is prompted by the fact that the U.S.A. has developed this weapon further than Russia and almost certainly has a larger stock-pile. Even if the atom bomb were banned, it would not bring peace any nearer and the last world war showed that weapons other than the atom bomb can bring enough misery and devastation to make a similar war in the future an intolerable prospect. The demand that the first government to use atomic weapons should be branded as a war criminal is worthless. War crime trials are merely a method by which the

victorious powers after a war seek to prove the integrity of their own methods and motives by placing the entire blame for the conflict and its bestiality on their defeated enemies. If the use of atomic weapons is so obvious a moral crime, one wonders why the U.S.S.R. did not protest against the dropping of the atom bombs in 1945. But then of course the U.S.S.R. was in the democratic, anti-Fascist camp with Russia and all methods of winning the war were justified. So much for abstract justice and morality under capitalism!

The very conception behind the Petition - that the collection of millions of signatures to a document will provide an effective deterrent to the capitalists in their drive to war is false and mischievous. In the thirties, a Peace Ballot organised mainly by supporters of the League of Nations was signed by some 11½ million people. Within a few years, war had broken out without a murmur from the moribund League of Nations and at least 99% of the signatories of the Ballot supported the war. The idea that "public opinion", divorced from an actual struggle, can in itself decisively influence governments is a dangerous illusion. To a large extent, the Russian Revolution was saved in 1918-19 by the way in which the world working class rallied to its support, but they did this, not merely by signing petitions, passing resolutions and making speeches, but by militant action such as strikes, refusal to handle arms destined for the armies of intervention and desertion of soldiers to the Bolsheviks. It is true that in France, where, unlike England, the Communist Party is the mass party of the workers, the "struggle for peace" has gone a stage further than the mere collection of signatures and holding of meetings. Workers have refused to handle arms imported under Marshall Aid, and have tried to prevent the sending of arms to Indo-China. But these activities, which on a large scale would be worth a dozen peace petitions, have played only a minor role.

While it is essential to expose Russian imperialism it is equally essential to expose U.S. and British capitalism, which are imperialist through and through and whose reactionary policies are sufficiently illustrated by their past history and by their present attempts to crush the colonial movement in Malaya, by their support for the fascists in Greece, by their backing of Syngman Rhee in Korea, and by innumerable other instances. The high-sounding speeches made by both governments about "freedom", "democracy", "defence against aggression by Russia" serve only to hide their real policy. Their support for U.N.O., which they claim to be an instrument for establishing international law, is merely an attempt to clothe the nakedness of power politics with a thin cloak of legality. In fact, U.N.O. is under almost complete control by the Western Powers and faithfully rubber stamps with its votes decisions already taken by the U.S.A. and her allies. No such international organisation, whether it be a League of Nations or a U.N.O., is capable of resolving the conflicts of capitalism, for these will always be decided by superior force. No law, national or international, exists independently of the class interests of those who frame and administer it. That world war has not yet broken

out is not because the causes of war have been removed by international organisation, but because neither side is ready.

If we reject both the Stalinist "solution" of the problem of war by "Peace" Congresses, peace petitions, etc., and the imperialist "solution" by "resistance to aggression", a "United Europe", "Atlantic Pact" etc., what positive policy can be put forward to solve this, the gravest of all our problems? An answer can be given only on the basis of an analysis of the causes of war. It is impossible within the space of this article to deal adequately with this question, only the bare outline can be sketched. Competition, which is an essential characteristic of capitalism, is not abolished or weakened under monopoly or state capitalism, but is rather intensified as the competing groups become larger and more powerful. The increasing link-up between the national state and the national economy in the period of declining capitalism means that huge national armies are involved in supporting the claims of the national capitalisms either to expand or to defend their possessions in a world where there is room to expand only at the expense of other nations. Periodic wars, each more destructive than the last, are inevitable as long as capitalism exists. The struggle to abolish war is therefore identical with and cannot be pursued apart from the struggle to abolish capitalism and replace it by the next stage of society - socialism. The only class whose interests are fundamentally and unswervingly identical with this struggle and who have the organisation and cohesion to carry it out is the working class. Sections of the middle class have, of course, identical interests with the workers, but the middle class is too lacking in homogeneity and too individualised to lead the decisive struggle for socialism. Isolated individuals of all classes may identify themselves with the workers' struggles, but only insofar as they can abandon their original class interests and outlook. Hence, the fight against war must be waged as part and parcel of the fight of the workers against the capitalists and the capitalist state machine. The Stalinists with their talk of "progressives" (which may well include Tories) and "intellectuals" (generally middle class individuals representing nobody but themselves) completely obscure the class character which any real peace campaign must assume. It is significant that out of nearly 2,000 delegates to the Warsaw Congress, only 121 were described as "workers and peasants". The rest were white collar workers, writers, poets, professors and members of university faculties, church dignitaries, outstanding military leaders, professional men and women, senators, industrial personalities, etc. Nor is this accidental. The Kremlin cannot rely on the independent action of the world working class, because, despite the camouflage of its pseudo-Marxist "theorising", history proves that it is as much the enemy of the working class as the government of any other capitalist country. The class struggle is used by the Communist Parties as a weapon against their governments when this suits Moscow's book and when there is no danger that they cannot keep control of it. This is clearly illustrated by Russian policy

