

The New
INTERNATIONAL

***WHY LABOR SUPPORTS THE
DEMOCRATIC PARTY***

By: The Editor

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***The Social Policies of the
British Labor Government***

By: Henry Judd

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Class Struggle in Czechoslovakia

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THE NEW INTERNATIONAL

A Marxist Review

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MAX SHACHTMAN, Editor

JULIUS FALK, Managing Editor

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Vol. XVIII, No. 4 Whole No. 155
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Notes of the Month:

Why Labor Supports Democrats

The position of the official labor movement in the presidential election campaign could have been foretold without difficulty. Whether the Republicans nominated Taft or Eisenhower, their candidate was sure to face the opposition of the labor movement. It is true that not a few of the leaders of this movement had frantically urged the presidential candidacy of the same general at the 1948 convention of the Democratic Party against the nomination of the same Truman whom Philip Murray eulogized the other day as the "best friend labor ever had." The lips of many of the most practical of labor's statesmen will be bitten through in mortification this Fall, if we make the risky assumption that the General has enough political sense to remind them of their anxious enthusiasm of four years ago. However that may be, labor's almost universal opposition to the Republican candidate is entirely justified and correct.

Eisenhower's nomination was a victory for the liberal wing of the Republican Party only if you accept the grossly arbitrary and perverted interpretation of the term "liberal" that is now standard in the United States. Whoever favors the unlimited use of the political and economic power of the United States to cajole or coerce

the rest of the capitalist world into the war to make the world safe for the ultra-aristocratic position of American imperialism, automatically rises, according to the liberals, into their wide-open category. Liberals then are Governor Dewey, Governor Stevenson, Governor Warren and Governor Byrnes; liberals are Senator Long as well as Senator Humphrey, Walter Lippman as well as the Dixiecrats, Edward Flynn, Edward Crump, Estes Kefauver, C. E. Wilson, the other C. E. Wilson and Paul Hoffman; a liberal is Eisenhower. What grounds there are other than this for regarding the General as a liberal, nobody can or will say, least of all the General himself.

In actuality, the perfectly-engineered nomination of Eisenhower was an outstanding triumph for big industrial and financial capital. For the past several years, Taft has been its respectably authentic voice. But not because of his foreign policy position. That is tolerated or overlooked only because Taft and his followers cannot overturn the basic foreign policy which, regardless of how the election turns out, will be followed just as firmly by the incoming administration as by its predecessor. Taft is presently the ideal political leader of reaction or conservatism in domestic affairs.

But he cannot be entrusted with the post of president, in which he would also have to preside over foreign affairs—a field in which his ludicrously obsolete ideas would bring swift disaster to American capitalism. The Eisenhower candidacy was initiated in such outstanding centers of Republican big capital as New England, New York and New Jersey. These Eisenhower centers delivered the final blow to Taft's aspirations when they were openly joined at the convention by delegations that are notoriously the property of two of the most important aggregations of monopoly capital in the country, Pennsylvania and Michigan. With the nomination of Eisenhower, the Republican Party, as the party of big capital, dressed its foreign and domestic policies into a much straighter line than Taft could ever draw—and did it without cutting off the Taftites.

LABOR'S SUPPORT of the Democratic candidate was assured in advance. In itself, this support represents no change in the situation that has obtained for twenty years. The workers in general and the labor movement in particular have overwhelmingly favored the Democratic nominees since the advent of Roosevelt and the New Deal, and have played an increasingly active and decisive role in their electoral victories. What was new at the Chicago convention of the Democrats was the appearance of an organized bloc of labor leaders, not as visitors or petitioners before the platform committee, but as regular convention delegates with voice and vote. This is a new political development. Its significance is worth dwelling upon.

If there is no real independent working-class party in the United States, as there is and long has been in every other more or less democratic

country, the ungrateful American bourgeoisie has the New Deal to thank for it. The New Deal was launched as a series of improvisations aimed at restoring and expanding the prostrated economy of the country. From the standpoint of the political development of the American working class, however, the New Deal, although accompanied by an enormous increase in the political consciousness of labor, served at once as the greatest obstacle to the formation of an independent labor party and as the most widely accepted substitute for one.

The growth and powerfulness of the political consciousness of the American working class is a milestone in its history. Never before has the working class of this country voted so clearly as a class, even though voting for a bourgeois party. Never before has the working class been so large in numbers—thanks to the merging of the New Deal into the war economy and the fusion of the Fair Deal with the permanent war economy—and its social weight so decisive. Never before has it been so well aware of the all-importance of political influence and political power for itself as a class, a development which is nothing but a reflection of the tremendous growth of state capitalism particularly since the advent of the New Deal, that is, of the political and economic power of the state machinery, of its power to regulate the distribution of the national income, of its power to regulate the unfolding of the class struggle. From this highly advanced political consciousness, which expresses itself almost entirely in bourgeois political forms, to a genuine class consciousness expressing itself in a politically independent movement of its own—will require a violent step, but only a step.

The "violence," that is, the abruptness with which, in all probability,

the labor movement will declare its own political independence and form the labor party, will result from such a gradual accumulation of experience as can no longer be contained within their present form of political existence. But before that occurs, the labor movement appears resolved to continue to the bitter end of bourgeois politics. (By "the labor movement," we must perforce refer today—in the absence of a well-organized, articulate, challenging left-wing in the ranks of the unions—to the articulate, and especially the politically active, officialdom of the unions, against whom the ranks have not yet found their authentic voice.)

