

The Week

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- CO-OP DEMOCRACY
- WORKERS' CONTROL
- STEEL
- RAILMEN IN ACTION

WORLD

ACTION

AGAINST U.S. IMPERIALISM

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IT PAYS TO FIGHT

Mr. Wilson has now assured the Parliamentary Labour Party that there is no change of heart by the Government over the question of steel nationalisation. It is even reported that Mr. Brown apologised to Mr. Lee for his closing remarks in the steel debate. Thus it appears, for time being anyway, that the combined efforts of the Tory and Liberal parties, the capitalist press, those Tory wolves in Labour sheep's clothing: Desmond and Wyatt, and, perhaps, other influential Labour Party figures to block steel nationalisation have failed. But can we say that this combined operation would have failed if it had not been for the outspokenness of the left? It would be a very dubious proposition indeed. The lesson is clear: the left might fight for its point of view in a constructive way. The manner in which Ian Mikardo handled this question is a lesson in strategy.

EVEN TO THE RIGHT OF TURKEY!

Mr. Stewart, speaking in the House of Commons this week, has gone even further in defending U.S. action over the Dominican Republic. We have the strange phenomena of President De Gaulle, once the darling of nascent fascist movements, being far to the left of the Labour Government on this issue. Of course we know the game that De Gaulle is playing but now the incongruity of Britain's position is demonstrated even more sharply. Even countries like Turkey have let it be known - through their Government papers - that they are in disagreement with U.S. action. It is indeed time for a change and once again a band of M.P.s in the House of Commons who are attempting to change Government policy deserve and need all the support they can get from the constituencies.

It needs emphasising time and time again that there is no possibility of socialist advance in Britain whilst this country is junior partner to U.S. imperialism. Mr. Wilson's speech to N.A.T.O. would be much more to the point if he made it clear that socialist principles, as well as cost, made it impossible for Labour to subscribe to the war alliance, for then it would be possible to appeal to the mass of Labour supporters.

U.S. IMPERIALISM AND THE DOMINICAN REPUBLIC - A HISTORY OF AGGRESSION

The latest invasion of the Dominican Republic by the U.S.A. is only one more episode in a history of aggressive activities which started in 1904. In that year, U.S. warships intruded into Dominican territorial waters under the pretext of demanding the payment of debts. In January, 1905, U.S. President "Teddie" Roosevelt imposed a protocol on the Dominican Republic, under which the United States had the right to control the customs of the country and to collect customs duty. This was followed by heavy U.S. investment in the country.

After an uprising in April, 1916, U.S. President Woodrow Wilson sent in troops. By May of that year, the whole country was occupied and a U.S. military Government established. This occupation was marked by severe repression and thousands of Dominicans were imprisoned, tortured and killed. During the occupation, the Morgan Group opened a bank in the Dominican Republic to control its finance; it also established two sugar companies: the American Sugar Company and the West Indian Sugar Company. These companies established large-scale sugarcane plantations by driving the Dominican peasants off their land.

This occupation was resisted by the Dominicans until in 1921 the U.S.A. announced that it would withdraw its troops on the condition that it retained the right of control over the finance and customs of the country. However, U.S. troops were not withdrawn until they had installed a stooge: Horacio Vasquez. As is the custom, in the 'banana' republics he was overthrown by one Rafael Estrella Urena in 1930. But he, too, was overthrown by a U.S.-backed 'strongman': Rafael Trujillo. The latter's 30 years' rule over the republic is much written about but it is important to note that the U.S. sought to back him up even at the end of his rule when he was most discredited. Thus in January, 1959, in face of mounting opposition to Trujillo, 2,000 U.S. marines landed for an 'informal visit'. Again, in February, 1960, 4,000 U.S. marines landed in Santo Domingo "on vacation". When Trujillo was assassinated in May, 1961, forty U.S. warships sailed to the Dominican Republic to prevent "disorders".

