

Socialist Outlook

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Keep to the Socialist Road says ELLIS SMITH, M.P. President, Socialist Fellowship

(Replying to the Cripps Devaluation Speech)

THE Chancellor has made me uneasy on three outstanding points in particular. First, the logic of his recent parliamentary speech means, in blunt language, a trade war. Secondly, there are to be no cuts in the Defence Services—cuts here, cuts there, but, he said emphatically, no cuts in the Defence Services. Those of us who played our part in the last two wars are bound to feel uneasy about that. Thirdly, he said that the changes will lead to redundancy and the workers will have to look for other jobs. Nothing about any machinery as to how that is to be done.

Now we have devaluation and it is we—some of us can say “we”—who will feel the effect of it in the main. Now it is a *fait accompli* it is no use taking a negative attitude towards the problem. But I wish to reiterate that this country is in a terrible economic situation and the only way forward is by the application of a real Socialist policy with drive and energy. *We urgently need a new economic policy and a planned financial policy.* We are in a state of siege; the Chancellor made that clear.

If that is done we shall have seen the last of the kind of Budget we had last time. No longer in this country can we afford to appeal to those engaged in industry while around them they can see the Dorchester-Savoy-Grosvenor type of life in the large cities and residential areas. We hear a great deal about restraint in wages but not a word about restraint in the luxury living which can be seen by anyone who visits the kind of areas I have mentioned.

A Capital Levy

Bonus shares are announced in the columns of financial papers, large profits are being made and our lives are being gambled with in the gutter, as they were the other day. The

Prime Minister should note at Llandudno the uneasiness which expressed itself when he touched upon that matter.

The people of this country are entitled to ask that the next Budget should be a Budget based upon radical principles and should contain proposals for a kind of capital levy.

A National Plan

We must have a national plan as soon as possible. Let me remind the Prime Minister that he has promised it on several occasions, but we have not got it. There is no plan in engineering. In oil and coal there is no real plan. In pottery there are now great possibilities but little has been done about the manpower so urgently required.

We cannot afford to take away our boys from industry as we are doing at the present time. It is true that some people's sons have never been taken away. An engineering apprentice would be giving far better service in the industry where he is so urgently required than in the armed forces. Young men and women engaged in the cotton or pottery industries would be assisting to achieve a greater output in those great dollar-producing industries.

No criticism of our labour to-day is worth talking about. The facts are given by the Chancellor and our own statistical department, in addition to the United Nations Economic Commission of Europe. No one can point a

finger at the British workers for their contribution during the whole of the war, and the efforts they have made towards our economic recovery. *If there is any criticism it must be directed to other quarters.*

We can no longer afford the fixed abnormal prices which are greater in this country than in any other country in the world. Before industry receives its raw material it is in a terrible position. People engaged in industry—management and workers—are going all out to give of their best, but before the raw material enters the factory they are already severely handicapped by the fixed abnormal prices of raw materials which are organised by the trade associations and monopolies. I begged the Chancellor to take action upon this in the early days of this Parliament and from then until now nothing has been done worth talking about. We can no longer stand for the 2,000 trade associations which are superimposed upon industry. They fix prices which are acceptable to the least efficient. They are not like piecework prices which are fixed according to the best man or the man of average ability. In this case they are fixed to suit the least efficient. They organise quotas to suit their members. The annual cost of the overhead charges for clerical and organising staff alone must be between £10 million and £15 million a year.

We inherited a legacy from generations of exploitation of the people of this country, the subordination of everything to obtaining the maximum profit, two world wars, and the sudden termination of Lend-Lease. This country must go as quickly as possible along the only road which is the hope of humanity—the Socialist Road.



ELLIS SMITH, M.P.
President,
United Patternmakers' Union.
Defeated Oswald Mosley in
1931 Parliamentary Election.



“Frankly, old man, whose side are we on?”

Discussion Article

Yugoslavia—A Lesson for the Left

By DAVID FINCH (Norwood Labour Party)

THE *Socialist Outlook* has from its very first number opposed witch-hunting, red-baiting, and all other attempts to silence bureaucratically the critical voices which are from time to time raised inside the Labour Party. For this reason it correctly opposed the expulsion of Zilliacus and continues to oppose the present hounding out of office of Communist Party members in the Trade Unions.

That is why I think it is of the utmost importance that the Left takes up a clear position in relation to the present conflict between Tito and Stalin. Those who oppose the witch-hunting of the Communist Party by Transport House but remain silent about the witch-hunting by the Communist Party of Tito and his supporters will be correctly considered by the workers as adherents to principles only when those principles suit their own ends. If it can be proved that the Cominform attacks on Tito are false and slanderous then it is the duty of all principled socialists to oppose and denounce these attacks.

What are the Facts?

Beginning with ideological denunciation more than a year ago, the Cominform's campaign has degenerated into economic blockade, diplomatic conflict, and outright military pressure. The Tito affair now occupies about as much space in the Cominform press as does the struggle against Imperialism. The present Russian Government has never been so abusive towards reactionary imperialist Governments as it is towards the Government of Yugoslavia.

Only yesterday praised as the "staunchest pillar of the new democracies," as the "most loyal friend of the U.S.S.R.," and the "hero of the partisan war," Tito, according to the Cominform, has been transformed in less than a year into an "abject traitor," a "vile lackey of imperialism," and—"a desperate Fascist beast"! All the Yugoslav Communist Party's firm denials of these horrible charges are systematically ignored.

Among the many reasons advanced by the Cominform to justify its attacks on Yugoslavia the following are the most important:

- (1) *Tito's Government displays a hostile attitude towards the Soviet Union.*

But the Governments of Hitler and Mussolini were also hostile towards the U.S.S.R.—yet, until war was declared, the Soviet Government never invoked an economic blockade against these uncompromising enemies of the U.S.S.R. And even to-day, the Fascist Government of General Franco does not suffer an economic blockade at the hands of the Soviet Union. Does Stalin prefer Fascist Governments to Governments which are controlled by Communists who no longer completely obey his orders?