since 1945. In Eastern Europe, the presence or proximity of the Red Army made it safe for the Stalinists to rally the workers against the native capitalists. In Western Europe, where they had not this military control, the Stalinists deliberately frittered away the opportunities for a successful overthrow of capitalism and wantonly squandered the energy and ardour of the working class in activities which could not by their very nature be decisive in the class struggle.

In the struggle against war, the workers cannot rely on help but only bitter antagonism from both imperialist camps. In face of their common enemy, socialist revolution, the Stalins, Churchills and MacArthurs will sink their differences, great as these are. Only the workers themselves, by their independent class action, can solve the problem of society and with it the problem of war - the ending of capitalism and the coming to power of the workers.

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THE PREVIOUS "PEACE" CAMPAIGN Russia's previous "peace" campaign was made at the beginning of World War II. The following quotations from speeches made by Molotov at the beginning of the war (printed in "Soviet Peace Policy" by Molotov, London, 1940), bearing in mind the subsequent events, show the insincerity of these campaigns. D.N.Pritt, in his preface to the book, writes that Molotov "says what he means and means what he says":

Speech on October 31, 1939: "To-day... Germany is in the position of a State which is striving for the earliest termination of war and for peace..." (p.28)

"To-day our relations with the German State are based on friendly relations, and on our readiness to support Germany's efforts for peace". (p.33)

"Here (in Russia - Ed.) development has proceeded along the line of strengthening our friendly relations, extending our practical co-operation and rendering Germany political support in her efforts for peace". (p.31)

"We have always held that a strong Germany is an indispensable condition for durable peace in Europe".(p.32)

Speech on March 29, 1940: "...the good neighbourly and friendly relations that have been established between the Soviet Union and Germany are not based on fortuitous considerations of a transient nature, but on the fundamental interests of both the U.S.S.R. and Germany". (p.13)

SING OF JOY, SING OF BLISS -

HOME WAS NEVER LIKE THIS!

"Escape From Taxation

"Several more companies registered in this country whose businesses are wholly conducted overseas are taking steps to transfer control from the United Kingdom with the object of lightening the onerous burden of taxation which they now incur. 5 Northern Rhodesian copper and mining concerns have transferred to that territory (all in the Anglo-American Corporation Group - Ed.)... Largest mass imigration of this kind yet seen.

"Some indication of the benefits which are likely to accrue from a change of domicile is furnished by the profit which was earned by the Messina Transvaal Development Co., during the 8 months period from February 1st to September 30th 1950. It will be recalled that this company transferred its entire undertaking to South Africa from Great Britain, and that the new South African registered concern began business at the beginning of February. For the 8 months period, total profit amounted to £848,000, of which £182,000 was appropriated for South African taxation and £4,000 for U.K. taxation. In addition, £25,000 was transferred to the general reserve, leaving a net amount of £412,000 compared with a little more than £207,000 for the 12 months ended June 30th 1949. A dividend of 160%, equivalent to 8/- per 5/- share, is being paid for the 8 months to September 30th 1950".

INVESTORS' GUARDIAN, p.4[illegible] November 1950

"Northern Rhodesia is a vast territory of 291,000 square miles inhabited by about one and three quarter million natives, mostly living under primitive conditions, and about 35,000 white people. Metals form 97% (copper 88%) of the total value of the colony's exports... Northern Rhodesia is a protectorate administered by a Governor assisted by an executive council.

"There is also a legislative council which now has a majority of unofficial members. Four of these, two of whom are Africans, represent the interest of the African community".

EVENING DESPATCH, 18.11.50

THE LAND PROBLEM IN BURMA

by Thakin Ran

The problem of land in Burma is very similar to that in any other colonial country. 70 per cent of the total population in Burma are peasants, but nearly half of the land is owned by landlords who do not work on the land - a few Europeans, a few Chinese, but mostly Chettyars, who, as in Malaya, are the agricultural financiers. The problem of agricultural credit is closely intertwined with the problem of land alienation. In 1907 world economic conditions caused the Chettyars to recall their loans, and as a consequence, many peasant proprietors lost their lands during that period. After that the problem of land alienation became more and more acute. During the period 1915-30, 1,300,000 acres of land in Lower Burma alone passed into the hands of absentee landlords. The trade depression of 1930-34 worsened the situation. The year 1939 found the non-agriculturists, the Chettyars, in possession of nearly half of the lands in Lower Burma. The richest rice lands were in their hands, as shown by the following table:

1939

District	Percentage of land owned by absentee landlords
Pegu	67 per cent
Henthawaddy	70 " "
Insein	68 " "
Myaungmya	62 " "
Pyapon	71 " "

In Burma a tenant usually worked on a yearly lease with no security of tenure. The scale of rents is high, the tenant paying 25-40 per cent of his produce as rent.