After Trujillo a succession of coups took place and the hand of the U.S. was never absent. In November, 1961, large-scale anti-U.S. demonstrations, together with a general strike, broke out. 12 U.S. warships set sail for the country and 1,800 Marines were kept ready to land in helicopters. When Juan Bosch became President in December, 1962, after elections in which his party won 62% of the poll, his relations with the U.S. were comparatively close. However, relations deteriorated when he let it be known that he wanted to work out his own policies and not be a stooge for Washington. His first 'crime' was to ask the Dominican Parliament to ratify his assumption of the office of Commander-in-Chief of the armed forces. This was so he could establish control over the army units which had come under U.S. domination. He then carried out a number of mild reforms which favoured local industry and business against U.S. monopolies. He was accused of being "soft on communism" because he allowed an element of political freedom.

The role played by the C.I.A. in his overthrow in September, 1963, was exposed by the former Dominican Ambassador to the United States: Del Rosario. After listening to what Del Rosario had to say, Senator Wayne Morse said: "If only 10% of what Ambassador Del Rosario told us was factual, we cannot justify American policy in the Dominican Republic."

Dave Windsor.

Whilst the steel debate was going on inside Parliament, Thursday 6th May, 150 delegates representing thousands of railwaymen, queued up outside to present their union's case on the liner trains to their M.P.s. They made bitter complaints about the way the decision had been arrived at and about the Minister of Transport's rail policy in general. The delegation was made up mainly of N.U.R. officials who passed on the angry feelings of the men they represent. They crowded into two committee rooms where they made it clear to Mr. Ernest Popplewell, M.P., and other trade union M.P.s how angry they felt over the Government's decision.

Officials from the North West District of the N.U.R, which has gone on record for industrial action on this issue, pointed out that they were merely demanding that the Labour Government stick to its election pledges. They were embarrassed by the fact that a Labour Government had opened the B.R.B. depots to private hauliers. London officials of the union said they would continue to bring pressure on the Government to honour its election pledges to railwaymen. Other speakers, from Sheffield and Doncaster, drew attention to other grievances the railwaymen have: the closure of the Great Central line and the mounting redundancies in railway workshops.

ANGER ON THE RAILWAYS

by a rails' correspondent

District Councils of the N.U.R. all over the country have gone on record for action to back up the stand of its executive in opposition to the liner train scheme. The latest, the Midland District Council which represents 18,000, joined other district councils at Manchester, Newcastle and North-West London, among others, ⁱⁿ expressing "its wholehearted support" for the demand that the liner terminals be closed to private road hauliers.

Not only are the N.U.R. men angry, the locomen's union is due to raise with B.R.B. this week a claim for a bonus of three guineas a week for all footplate men. At last month's meeting of the executive of the Associated Society of Locomotive Engineers and Firemen only the chairman's casting vote prevented a work-to-rule decision from going through. The management wants to run more trains with only one man on the footplate. But although the union is no longer demanding that this issue and the productivity bonus claim should be discussed separately, it insists that the Board must agree to pay an immediate flat-rate bonus to all footplate staff not at present receiving one.

The other rail union, the Transport Salaried Staffs' Association, has gone to arbitration owing ^{to} the fact its members only received pay increases of 4 and 5%, at end of last year, while manual workers received 9%.

Thus we have all three unions in conflict with the B.R.B. - and the Government - this is scarcely the way to popularise the concept of nationalisation. It is to be hoped that better councils prevail in the Cabinet.

LABOUR PARTY TO HEAR N.U.R. CASE

from a Nottingham reader

At its first G.M.C. meeting after the municipal elections, the South Nottingham Constituency Labour Party is to hear a speaker from the N.U.R., who will outline his union's case over the liner trains' controversy. It is to be hoped that other C.L.P.s follow this excellent example.

"THE DIRECTOR" WANTS SPEEDY 'STREAMLINING' OF UNIONS

The May issue of The Director, the journal of the Institute of Directors, contains an article entitled "Where Time is Running Out". It urges overhaul of the unions' structure in order to abandon "restrictive practices" and hopes for voluntary action before the Royal Commission on Trade Unions and Employers' Associations reports in 18 months or two years. "The problem is more urgent than that," the journal goes on. "It is to be hoped that the unions will still try as best they can during the waiting period to put their own house in order."

There was a growing awareness that the relationship between workers and management was at the root of Britain's economic difficulties. The key to lowering costs was more efficient and more rational use of manpower. "This means that the trade unions must be prepared to abandon restrictive practices which ^{were} adopted at a time when their role was to defend their members from the perils of cheap and surplus labour," the journal adds. "The reform can only be achieved if the structure of the unions is thoroughly overhauled and modernised," it concludes.