- (2) *Tito trades with the capitalists, he concludes trade agreements with Britain, and requests and receives loans from America.*

If this makes the Tito regime "Fascist," then Fascism exists throughout the whole of Eastern Europe. For what "people's democracy" does NOT trade with the capitalists?

More than half the total trade of Poland and Czechoslovakia is with the capitalists. In 1946 Poland received 90 million dollars from the United States and its banks for the purchase of surplus war materials while, in the same year, Czechoslovakia received 50 million dollars. In 1949, Czechoslovakia solicited a new credit of 20 million dollars from the International Monetary Fund.

The truth is that trading with the capitalists and utilising their loans for the development of the productive forces is a normal and even indispensable procedure—one which Lenin and the Bolsheviks in their time made the fullest use of. If Tito is selling the Americans "strategic" raw materials like chrome, copper and zinc in return for dollars to buy essential machinery the blame must rest with Stalin, whose economic blockade has compelled Tito to trade with the West.

- (3) *America is to-day granting capital and goods to Yugoslavia which they deny to the Soviet Union and the countries of Eastern Europe.*

This is true and it means that Imperialism is trying to exploit for its own ends the conflict between Moscow and Belgrade. But if Tito tries to profit from this policy of the Americans there is no treachery in it—although, of course, there is a great danger that Yugoslavia will be forced to succumb to this American pressure. But that is a danger which has been created precisely by the fierce campaign at present being waged by Stalin and the Cominform.

What is Tito's Real Crime?

The official reasons for the campaign against Tito cannot withstand an objective analysis. What then are the real reasons—for reasons there certainly must be.

The Yugoslav communists have now recognised that their quarrel is not with this or that "people's democracy" but with the leadership of the Soviet Union itself. The various Communist Parties of the world are merely carrying out the orders of Stalin and the Russian Government. It is Tito's refusal to accept this absolute submission to Moscow which constitutes his real crime in the eyes of Stalin. Tito's demand to be placed on an equal footing with the leaders of the Russian Communist Party challenges the very basis of Stalin's "communism" which requires the subordination of the Communist Parties and the interests of the workers in all countries to the interests of the Kremlin. And those interests do not at all coincide. In Eastern Europe there is a widespread discontent among the labouring masses with the policies of Moscow which exploit these countries for the benefit of Russia. Tito's demand for self determination must therefore meet with a big response and, furthermore, if the Yugoslav Communist Party, which fought and defeated their own reactionaries without the aid of the Red Army, can also now advance to Socialism it will be a tremendous blow to the authority of Stalin throughout the Balkans and the whole world. That, in my opinion, is the only true explanation for the present savage attacks of the Cominform and the Russian Government.

This bitter conflict has been brought right into the British Labour Party by the extension

of the Cominform's abuse to Zilliacus. From being a "friend of the Soviet Union" and a "consistent fighter for peace" Zilliacus has, according to *Pravda* and the *Daily Worker*, been transformed overnight into a man who "conspires with Fascist adventurers and the hirelings of the warmongers." And why? Simply because he refuses to abandon his opinion—once held by the Cominform—that the Yugoslav Communist Party is a working class party endeavouring to build a socialist planned economy.

These slanderous attacks are a warning to the Left. Where the Communist Party cannot control it will abuse and slander. The Left Wing of the Party must take a clear stand for the right of free discussion for all tendencies in the working class movement. That is why, in my opinion, it must take a clear stand against the Cominform's attacks on the Yugoslav Communist Party.

Socialist Outlook Conference

Birmingham

Harold Davies, M.P. for Leek, was the chief speaker at the Conference organised by the *Socialist Outlook* in Birmingham on October 8th. He dealt chiefly with the crisis and its effects on the socialist aspirations of the Labour Movement. It was indeed refreshing to hear a Labour M.P. say that "the crisis is of the same nature as the crisis of the 1930's. It is a capitalist crisis." And there was general approval from the 40 people present for his statement that "the analysis of capitalist crisis made by Karl Marx was still valid to-day and will take some disproving by all the present day economic experts."

The other speaker, John Lawrence, Editor of the *Socialist Outlook*, explained the *Outlook's* programme to meet the crisis and the discussion which followed showed that most of those delegates present were in general agreement with this programme.

The Conference Secretary, Bob Shorthouse Vice-Chairman of Birmingham Trades Council, summed up the feelings of those present when he said that it was time for the militants in the Party and in the Unions to support a movement which adhered to socialist principles and understood that to achieve socialism meant to fight the capitalists all day and every day until victory had been won.

In closing the meeting, the Chairman, Councillor Roberts, stressed the fact that *Socialist Outlook* would do all in its power to secure a Labour victory in the General Election, but that to remain silent when the Party departs from the socialist road was disloyal to the Movement.

YUGO-SLAVIA EXPELLED FROM "PEACE CONGRESS"

Yugo-Slavia has been expelled from the Communist Party-dominated "World Peace Congress." Mr. Hoffman, the representative of *Tanjug*, the Yugoslav Press Agency, was even refused admission to a meeting of the Congress—although the capitalist, warmongering press were invited.

Mr. Koni Zilliacus, an outstanding figure in the "Peace Movement," has asked us to state that he voted AGAINST the expulsion of Yugo-Slavia and that he will make a public protest against this bureaucratic action.

“SPEAKING MY MIND”

What of the Future?

By TOM BRADDOCK, M.P.



I HAVE sometimes wondered during the past four years if I am in my right mind. This is particularly the case during this present parliamentary recess.

In our last issue I indicated that something might be doing during the parliamentary holiday; in fact, I had a premonition that something was up. But I never expected it would be the spectacle of Sir Stafford turning a somersault. I am writing this after listening to the three days debate on devaluation and I still think Sir Stafford was right in the attitude he took up before he went to Washington, that devaluation would be disastrous to the general economy of this country. I don't believe he went there to devalue, I don't believe he considered the consequences that would follow when he did it, but he had no chance.