Agricultural Loans

Regarding agricultural finance the Government used to supply agricultural loans to the cultivators annually to the extent of Rs. 5 lakhs[x] in a peak period. But the actual need of the cultivator is about Rs.10 crores[x]. The Chettyars' rate of interest is from 24 per cent to 36 per cent per annum compound

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[x] lakh : 100,000; crore : 10,000,000

interest. There is also the "sabape" system of loans by which the cultivator, taking out a loan of Rs. 50 in cash, undertakes to take a hundred baskets of rice next season when it is expected that the price of rice will be Rs. 100 per hundred baskets. There was no legislation to prevent usury until 1940. By 1930 the agricultural indebtedness was Rs. 50 crores. 86 per cent of the peasants were in perpetual debt; 11 per cent contracted debts which exceeded the value of all their property; and only 3 per cent were free from debts. There was therefore a wave of foreclosures in that year. In 1935 the Government passed a Debt Conciliation Act, but it was not very effective. During the British reoccupation from 1945-47, the condition of the peasants did not improve. Most of them had been displaced during the war, while some were compelled by force of circumstances to change their work. There were also many unemployed, mostly a fresh generation of agriculturists who needed settlement. But the British were too much engrossed in the safeguarding of their own interests, and gave no time to this problem. The people, therefore, remained as land hungry as ever.

Attempts at Nationalisation

The Stalinists, both those led by Thakin Than Tun and Thakin Soe as well as the Socialists, raised the cry of nationalisation by expropriation. The Socialist-dominated government, however, abandoned the full programme and instituted the Land Tenancy Act of 1948 ostensibly as a prelude to implementing the land nationalisation programme. Held in abeyance during the insurrections, it is now being put into operation. It requires all owner-cultivators and tenant-cultivators, who worked their lands in 1948-49, to resume cultivation of the plots they held. If they surrender them, the Village Land Committee would take possession and allocate them to other needy cultivators at the rate of approximately 12 acres per family of four adults (above the age of 18). Where there are not sufficient lands available for distribution, fallow lands will be distributed by lot. If fallow lands are not available, land taken over from landowners in possession of more than 50 acres will be allotted. That is to say, the Government would allow the landowner to retain 50 acres for his family and the lands in excess of 50 acres would have to be surrendered to the state for nationalisation.

Available Land Surveyed

Last year, certain parts of Burma, such as the Amarapura Township, the Kyaukse Districts, the Taikkyi Township, the Tharrawaddy District, the Henzada Township and the Zeyawaddy Grant were notified as areas for the operation of the Land Nationalisation Act of 1948. The insurrections interrupted

this development. No start had been made with these areas already earmarked for nationalisation until April 3, 1950, when it was announced that Syriam Township would be the starting point for land nationalisation. A survey was made of all available land in the 21 village tracts of the township, and it shows that 235 acres belong to owner-cultivators and 1560 acres to absentee landlords. These 1560 acres have recently been distributed among 130 families of which 26 belonged to the category of landless cultivators.

Moreover, 1800 acres of land have been allotted to 41 families for the purposes of a co-operative farm to be known as the Thakin Mya Village Farm, in memory of the late Thakin Mya, the leader of the Socialist Party, who was assassinated in July 1947.

Conclusion

Until recently it has been assumed that only in those countries where the Government has been dominated by the Stalinists or where a genuine workers' revolutionary movement has taken power, was it possible for the land to be divided among the peasants or for any attempt at land nationalisation to take place. This was one of the strongest arguments in the arsenal of those who wish to prove that the Stalinists could institute a workers' state. Since land reforms were carried out by bourgeois governments in Eastern Europe after the first world war - Yugoslavia, Bulgaria, Poland, Rumania - it is difficult to uphold this view. These developments in Burma furnish additional proof of its fallacy. It is a matter of speculation whether this trend will become more widespread in colonial countries. Although governments other than workers' states have under pressure been forced to carry through land reforms, it is important to note that neither Stalinists nor other capitalists have been able to achieve simultaneously the other historic tasks of the bourgeoisie - national unity and independence, and the establishment of parliamentary democracy.

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