There seem to be many echoes of these arguments from within the trade union movement itself. It is to be hoped that members of the unions realise the paternity of these arguments when they come forward.

WE'VE NOT NOTICED!

The May 1st (not just a coincidence?) issue of The Economist published the following letter from one E. Brody of London W.C. 2;

"You are supporting a Marxist government led by the prototype of a doctrinaire whose demagogic superlatives have been exploded by the Marxist performance of his government. Now demagogue Wilson attempts to mislead United States public opinion by quoting The Economist which has become a Marxist semi-governmental organ propagandising the Marxist policies of a Marxist government. I wonder how many American bankers who listened to demagogue Wilson know that you are blowing the Marxist trumpet?"

THE FIRST FRUIT OF THE INCOMES POLICY?

According to the Financial Times the failure of the agricultural unions to gain a reduction in their working week of 45 hours may be due to the incomes policy. It said: "The independent members - whose vote is almost invariably the deciding one in the Board's wages and hours negotiations - said they were against the reduction in the working week "at the present time." This could have referred to the national prices and incomes policy or to the fact that the farm-workers gained a pay rise of 6.3% four months ago." The paper points out that the independent members of the Agricultural Wages Board are not required to explain their decisions.

The average working week on the farms is 51 hours, and the present minimum rate for 45 hours is the princely sum of £10.2s. The combined votes of the independent members of the Board and the employers prevented even an hour's reduction in the working week. So much for the much-used argument that the incomes policy is designed to protect the lower-paid workers.

WORLD ACTION AGAINST U.S. IMPERIALISM

The reports that we have received of demonstrations, protests, denunciations, etc. in reaction to American aggression in Vietnam and the Dominican Republic are too numerous to publish. However we publishing here a selection which are of special interest:

Australia: Dockers strike over troops' move

In Melbourne, on May 5th, 3,000 waterside workers stopped work in protest against the move to send Australian troops to Vietnam. A deputation of "wharfies" went to U.S. Consul in Melbourne and demanded that U.S. military forces withdraw from Vietnam. Many unions have passed resolutions demanding that the Menzies Government reverse its decision to send troops to Vietnam. Also on May 5th, several hundred Sydney University students demonstrated outside the U.S. Consulate, linking the demand that American troops withdraw with one that no Australian troops be sent.

Jamaica: Demonstration against U.S. intervention in Dominica

On May 3rd, groups of Jamaican citizens paraded outside the U.S. Embassy in Kingston. They carried placards denouncing the U.S. military intervention in the Dominican Republic, and demanding that U.S. troops should be withdrawn. A meeting was held and the speakers pointed out that the U.S. action was designed to intimidate the people of the Dominican Republic from having a Government of their own choosing.

Nenni Socialists denounce U.S. action in Dominica

The leadership of the Italian (Nenni) Socialist Party, which forms part of the Government, issued a communique on May 6th which "expressed unanimously their reprobation of the U.S. intervention in the domestic crisis through which the Dominican people are trying to re-establish consitutional Government." The communique added that "The U.S. Government cannot count on any solidarity on the part of Italy." Several important Italian big business papers have also criticised U.S. action.

U.S. students burn their draft cards

There have been many demonstration by American students up and down the country. One of centres of these demonstrations has been Berkeley. On May 5th, after a demonstration several hundred strong, 40 Berkeley students marched to local draft board headquarters and burned their draft cards, thus showing that they were not prepared to conscripted to fight in Vietnam and Dominica.

New Zealand opposition to sending troops

Some 60 demonstrators started a silent vigil outside Parliament in Wellington on May 9th in protest against the possibility of New Zealand sending troops to help the Americans in Vietnam. The demonstrators said they would remain there until the Cabinet reached a decision on the question. The demonstrators include students, teachers, artists, trade union officials, factory workers and wives and children. Meanwhile a campaign against New Zealand participation in the war has resulted in Prime Minister Holyoake receiving hundreds of letters condemning the proposal.