In fact he was in the same position as those representatives of foreign countries who used to be called upon to visit Berchtesgaden when Hitler was in power. Sir Stafford was given an ultimatum accompanied by threats.

To my mind he should never have given way. Had he come home and announced to the people of this country that he had stood up against the demands of American finance there would have gone through the ranks of Labour in this country a great upsurge of hope and determination.

As it is, we are at this moment calculating as to advisability of having a general election at once, in case things get even worse. There is no confidence, and, what is worse, it is very difficult to know whether the Government mean what they say on any subject. They may throw another somersault at any time.

The Future

It is, of course, no good going over the past, and the fact remains that in spite of the continued attacks organised by the boss class of this country, in co-operation with that of America, the people of our country under a Labour Government have struggled through and held their own. This of course infuriates our opponents, and, what is more, gives the workers of America tremendous encouragement, and they are now doing what we had to do in the period between the wars, adopt a militant attitude towards their employers.

There is no doubt that one reason why the Americans want cheap British goods is to put them in a position to import British goods and thereby lower the living standards of their own workers. As I see it, this is not going to happen, as, in spite of what the Government may say, the lower paid workers of this country are going to stand out, as always, for no reduction in their hard-won living standards; in fact they are going to agitate for

further improvements and they are right in so doing.

There are plenty of people in this country getting something for nothing in the form of rent, interest or profit, and since the Labour Party's central aim is "to secure for the workers by hand or by brain the full fruits of their industry," there is plenty of opportunity for further agitation and further improvement.

A War Policy

This is not only the right policy because it is in line with the principles on which the Labour Party is founded, but it is absolutely essential in view of the position in which this country finds itself in the modern world. It is obvious that Sir Stafford's complete reversal of policy in Washington was dictated by motives that have not yet fully come to light. After all, devaluation of the £ was not the only shot in his locker. We have not heard what the reaction was to the other practical alternative, drastically cutting down dollar imports. To my mind events will show that the determining factor in our accepting complete dependence on the U.S.A. was an arrangement in connection with the war preparations that are going on. I am afraid agreement has been reached that Russia has got to be attacked, and our economic and other policies are all being directed to that end. A break with America would obviously mean that we should cut down our armaments programme instead of increasing it, as is now contemplated, and if, of course, our armaments are cut all possibility of waging war on the U.S.S.R. comes to an end.

If there was anything to be gained by fighting the Russians one might see a gleam of reason in this, in spite of the abominable cruelties that will be entailed, but as nobody can see any advantage in such a procedure surely the time has arrived to put a stop to war preparations, which are not only useless in themselves but are preventing the socialist development that is so necessary in this country and in Europe as a whole.

Congress of Colonial Peoples opposes War Plans

A FOUR-DAY conference, organised in London by the *Congress of Peoples Against Imperialism*, has declared emphatically that the colonial peoples will not support a third world war but will use such a war to gain their freedom from Imperialist oppression.

Unfortunately, we haven't space to publish the resolution in full, but the following relevant section should inspire all genuine anti-war socialists in this country.

"We are against imperialist wars.

We are for wars of social emancipation such as that being victoriously waged by the Chinese people.

We are also for wars of national liberation such as those now being victoriously waged by the peoples of Viet Nam and Indonesia.

We are protagonists of peace with freedom.

But we are against peace with oppression and slavery. That is why we are against a 'Colonial Peace,' for imperialism is a chronic state of war, of permanent aggression against the life and the liberty of the colonial peoples.

The colonial system is also a permanent threat to international peace.

The colonial peoples refuse to participate in imperialist wars, and are determined to transform imperialist wars into wars of national liberation and social emancipation. And it is the duty of the European masses in the event of such struggles to express their solidarity with the colonial peoples in concrete form towards helping them to achieve these objectives.

In order to implement the above principles the *Congress of Peoples* asserts:

1. *The fundamental objective of the Congress of Peoples against Imperialism is the fight against imperialism which is the primary enemy of all colonial peoples.*

2. *The Congress of Peoples is an organisation independent of any governments, whether they belong to either bloc or to none, and in specific issues its attitude towards any particular government shall be determined by the attitude of that government to the struggle for freedom of the colonial peoples.*

3. *The Congress of Peoples is a Federation of movements having different ideologies. In the fight for its common objectives, whilst it recognises the right of each movement to reserve to itself its own political position, and in particular its attitude to the governments of the two blocs, it sets itself the task of co-ordinating and harmonising the various viewpoints for achieving a common orientation which will lead to unity of action.*

Included among the many representative delegates from India, Ceylon, Indo-China, Morocco, Tunisia, Algeria, Sudan, Madagascar, Nigeria, Camerons, and West Africa, were Dr. Azikwe (National Council of Nigeria), Dr. Lohia (Indian Socialist Party), Dr. N. M. Perrara (Leader of the socialist opposition in Ceylon Parliament), and Dr. Mostefai (Algerian People's Party).

The European delegation, which included representatives from British Divisional Labour Parties and the Seine Federation of the French Socialist Party, pledged themselves to work for full colonial liberation and to "oppose the policies of their respective governments, particularly when these governments commit acts of colonial oppression."

Suspend Compensation! Suspend Interest on National Debt! Open the Books to T.U. Inspection!

Do you agree with these demands which appeared in our Programme to meet the Crisis?

OUR programme makes it clear that it can never be the intention of Socialists to attack the savings of the small man. That is why we have specifically excluded **National Savings and Post Office Accounts** from this suspension. But perhaps this very important point requires to be made even more specific.

A suspension of interest payments takes away capital from nobody. The money is simply "frozen." Those who had money invested in the National Debt before this legislation would still have it afterwards. All that happens is that the present vast sums paid out in interest would in future be used by the Government for productive purposes. Instead of going to enrich the profits of the Bank and Insurance Stockholders, the £500,000,000 would be used to build houses for workers, schools for the children, and hospitals for the sick. *Those who have money in the Post Office or National Savings would be unaffected.* Small investors in War Loans, etc., could be given the opportunity of transferring it to a Post Office account or they could be paid in cash up to, say, £2,000—after which amount, any further application would be considered on its merits—hardship, etc.

JOHN LAWRENCE
Editor, Socialist Outlook
Defends these demands and
replies to Manchester Reader

I find it hard indeed to see how this policy would ruin the small man and lead to the downfall of the Government. Admittedly the big stockholders would suffer a loss in their personal *unearned* income—but their loss would be the nation's gain. It is the alternative to cuts in wages and cuts in the social services.

Will There Be a Panic?

But if you suspend the £500,000,000 paid annually to Big Business as interest on the National Debt, says "Manchester Reader," the Banks and Insurance Companies, being large stockholders in the National Debt, will lose and, consequently, bank depositors and insurance policy holders will lose also. In other words, Banks and Insurance profits will decline and, to *reimburse themselves* the big shareholders will reduce interest on bank deposits or refuse to honour their contracts with insurance policy-holders.

But there is absolutely no reason at all why this must happen. *Why cannot the loss in profits derived from investment be passed on to the big Bank and Insurance shareholders in the form of lower dividends?* There is no reason at all why the Government cannot make it **obligatory** upon the Banks and Insurance Companies to honour their contracts with policy holders and continue the present rate of interest on deposit accounts—which, incidentally, is only about one-half of one per cent. If the bankers and financiers refuse and instead try to panic the small savers, then

such **anti-social conduct should be met with immediate confiscation.** Whatever is done, the Tories will try to whip up a hysteria about the "wicked Government which is out to ruin the small man," etc., etc. Just like they did in the famous Post Office scare of 1931. But it is easy enough to show the people that the Tories, as always, are not at all concerned about the savings of the small man and that they are solely concerned to protect the fortunes of a wealthy minority.

The Money is Safe

Nobody who understands the key role of the Banks and Insurance Companies can oppose their being brought under State ownership and centralised into one State banking system. It is really incredible that the Labour Party, which has already nationalised the Bank of England and now proposes to nationalise Insurance, should decline to nationalise the "Big Five" banks. However, once this serious omission is remedied, the State will then, for the first time, effectively control the whole of the nation's financial resources. In this transference to State ownership absolutely no wealth will be destroyed. It would simply mean that the State—*provided it refused to carry the present burden of compensation payments*—would now be in a position to finance industry, build houses, care for the old people, the sick, and the children, *without having to first borrow the money from private investors at high rates of interest and fancy commission charges.* Far

A MANCHESTER READER writes:

"... In the programme for the crisis printed in your August issue you say: stop the payment of interest on the National Debt. You may safeguard this by excluding interest on small savings, but you contend that the Banks and Insurance Companies could easily bear it. You forget that depositors in Banks and Insurance policy-holders would lose. Anything more calculated to bring down a Labour Government I cannot imagine.

The stopping of payment of compensation or interest on compensation to shareholders in nationalised industries might be a more popular policy—but in my view it is the wrong way to go about it. To a certain extent income tax does reduce interest on the very big former owners. Secondly, it would mean taking everything from the railway and coal shareholders—while allowing the motor manufacturers, engineers, chemical and other bosses to go scot free.

As for the demand to "open the books," I am not impressed. I believe the Government already has all the information it requires—if it is prepared to act on it...."

from there being any attack on the "small man," the State would now be able to grant cheap credits and in other ways assist small business men, farmers, etc., who at present are tied to the financial houses by debt and mortgage. This brings us to the "Manchester Reader's" second point of criticism.

Should Compensation be Suspended?

He argues in the first place that this would be "unfair" because it would greatly reduce the incomes of the ex-owners while allowing the rest of the capitalists to go "scot free." *This is an appeal to a very abstract justice indeed!* After all, it is *unearned* income we are talking about. It is much more "unfair" that the miner, for instance, should have to spend his life working in the bowels of the earth while the present ex-owners of the mines are "scot free" to spend their interest on compensation payments lounging about in the sun at Bournemouth or some such place. "Justice" and "fairness" have a definite class character, as no doubt our critic will know.

However, the Government should certainly remove from the minds of the coal-owners any suspicion that they are being "unfairly" treated. It should openly declare its intention to take over all the basic industries of the country as rapidly as possible *on the same terms as we at present advocate for the ex-coal owners.*

That is, the interest on this compensation will be suspended for the duration of the crisis, except in needy cases where a shareholder can prove that the stopping of this interest would cause serious hardship.

And, since the capitalist's conception of "hardship" is very different to that of the worker's, decisions in these cases should be left to committees of *working men and women.* As in the case of the National Debt, the nationalised shareholders should be allowed to transfer a fixed amount of their compensation to the Post Office or to National Savings where it will receive interest. *But, apart from small cash payments to meet genuine hardship, the remaining "nationalised capital" would be frozen for the duration of the crisis.*

Such a policy would in no way endanger the small man's savings and it would relieve industry of the burden of compensation payments which it cannot afford in the present crisis. The money saved could be used to improve the technique of production and better wages and working conditions.

Is Taxation a Better Method?

We are, of course, completely in favour of higher taxation of unearned incomes—but this is not at all the same thing as nationalisation. Taxation merely attempts at best to redistribute the national income while leaving private property and the profit motive intact. Nationalisation, however, *by concentrating all the main instruments of production into the hands of the State, lays the foundations for a planned socialist economy.*

The point is, having accepted nationalisation, can we afford the present burden of compensation payments? Experience with

(Continued in column 1, page 5)

EDITORIAL

Make the RICH carry the Burden

AS we go to press, the Government is preparing a "programme of economies" which it considers devaluation makes necessary. We do not know what that programme will contain, but of one thing we are certain—Big Business, through its agent the Tory Party, is exerting a tremendous pressure on the Government to bring in a programme which will protect profits at the expense of the workers' living standards.

The great question now facing our movement is—who will shoulder the burden of the capitalist crisis? The workers, or the rich who live off our labours?