U.S. RECESSION IN YEAR AHEAD PREDICTS "FORTUNE"

The influential U.S. magazine Fortune did a survey of business prospects in the United States in its May issue. It concluded that there was a very real possibility of a recession in the year ahead. Fortune bases its assessments on three major developments within the economy (it should be noted that its opinion is not shared either by most U.S. big business executives or the Administration) Firstly that although Americans apparently made full use of the tax reductions last January to raise their expenditures to abnormally high levels, during the first quarter sales from some retail outlets have not been as buoyant as hoped. Clothing retailers in some areas found early Easter sales below expectations, while sales of new cars declined for the second month running in April, hitting an 8.3million annual rate, compared with 9.6million in January and February.

Secondly, Fortune expresses concern that while "an important part of the economic advance of the past four years has been based on the growth of credit," there are now indications that borrowing after reaching a rate of nearly \$80,000million in the last quarter will slow ^{down} to around \$67,000 million. Thirdly, Fortune points out that business investments in stocks had "exploded" since early last year, to a current annual rate of \$8,000 million, and it suggests that "the rate will soon have to come at least halfway down."

MORE BANKRUPTCIES IN CANADA

Although Canada is currently undergoing an economic upsurge bankruptcy is on the increase. According to the firm, Dun and Bradstreet Incorporated the number of business bankruptcies reached 274 in March, 25.7% above the previous month, and the highest level since 1932. Officials of the firm, which is a business advisory agency, said that despite the big leap in number total dollar liabilities edged up by a more moderate 2.8% to \$16,643,000. This indicated that most of the bankruptcies took place among the medium-sized businesses - between \$100,000 and \$1,000,000 capital - and the very small - ones with less than \$5,000. At the other end of the scale, the number of failures involving more than \$1,000,000 dropped.

The Toronto paper, Globe and Mail, reported in a recent issue that Canadian business failures during the first quarter of 1965 totalled 729, almost 33% above the 548 recorded in this period in 1964. Cumulative liabilities stood at \$42,066,000, 10% more than last year's \$38,340,000.

It would appear that present economic conjuncture in Canada is also concentrating capital at quite a rapid rate.

"WEEK" SCHOOL ON AFRICA

This will take place over Whitsun, i.e., the 5th, 6th and 7th of June and will be at Africa Unity House. The sessions will be as follows:

Saturday, 5th June: Morning session: Accomplishments of the Algerian Revolution and the problems facing it.

Afternoon session: Neo-colonialism.

Sunday, 6th June: Morning Session: The struggle for democracy in South Africa.

Afternoon session: The prospect for the South African Revolution.

Monday, 7th June: Morning session: The role of the British labour movement in the liberation struggles of Africa.

Afternoon session: Prospects for socialism in Africa.

On Saturday evening, 5th June, a social and dance will be held at Africa Unity House in aid of the Alexander Defence Fund.

Readers can help by registering as soon as possible for the school (it is very important for the organiser to have a good idea of how many are coming as soon as possible), by bringing it to the attention of any likely participants, - especially Africans - and by helping in the technical work involved. All registrations, enquiries, etc., should go to Mrs. Connie Kirkby, 27, Thursley House, Holmewood Gardens, London S.W. 2. (Cost is 10/-)

THE LABOUR PEACE FELLOWSHIP'S NEXT MEETING

On Monday, May 17th, at 7.30 p.m. in the House of Commons (ask for the committee room booked by Frank Allaun), Stan Newens, M.P., Walter Loft, and Frank Allaun, M.P. will introduce a discussion on "Defence Cuts, Disarmament and Jobs". Walter Loft's participation will be especially interesting as he is the secretary of the Woolwich Arsenal Shop Stewards' Committee, which has been waging a struggle to keep the works open, on the basis of it being converted into a "factory for peace".

The Labour Peace Fellowship is very anxious to make this meeting a success and to get along as many trade unionists, especially shop stewards, as possible. The L.P.F. can do a valuable propaganda job in this field because the Tories and other right wingers have been trying to undermine the campaign for disarmament by raising the bogey of unemployment.

REMINDER OF S.A.C.U.'S INAUGURAL MEETING

The inaugural meeting of the Society for Anglo-Chinese Understanding will take place this Saturday, 15th May, at Church House, Great Smith St., Westminster at 2.00 p.m. A postcard to S.A.C.U., 4, Cavendish Place, London W.1. will obtain full details. Already S.A.C.U. has attracted the attention of the witch-hunters - recent articles in I.R.I.S. and The Sunday Telegraph have raised the question of getting this new organisation proscribed. We are sure that our readers will oppose these efforts.