Recent pronouncements of the Tory Party give a clear answer to this question. They are pressing for the whole burden to be placed on the backs of the workers, and to this end they are demanding:

1. A lowering of the workers' living standards through increases in the cost of living.
2. Direct wage reductions and longer hours of work.
3. The deliberate creation of unemployment in order to "discipline" the workers.
4. Cuts in social services and in the building programme for schools, hospitals, and houses.

CRISIS PROGRAMME

(Continued from page 4)

the mines and railways shows that we can't. Our policy of suspending interest payments is an attempt to face up to this situation. Furthermore, and this brings us to our critic's last point, it is impossible to collect the sort of high taxation he envisages without some form of workers' control at the point of production.

Open the Books!

The Government to-day has little knowledge of the internal workings of capitalist enterprises. The accounts which private enterprise presents annually to the Inland Revenue are drawn up and signed by auditors employed by the capitalists themselves! Everybody knows that all sorts of tricks are employed to hide profits and rob the Exchequer. In City circles this is now a cynical joke. Tax-evasion, waste, and extravagance exist on a mass scale, and increased taxation would increase this trickery a hundredfold. An army of tax officials, apart from being slow, cumbersome, and highly expensive, could not prevent this wholesale tax-evasion taking place.

It is probably true that the Government has a shrewd idea of what is going on, but only by making all the facts known to the workers by Trade Union inspection of the books can we ensure that some progressive action will be taken. Such control would frustrate all the tricks of the employers and ensure that the plans of the Government were carried out. It would cost little to operate and would be entirely democratic—control by the majority over the small minority of capitalists and property-owners.

5. Lower direct taxation to ensure higher profits and a greater "incentive" for the capitalists.
6. Increased expenditure on armaments and war preparations.

In brief, the Tories and Big Business want the Government to hit the poor and not the rich. They would like the Labour Government either to accept major parts of the Tory programme, or enter a coalition with the representatives of the capitalists. Should they fail in these plans—and they certainly will if the Labour Movement stands firm—then the Tories will use everything they know to overthrow the Labour Government and replace it with a Government of naked reaction. The General Election is going to be a fierce fight. If the Tories win there will be savage attacks on the workers' living standards. Reaction throughout the world will be encouraged and—war will be much nearer.

But none of these things will happen, neither Labour's acceptance of Tory Policy, a coalition, nor a defeat for Labour at the General Election—provided Labour will rally the powerful forces of the working class in a direct challenge to Big Business. We can frustrate all the evil intentions of the Tory Party if we bring a mighty pressure on our Government to introduce emergency legislation which will ensure that the workers, the old people, and the children, do not suffer under the coming crisis—legislation which will safeguard the social conquests of the workers.

No Retreat Under Tory Pressure

Socialist Outlook urges the Government, therefore, to consider the following measures as the only way to protect the living standards of our people and prepare the advance to socialism.

1. Maintain and increase the subsidies on bread, meat, essential clothing, and other necessities which may rise in price due to the devaluation of the pound.
2. Maintain the building programme and the social services which Labour has introduced.
3. Increase Old Age Pensions and Family Allowances and attach them, and all other social service benefits, to the cost of living by means of a rising scale.
4. Provide work and decent living conditions for all.
5. Attach wages to the cost of living by means of a rising scale on a strictly guaranteed minimum, with complete freedom for the Trade Unions to negotiate higher wage rates.
6. Avoid increased hours of work.

Where Will the Money Come From?

To pay for these elementary safeguards of the workers' living standards it will be necessary to shift the burden on to the backs of those best fitted to bear it. We therefore urge the Government to introduce emergency legislation to this end:

1. Increased taxation of profits and the higher incomes, higher death duties, and the taxation of all Stock Exchange operations.

2. The suspension of the £500,000,000 paid annually to Big Business as interest on the National Debt. The freezing of large withdrawals of capital invested in War Loans, etc.—but with complete exemption for National Savings and Post Office Accounts.
3. The suspension of the interest payments on compensation in the nationalised industries—except in needy cases in which the total income, with compensation, falls below £500 per year.
4. To prevent tax evasion and the hiding of profits, all company books and expense accounts be open to inspection by elected Trade Union Committees.
5. A drastic reduction in the £760,000,000 at present being spent on the Armed Forces and the return of the bulk of 1,450,000 men and women in the forces or in arms factories into productive jobs.

All the above measures can be very easily introduced. If they are then vigorously applied it will be possible for the first time to speak of some degree of "equality of sacrifice." But, until they are in operation, the appeal for the freezing of wages is a demand for sacrifice from one section only of the community. It will divide the workers at the very time when they should be united behind the Government.

Forward to Socialism

Because we are convinced that the present crisis, as we showed in our last Editorial, is a crisis of capitalism, it is necessary to press on with the fundamental reconstruction of Britain on planned socialist lines. The situation requires MORE socialism—NOT LESS. It is, consequently, necessary to extend State ownership to all the basic industries and to elaborate a plan of production based on the needs of the people and not the needs of the capitalist market.

Finally, it is necessary to grant immediate and unconditional freedom to the colonial peoples, and to work seriously for a Socialist Europe which will be able to link up with the Soviet Union in a great area of planned production for the use of the common people. This will not only provide alternative sources of food and raw materials, it will win us millions of allies in the colonies and in war-devastated Europe. It will inspire the American workers to end their own Imperialism. This is the socialist answer to the insanity of a trade war leading to an inevitable third armed conflict.

Let the Rich bear the burden of the crisis! Keep to the Socialist Road!

Economy Cuts

Mr. Attlee's cuts were announced after the above article was in print and too late for us to make anything but the briefest comment. As we feared, the Cabinet have given in to Tory pressure. Cuts in education, housing, and the imposition of a 1s. charge for doctors' prescriptions, are all attacks on the living standards of the workers. Rent, interest, and profit are hardly touched at all.

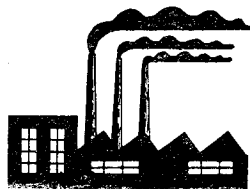
This disastrous policy will lead to working-class disunity—unless the Left redoubles its efforts to win the Labour Party to a Socialist policy.

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Workshop Notes

By JACK JOHNSTONE (A.E.U. Newcastle)



OUT with the York Memo! That was the last sentence of the October *Workshop Notes*. Following this up, and taking heed of the fate of the railway workers' claim, my branch—Newcastle A.E.U. No. 1—discussed the position and passed a resolution which was sent on to the Executive Council and the Tyne District Committee. You may have seen it in the press (it did get a little space between the murders, etc.). It read:

"In view of the recent decision of a National Arbitration Board not to give any increase to a section of the working class earning ninety-two shillings and sixpence a week, this branch instructs the Executive to refuse to operate this machinery in our application for a living wage. We pledge our support to the Executive if they are threatened by emergency regulations (such as 1305, etc.) or any other semi-fascist legislation."

That should have been a good start for those on the Executive who feel restless with the fetters of the York Memoranda. There can't have been many there when our resolution was read, or maybe there weren't any, for we were informed that this should be passed on to the appropriate trade union, presumably the N.U.R. In other words the advice and the opportunity were not needed by the A.E.U. So, brother, if you were wondering whether or not to get some furniture on the strength of your extra £1 . . . **don't!**

Is there no full-time official who will dare to say that the present method of "avoiding disputes" is out-dated and out-moded, and used only as a gag? This silence on the subject is frightening. Talk about iron curtains—when you take this silence on the question of negotiating and couple it with the stream of phrases like "the mines are not paying"—"no profit at all on the railways"—"electricity will have to go up"—and not a word about the millions being dished out as undeclared profits, it makes you think. It just shows how easy it is for Joe to cut the Russians off from free speech!

Unless the Labour Party breaks this silence and insists that the whole truth be told, then it is building a boomerang that will sweep the Party from office and slap bang into a situation ripe for Fascism. British workers should be told that the bankrupt industries that were taken over for the people are paying tribute, millions of pounds worth. Then a mandate should be asked for at the coming election to reduce this rake-off, or better still, end it once and for all. This would be an effective counter-attack to the lying statements in the press, and would prevent disillusion seeping among the workers too. As it is, this disillusion is growing.

To wind up the notes this month (and if there has not been enough industrial matter, it is your fault because I still want to hear what you have got to say—very few letters have come since Don Ellis wrote from Manchester, and unless you send off your material we cannot prosper) we'll have a look at this devaluation business.

All the experts have had a go. It's funny, this, in a way. Remember the first loan? The experts said then very profoundly that

we would start paying this back in so many months. We didn't—it just disappeared. Then the second loan—this time the experts had had their lesson, and they knew that Britain would be dollar-free in a couple of years. That's when the crisis really started. Never have so many been so wrong so often.

I am no expert (thank goodness), but it seems to me that Stafford missed a good chance. Just imagine, if, when he spoke on the radio, he had said that *we could not go on paying the ten million pounds a week interest on the National Debt*. Many who now lie in bed late would have had to get up and look for a job, and it is possible the country would have had all the labour it could at present handle. In any case, one more hole would have been stopped, and inflation (too much money chasing too few goods) would have been set back 500 million pounds a year.

As it is, the only message is to the workers, who have little enough, and the news goes out—you are going to get less.

Houses for All!

Kensington's Tory Borough Council has approved the following rents:—

	s.	d.
Becher Street—		
3 Room Flats	35	6
4 Room Flats	43	9
Rackham Street—		
1 Room Flats	20	10
2 Room Flats	29	6
3 Room Flats with larger rooms	31	4
3 Room Flats	41	7
4 Room Houses	53	2
5 Room Maisonettes ..	62	5
5 Room Houses	63	1

Tory Councillor Lady Pepler said that there were people on the Housing List who could afford to pay these rents and were in urgent need, but she agreed with Labour Councillors who had said that these rents would debar some of those who were waiting. **Houses for all under Tory rule—provided you can afford 63s. 1d. a week rent!**

The Minimum Wage

By JACK STANLEY (Gen. Secretary, C.E.U.)

A TREMENDOUS amount of controversy has been engendered as a result of articles written, and speeches made, on the question of a National Minimum Wage.

I am constrained to ask, *do the opponents consider it is wrong to pass legislation to ensure that no worker shall receive less than will enable him to live at a certain percentage above what is termed the "poverty line"?*

I personally see no objection to the fixing of a National Minimum wage to ensure this, and am further convinced it would not in the least affect Trade Union negotiations in any given industry. It might be argued that non-unionists would benefit and would therefore not deem it necessary to become members of their respective Trade Unions, but this applies now to the majority of workers who are unorganised. It does not follow that the National Minimum rate would apply to an industry or trade whose lowest rate was above the agreed National Minimum, as the state of organisation in that trade would determine the issue.

Mr. Arthur Deakin rejects it on the basis, from his point of view, of "utter impracticability." He further states that in his opinion the best method of payment is *payment by results*. Does not this latter basis mean the "survival of the fittest"? Can Comrade Deakin enlighten us, where in any given industry the system of payment by results, without a minimum guarantee, has worked satisfactorily to all concerned, and if it could be successfully adapted to all industries, trades and professions.

The Socialist movement, I still understand, means equal opportunity for all, and as persons coming into the world, and those assisting to bring them, cannot guarantee their physical or mental capabilities, the State has

a responsibility to see they have an opportunity to extract from industry and/or commerce a minimum living wage—and it should be fixed.

Many things in our own movement, though impracticable in the past, have been found capable of accomplishment, and many things for years thought practicable, are by some leaders now considered in reverse.

I suggest it is not sufficient to condemn without trial. I seem to remember responsible Trade Union Leaders condemning family allowances on the basis of the threat to Trade Union negotiations, but they are now in operation.

Let Mr. Arthur Deakin show by practical demonstration how a National Minimum wage would adversely affect Trade Union negotiations and I, for one, would take notice, but without evidence of it having done so I, and many others, will be hard to convince.