Issue number eight of International Socialist Journal contains two important papers which were read to a seminar on Marxism at Kozcula, in Yugoslavia, by Herbert Marcuse, the eminent American Marxist philosopher, and Serge Mallet, the French socialist leader. A commentary by Lelio Basso, of the Italian left socialist party, is included. The subject of discussion is the prospect for socialism in the developed countries. It is an important symposium which will interest anyone who wishes to keep up with the European argument on socialist strategy.

Also included are articles on "Open the Books" by Ken Coates, "Automation" by Pierre Rolle, "Sudan" by Jon Halliday, and "The Congo" by Ben Barka. Other documentation and reports include features on Italian trade unionism and Mozambique.

International Socialist Journal cost 4/6, post paid, from 19, Greenfield Street, Dunkirk, Nottingham.

"WHY STEEL"

A new Fabian pamphlet entitled "Why Steel" by Richard Prykes, Research Officer at the Department of Applied Economics, Cambridge, analyses the record of private ownership of steel, and shows how only with nationalisation can its present shortcomings be rectified. The pamphlet has been written in light of the Government's proposals for the industry.

The author shows that steel is a natural monopoly and that all the talk of there being a "competitive atmosphere" under private ownership is false because there is no competition in price. The author quotes Mr. Judge, President of the British Iron and Steel Federation, to support this argument. When Mr. Judge was asked at the Restrictive Practices Court if he agreed that the industry's price fixing arrangements were "not a flexible arrangement giving individual producers some freedom, but an inflexible scheme?", he replied, "I think that is the conclusion one comes to". British steel prices rose by 32% between May, 1953, and January, 1963, compared with an average 10% increase in the price of steel in the Common Market countries.

The author makes an extremely good case for the nationalisation of steel on the grounds of poor export performance, bad planning of expansion, lagging productivity, etc. He dismisses the arguments put forward by the Tories and Liberals on this matter. The pamphlet thus becomes, also, a weapon in the hands of those who are against the present proposals for compensation, and for workers' self-management in the industry.

"Why Steel" is available from the Fabian Society, 11, Dartmouth St., London S.W. 1. price 3/3d post paid.

WANTED URGENTLY: Unsold back copies of The Week. We are getting requests for back copies, especially from libraries and other institutions, which we are finding hard to fulfil. We are sure that hidden away in somebody's cupboard there are many copies of The Week which could be of use to us. Please send them post haste to the business address.

INDUSTRIAL DEMOCRACY SCHOOL A GREAT SUCCESS

The second Voice of The Unions national seminar on industrial democracy, held in London last weekend, was an enormous success. Just a year after the Nottingham seminar, it was difficult to recognise the same movement: for although well over 100 people attended each gathering this year's meeting marked a great advance in a whole host of ways.

Last year, we felt like trail-blazers. Our concern seemed to be still an unpopular, or at any rate an unknown one. Although we reached out to a number of trade unions, at both national and rank-and-file level, and although many academics and journalists were happy to join in, the discussions, compared with this year, seemed tentative, groping, embryonic. To begin with, the 1965 gathering was held, thanks to the kind assistance of the London Co-operative Society, at the New Ambassador Hotel, gleaming and plush in the middle of the West End. The doormen seemed a little disconcerted by the pushing literature sellers, who indicated to the delegates, as they arrived, that even if the venue had changed, the spirit of the gathering had not. But the real difference between the two meetings was in the degree of careful grass-roots work and thought that had gone into the preparation. As a result of the Nottingham meeting, study groups had been brought into being in a number of towns and industries, and a whole succession of Voice papers had been created to widen the discussion. The result was that the groups of miners, dockers, steelmen and co-operators present were discussing hard, immediately practical proposals, which had already been ventilated in quite important organisations.

A full report on the discussions will appear in next week's issue of The Week, and another pamphlet, summarising the findings, will be quickly prepared.

Among the interesting speakers who came to address the public sessions of the conference, undoubtedly the most trenchant and compelling was Ian Mikardo. His speech, which was very widely reported in the press, made a lucid case for quite serious changes in the style of the proposed Steel Bill. But as Ian Mikardo was at great pains to make clear: the key fight was to ensure that any nationalisation measures at all were actually adopted. Mr. Brown's manoeuvres in the Commons debate he condemned outright, to loud applause from the audience. At the same time, the strange fact that steel shares fell precipitately after Mr. Brown's hints of a loophole for the steelowners, underlined the justification for concern about compensation proposals.