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The Question of Civil War

I am a regular reader of the *Socialist Outlook*, Secretary of Maidstone Labour League of Youth, Assistant Secretary Maidstone E.T.U. and a member of the G.M.C. of the Maidstone Labour Party.

The Editorial in the October issue offers as an alternative to Devaluation, Nationalisation of all the basic resources of the country and without compensation. I feel the majority of the other proposals are dependent upon this being carried out.

Supposing, comrades, we did accept this proposal—presumably the Editors mean it to be done by Act of Parliament. So the Bill goes before the House and is carried, but what then? Surely, as the capitalists rely on interest for their living, remove their living and they will fight—even with arms.

Seeing that they are able to kid a large percentage of the population to vote for them (1945 election figures show 33 million electorate, 12 million Labour, 9 million Tory) they will also kid a large percentage to fight for them. What wreck will there then be left to build on?

Isn't it better, surer, to accept devaluation, meanwhile educating ourselves and our fellows, reducing the support of the Tories from working class ranks. Then we'll be fully prepared to take over industry and to be finished with capitalism and all its troubles which you describe so well.

MAIDSTONE.

J. S. Gadd.

The Editor replies:

Your reader poses an important question—but he poses it wrongly. It is our opinion that Labour is losing support precisely because the Government is **not putting forward SOCIALIST policies to meet the present crisis**. Efforts to conciliate the employing class discourage the workers, turn the middle class away, and encourage the capitalists to overthrow us. We think a majority of the electorate would support a policy which placed the interests of the workers before the interests of the employers. Should the Tories refuse to accept the majority decision then Labour would have to take drastic steps to overcome their resistance. If reader Gadd thinks that the Tories would resort to armed force to defend their power and privileges then he should advocate with us that the present reactionary Generals and Admirals be removed from the Armed Forces and replaced by officers of the men's own choosing. The alternative is to capitulate in advance to the forces of reaction and thus guarantee that we shall be plunged into an atomic war which may very well wreck society and all hopes for a socialist way of life.

* * *

Sir Hartley Shawcross

It was with surprise and regret that I read the item in the September issue of *Socialist Outlook* headed "A Correction." I do not in the least object to reasoned criticisms being directed against our leaders in the House of Commons, but I do think that this attack

★ Correspondence should be as brief as possible and addressed to The Editor, 3 Trafalgar Avenue, London, S.E.15.

directed against the Attorney General was unnecessary and in very bad taste.

Sir Hartley Shawcross is certainly one of the ablest men in the Government and he has served the country well during the time he has been in office. Such attacks will not further the cause of Socialism and will only succeed in lowering the paper in the eyes of the public.

CITY of LONDON and S. J. Clements.
WESTMINSTER L.L.O.Y.

* * *

Zilliacus Explains

I am grateful for Comrade Healy's review of *Why I was Expelled*. But when he says I am a "liberal pacifist" whose "whole argument assumes that war can be prevented without disturbing the economic basis of capitalist society," I would refer readers to page 5 of *Why I was Expelled*:

"The experience of two world wars, close-ups of the Russian and Chinese revolutions and of the Fascist counter-revolution, and nineteen years at Geneva in the thick of the fight for peace, have left a haunting sense of the instability of the world in which we live, the mortal sickness of capitalist society . . ."

Page 8: "The relationship between the workers' struggle for justice and a new social order and the organisation of peace became clearer and clearer as the years passed . . ."

Page 9: "My sole claim to going forward as Labour's standard bearer was that I was one of few people in the Party who had worked in the field of foreign affairs all his life and had come, through that experience, to realise that the fight for peace and the workers' fight for Socialism were one and the same battle, that in the long run peace and socialism were indivisible . . ." (From what I said when I was adopted as a candidate.)

Having been falsely called a Communist or crypto-Communist for so long, it is refreshing to be called a Liberal for a change—but just as cock-eyed! Incidentally, I am not a pacifist either, and Brother Healy is equally wrong in his description of the foreign policy for which I am fighting.

House of Commons.

H. Zilliacus.

Comrade Healy replies:

We cannot judge a man on the basis of a few selected quotations. In practice Zilliacus was active, before World War 2, in the campaign for "collective security" to prevent war. That policy, in which, incidentally, the Communist Party was heavily involved, lulled the workers into a sense of false security, made Germany the main enemy and thus distracted the workers' attentions away from the capitalist enemy at home, and allowed the British and French Imperialists to prepare for war under a cloak of peace. This cruel deception of the workers was finally shattered on September 3rd, 1939. Yet, despite this experience, Zilliacus to-day is once more to be seen on the "peace bus." Once again he is attempting to teach the workers that war can be avoided if we "conduct our relations with both the Soviet Union and the United States on the basis of the Charter of the United

Nations and its fundamental principle that all differences must be settled by peaceful means . . ." (*Why I was Expelled*, Page 66.)

UNO has replaced the League of Nations, otherwise the policy is exactly the same as the "collective security" campaign which ended so disastrously for the workers of all lands in 1939.

One can respect the stand Zilliacus has made against the bureaucrats of Transport House, and also his refusal to be intimidated by the Cominform on the issue of Yugoslavia, but, until he ceases to preach confidence in capitalist "peace institutions" like UNO, I must continue to regard him as . . . a Liberal (albeit a very well-intentioned one).

STREATHAM.

* * *

Birmingham Socialist Fellowship

Your Birmingham readers may be interested to know that there is now a local branch of the Socialist Fellowship. We did not commence too auspiciously, but Cripps' abject prostration before the Wall Street moguls since our inauguration has justified our existence—far better than we ourselves could have done, hence our membership is increasing steadily. Regular, lively Socialist meetings are being held, details of which I shall be happy to give on request.

W. F. Pickett, Secretary,

43 Ombersley Road, Balsall Heath,
Birmingham, 12.

The Business Manager Appeals

With this issue the "Socialist Outlook" celebrates its First Birthday. It has appeared regularly over the past 12 months—but not without considerable sacrifice by a devoted band of readers and supporters. It is thanks to them that we have been able to push up the sales from 2,000 of issue No. 1 to 10,000 of issue No. 11. I should like to thank all those who have so generously responded to my appeal for money to extend the sales of the paper, and I hope that more comrades will join in and help.

We are aiming for a greatly increased circulation. The publicity in connection with this Development Campaign costs money. Please send in a donation to help your paper. If anyone wants collecting cards for the job-site and workshop, or any publicity material, write in to me at once.

Let us re-double our efforts for the second year of "Socialist Outlook."

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Labour League of Youth Page

National Status for Labour Youth

By BERT PENFOLD (Wandsworth Central L.L.O.Y.)

IT is impossible that any active member of the League of Youth or, indeed, any active adult Party member, has not heard of the now famous "Tuesday" conference held at the recent Filey Youth Rally. But, since the truth and the National Press rarely go hand in hand, I think it is necessary to state here exactly what took place at that Conference.

Although the report of the National Consultative Committee was only handed out 24 hours prior to the meeting, the platform nevertheless still found it necessary to deny the right of speakers to move resolutions or amendments. This could only have happened because of their fear of the critics who were all called "reds," "careerists," or "irresponsibles."

However, this action of the platform did not succeed in stifling the voice of those rank and file Leaguers who were concerned at the lack of real democracy inside the L.L.O.Y. From the first speaker who, in a very fine speech, moved the "reference back" of the whole report, right through for three and a half hours to the speaker who dissected the *Advance* and its Editor, the ordinary Leaguers showed their dissatisfaction with the present set-up in the League of Youth.

A Campaign for Autonomy

But we did not just stop at verbal protests. The rest of Filey week was spent in meeting

Leaguers and Branches who were sympathetic to the idea of democratic autonomy within the constitution, and eventually, at a meeting of some 40 members, a Provisional Committee was appointed to draw up a plan of action. The Committee's recommendations were discussed, improved upon, and eventually endorsed by a meeting of over 60 members of the L.L.O.Y. Briefly, the recommendations were as follows:

That a campaign be started inside the League of Youth to secure more autonomy and that this movement be called the National Status for the League of Youth Movement. The Movement to be IMMEDIATELY DISSOLVED when the following five-point programme is effectively in being:

1. That the League of Youth shall have its own Annual National Delegate Conference.
2. There shall be elected from this Conference a National Executive Committee for the L.L.O.Y.
3. The League of Youth to have a seat on the Labour Party Executive.
4. The League of Youth to have delegates to Labour Party Conferences.
5. The *Advance* to be run by an Editorial Board elected at the Annual Conference of the League.

Youth and the General Election

By ALF ROSE (Executive Member, Merseyside Federation L.L.O.Y.)

THE young, who have suffered less of the evils of capitalism, have less resistance to Tory hypocrisy. It is here that Labour Youth has a great part to play.

The young can best approach and persuade the young—but Labour Youth needs the appropriate weapons if it is to fight effectively. At present it is so ill-equipped as to be incapable of playing its proper part either in the attack on capitalism or in defence of socialism. It can play no responsible part in working class struggle, either at elections or at any other times, because it has no responsibility of its own—except to be the office boys for the office-holders of the Labour Party.

It is necessary that the League should have a programme with which to approach less politically minded Youth. A programme supported by the Labour Party and the Labour Government, so that the latter may introduce legislation to honour any guarantee which it is agreed its youthful propagandists may use as ammunition.

That there are specific youth problems is recognised by all political parties by the formation of youth sections. *Labour Believes in Britain* offers no specific policies for Youth. Yet we should be able to approach Youth on subjects like education, training, apprenticeship, working hours and conditions, and

recreation. These are still matters of interest to Youth. And Labour Youth should act as the champion of the whole working class youth—becoming their natural help in difficulty, and, through this experience, acquiring character and influence and gaining strength to itself and to the Labour Party.

The Leaguers should cease their interminable internal debate, and turn outwards to gain a national reputation for constructive interest in the problems of their fellows.

That the League might assume responsibility successfully, it is imperative that it be permitted to participate more fully in the councils of the Labour Party. On the basis of its active experience among the working class its members should discuss matters especially applicable to itself at . . . *its own Annual Delegate Conference*, under the leadership of *its own National Executive elected annually*. With a real knowledge of Youth problems it could formulate *its own proposals* in the form of resolutions to the N.E.C. of the Labour Party, which body, *with the assistance of a member representing the L.O.Y.*, should undertake to co-ordinate the Youth Programme with the general policy of the Party. When this policy is placed before the Annual Conference of the Labour Party, *delegates from the League* should be present to judge the manner in which co-ordination has been achieved.

A Provisional Campaign Committee was set up representing Leaguers throughout the country whose object will be to find out where there is support for the above five points and to get L.O.Y. Branches, Regional Federations, Youth Advisory Committees, and, if possible, D.L.P's., to discuss and endorse the five points.

Our Loyalty to Labour

The degree of support and enthusiasm from up and down the country has been very heartening, which perhaps explains why a certain official in the **West Midlands Region** has issued a "warning" to all Leaguers in that area against the *National Status Movement*. The statement says, among many other untrue things, that the *National Status Movement* "is attempting to super-impose itself over the organisation of the L.O.Y. in the West Midlands." **This is absolutely false.** The N.S.M. will use nothing but the official machinery in its campaign for more autonomy. It has absolutely no desire to start a new Youth Movement or to "super-impose" itself over the existing organisation. It is convinced that if the N.S.M. can assist in bringing pressure to bear on the Labour Party it will achieve its aim of a more responsible and democratic Youth. *As soon as that aim has been achieved the N.S.M. will gladly dissolve.* Finally, we are motivated solely by a desire to see the League built up into a powerful Youth Movement and it is for that reason only that we are campaigning for the five points. We don't think that Youth can play an effective role in the fight for Labour in the coming General Election unless it is given the power to run its own organisation and assist the adult Party to make decisions.

We appeal to all Leaguers to join us in this fight for the five points which will prevent the L.O.Y. from fading into obscurity or, what is just as bad, from becoming a recruiting ground for the Communist Party.

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