Apart from these matters, Ian Mikardo had some very apposite comments to make on the Sheffield charter, which was before the conference for discussion. Another highlight of the weekend was the brains trust, which mustered as spokesmen Clive Jenkins, John Hughes, Paul Derrick, Bill Wedderburn, and a visitor from the Yugoslav Embassy. We hope to publish an extensive report of the views of this team on the subject of incomes policy, accountability, and workers' control, in our next issue.

The next stage in the campaign is an even bigger seminar in Manchester next month, on the weekend of June 19/20th. Enquiries about participation should be made to Tony Topham, at 1, Plantation Drive, Anlaby Park, Hull.

We are reproducing the text of some of the papers discussed at last weekend's school on industrial democracy. Further extracts, together with amendments and comments will be published in subsequent issues.

Workers' Control and Workers' Education by G. Selvarajan

...Workers' control of industry is necessary not only on the ethical grounds of eliminating a highly-paid parasitic bureaucracy but more so because self-government in industry is also the condition for high productivity; it is also because self-government should influence further development of the forces of production. This has been concretely realised in Yugoslavia, where direct management of industries by workers involved in production, was introduced as a condition for the technical and economic development of production.

While we socialists assert that the working classes must take control of the means of production, it devolves on the workers' movement to prepare their workers - leading section, initially - for the actual tasks involved in such a take-over. Such educational preparation can be undertaken only by the workers themselves and their various organisations. Otherwise, while boards of management of industries may have a heavy representation of workers, the board as a whole will have to helplessly depend on a career bureaucracy for the actual day-to-day tasks of managing the industry (e.g. some some..Borough Councils depend more or less completely on town clerks today.)

...(in Yugoslavia) Where the industries are sufficiently large, the education (technical and management) is undertaken by the enterprise itself; the smaller ones...get the assistance of the Workers' Education Association of each republic, which runs workers' universities...The oldest one which was started in Zagreb in 1953, has undergone a metamorphosis, in that its main task today is that of an Institute of Adult Education, where a full-time staff of 120 people devote their time only to planning for new needs, and doing research in the educational and self-management problems. The university employs about 800 part-time teachers (teaching hours 4.00 - 7.00 p.m., 5 days in the week) and the number of students in two centres is 16,000. These efforts are parallel to the general education and universities which play the normal role as in the West.

The education is divided into 3 major groups.

- (1) The general education for those who have missed their opportunities in early life and to those who migrate from the villages to take up employment in industry. Technical education - not ^{only} involving learning their own technology, but also the general methods of production in that particular field.
- (2) Higher Workers' Schools. These consist of students who have gone through course 1, and because of their keenness, intelligence and leadership are chosen to study the problem of management, personnel relationship, financial policy, organisation, further investment policy, economic of Yugoslavia and in addition study Marxist philosophy, the history of the working class movements and their present state.....
- (3) The third field, which had to give precedence to the first two all these years till the economy developed, is the cultural field. Lectures and exhibitions are organised on painting, and appreciation of various works of art.

The Co-op Movement and Incomes Policy

London Co-operative Society has recently accepted the need for national control of prices and investment policy, and other Co-operatives may well follow suit. This is an important development as, up to now, British Co-operatives have jealously guarded their independence. For the largest retail Society voluntarily to offer its co-operation in a national incomes is of fundamental importance.

Once again, building societies are trying to obtain tax exemptions; how many of them are prepared, in return, to accept the following conditions for 'socialisation' set out by the L.C.S.?

- (1) Full disclosure of accounts.
- (2) Limited return on capital.
- (3) Democratic control by members plus submission to overall national planning of level of prices and investment policy.

There is no chance whatsoever of achieving a just incomes policy in the capitalist sector of the economy as long as shareholders remain the "residuary legatees" of accumulated surplus. Many Labour leaders have raised this question. Speaking at the Labour Party Conference at Margate in 1950, Jim Callaghan said: "Where those who have been concentrating on a wages policy over the last five years have gone wrong is that should have concentrated first on a profits policy. I know very well that the Profits Tax undoubtedly did hit them to some extent. I do not think we hit them hard enough."

It is no use turning off the tap after the water has passed through. The water must be prevented from flowing through the tap. It is quite immoral to keep the Companies Act of 1855 which says that if you invest £500 in a company your liability is limited but your return is unlimited. That is the sort of statute that ought to be amended very quickly by a Labour Government. The executive should examine the whole basis of company financing. Let us alter the basis of distribution of company profits. Instead of making the ordinary shareholders the residuary legatees of all the profits that are made, let us make the workers the residuary legatees. Let the shareholders be content with a fixed dividend. Let us abolish ordinary shares.

Let the productivity, let the increased efficiency, return to the worker, and if you do that by making the shareholders' return limited we would be able to call for an all-out effort for productivity that would enable us to go ahead knowing that the harder work, the greater efficiency we were achieving in our industries would return to the consumer or to the worker in the industry.

In the socially-owned sector of the economy, where the problem of the surplus is fairly resolved, the Minister of Economic Affairs might, however, achieve a major break-through, and here British Co-operatives, with a turnover of £1,100 million per annum could have a vital part to play.

Democracy and the C.W.S.

by J. Driscoll (L.C.S.)

...Industrial democracy inside Co-operative enterprises, and by this I mean all the undertakings in which the Co-operative movement is involved, will always depend on the urge of the members to this end. So from the very start we are in difficulties. It is generally known that the members of retail Co-operatives take little or no part in the running of the organisation. If this could be remedied we would be able to put pressure on management to

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Democracy and the C.W.S. continued/

implement any suggestions from the workers towards industrial democracy and a greater efficiency in Co-operative enterprises.

Most Co-operative workers are unaware that they are working for an ideal; a movement created for the purpose of improving the standard of living of the masses. No spirit or purpose prevails; the ideals of Rochdale, so far as most of the employees are concerned, are just a mockery. I think this can be traced to the fact that so far as the C.W.S. Board is concerned they claim that they have to deal with things as they are, in a competitive world of business. They cannot be expected to treat their employees better than those of their competitors, to the extent of only giving wages and conditions operating in the various trades. Many of them are disgracefully low....

I believe we should endeavour to seek from the C.W.S. an agreement for all their employees that would cut out the class system at present in the wage structure. Fix a minimum wage and conditions below which no employee of the Co-operative movement should be fall. This in itself would be an advert for the movement; showing that the ideals still exist.

Of course this would mean that we would have to have a fresh look at the unions catering for the Co-operative workers. These could do with a great deal of re-organisation. I would suggest organisation on the basis of a common employer. Unions, such as craft unions and professional associations, could claim exemption. From this position we would hope to build up an internal structure of local committees, up to national level.

From each local committee representatives would be elected to sit with top management taking their full share of responsibility for management decision. Then area representatives to sit on the full board for a period of two years, with the employees having the right of recall. I believe that this would be the necessary revolution that the movement requires. It could lead to a fresh approach, which would allow the movement to face up to the terrific competition from highly efficient capitalistic business, whose one aim is to crush the Co-operative movement.

Workers' internal knowledge would be useful. At the moment they often question the reasons for a particular method of work. Yet, they have no means of checking its efficiency. To them it appears to be wasteful; but who are they to question? - Those paid to govern! If a lay representative was on the Board with full authority to inspect the books, query decisions that appear to be wrong, his contact with the workshop floor would enable him to explain the details of the schemes to the Society have in mind.

Many of us believe that there is a line of thought prevailing in the Co-operative movement that it has reached its peak, or optimum size; and that if they went beyond this point it would be too big to handle. Over the last decade Co-operative production has shrunk, whilst I.C.I. and Unilever have continued to expand. Could this be because of a successful investment policy which pays off better than spending large sums on capital development? As the standard of living of Britain increase, so will the demand for quality goods. C.W.S. will need to look at all their productions to see if the quality surpasses that of their competitors. I suggest they could use enthusiastic employees as guinea pigs to assure that the produce they sell meets with public approval. The prerequisite to these proposals is enthusiasm on the part of the Co-operative worker, engendered by excellent workings conditions; a trained personnel at all levels, and managerial encouragement - to those who are prepared to give up their spare time in order to bring about the aims of the Co-operative and Labour movement - Socialism....