To the bitter end: this now seems to mean not only support of the Democratic candidates, but going deeper and deeper into the party itself, and by virtue of this integration, going farther and farther away from the prospect of a labor party. In turn this stimulates the belief among many weak thinkers and not a few weak characters that the political path for labor, in this most exceptional country, lies not in the Impractical Plan to form a labor party but in the Practical Plan to work carefully and even cleverly inside the Democratic Party in order to reform it and capture it for social justice and progress. The latest proof cited to show that the Democratic Party is already (or is still) going to the left and will go even farther—if the Practical Plan is pursued—is the appearance of the labor bloc at the Chicago convention and the record which the bloc achieved. In the very first place, it is supposed to include the fact that overnight the Democratic convention was confronted for the first time in its history with an organized bloc of labor, Negro and liberal leaders comprising something like a tenth of the entire delegation;

that this bloc won the most advanced F.E.P.C. plank in the platform and drove the Dixiecrats to cover and humiliation; that it won a platform plank for outright repeal of the Taft-Hartley Law; that it thwarted the right-wing plot to nominate Barkley for president; and obtained instead the nomination of a stalwart New Dealer like Stevenson. This, it is suggested, is only the beginning, the first time the liberal-labor coalition organized for direct intervention inside the Democratic Party. By continuing on this road, the famous "new political alignment" which we have often heard of from Walter Reuther, is visible on the near horizon, and the idea of forming a labor party may be left to the dreams of the Impracticals.

WHAT ARE CLAIMED as the great initial achievements of the labor bloc, can be rightly appraised only if two interrelated points are grasped:

The first is: the labor leaders know better than most people that the Democratic Party, the party of the New and Fair Deals, has been moving to the right, not to the left. In the heyday of the New Deal, labor was able to wrest its big economic and political concessions without meeting serious resistance within the ranks of the Democratic Party. For a long time now, the resistance has been increasing almost uninterruptedly. To the extent that there is such a thing as an authentic New Deal wing in the Democratic Party, it is now distinctly in the minority and growing weaker in real—not nominal, but real—influence within the party, growing weaker, above all, in its ability to translate into reality the positions it takes in words. Many of the labor leaders were brought up, as it were, in the period of the New Deal. The concessions granted them and the labor movement

they lead, as well as the power they attained through the phenomenal growth of the unions in the last two decades, are associated in their minds with collaboration with the party of the New Deal. Timid and conservative as they are—and that includes the most advanced of them—they find it hard to conceive of a break with the New Deal party (actually, the ex-New Deal party), which they take to mean the same thing as the end of all the gains and concessions of the past. To preserve these gains, and all they mean to the labor movement and its officialdom, they feel themselves obliged to enter the Democratic Party in order to save the New Deal from extinction!

The second is: those who really control and run the Democratic Party, and who are responsible for the steady shift to the right, nevertheless know perfectly well that the defection of the labor movement whose support, by and large, they have had since the advent of the New Deal, means breaking the back of the party, reducing it speedily to political impotence, and above all, turning off the rich stream of patronage and power on which the party bureaucracy, the machine men, have thrived and prospered. They must know that if such a defection should take the form of a labor party, that would be the end of the Democratic prospects to be the ruling party and, in a very short time, even the prospect of its being the second party in the land. To continue the shift to the right without losing the support of labor without which victory is impossible, that is the essence of the strategy of the Democratic machine men. Hence, bring the labor movement (and its indispensable votes) closer and closer to the party and its campaigns, and give every conceivable concession to the labor leaders that

does not entail reversing the basic political direction to the right.

THE REAL POWER at the convention, as in the party as a whole, is the northern and western big-city and big-state machine, variegated in its regional parts but single in its interests. It differs from its southern counterpart in a very simple way: it understands that the party cannot possibly win a national election under the leadership, the program and the candidates of the southern barbarians. At the same time a national victory would be imperilled by a southern bolt. The southerners, who not only threaten to bolt, but have bolted and can do it again, must be kept in the party; and because their threats are serious, they must be given serious and substantial concessions. The labor leaders, on the other hand, make only the mildest verbal threats, but since they are committed against the formation of a labor party, they can be kept tied to the Democrats by cheap verbal concessions. By balancing off its two wings—if such unequal treatment can be considered balancing—the machine men achieve their bureaucratic aims.

The labor officialdom has, however, different interests and different aims. For a favorable political and economic position of its own, it needs a labor movement that also enjoys a favorable position. This, to it, means re-dedicating the Democratic Party to the New Deal. It would hardly be possible for this officialdom to overestimate the power of the working class it represents. But it did not require many hours of convention sessions to show how grossly it overestimates the power that this working class wields *inside the Democratic Party*.

The first public appearance of the labor bloc at Chicago was its attempt to kick out the authentic political

progeny of the southern slaveocracy. The parliamentary propriety of the proposal is of tenth-rate interest or importance. The really important point is that a responsible political party which solemnly pledged to liberate an entire people, like the Negroes in the South, from a monstrous injustice, would not have room in its ranks, let alone its leadership, for those who are criminally responsible for inflicting the injustice—*provided* the pledge was honestly and seriously intended. If it is allowed that the labor bloc was nobly inspired in its "loyalty oath" proposal which, in effect, means the ousting of the barbarians from the party, it should also be noted that the ouster would have increased the specific weight of the labor bloc in the party and greatly improved its bargaining position. In any case, it carried its proposal, but not without support from Kefauver and supporters whose nobility of purpose was completely obscured by their anxiety to kill off the Russell votes in order to grab the nomination. If the machine men were caught off guard by the victory of this sudden and not too principled alliance, it was not for long. They promptly showed that the party is controlled not by the labor delegates, even if allied to the gangbuster, but by the machine—Stevenson's in the forefront. The contemptuously defiant southerners did not budge; they didn't have to; they were warmly welcomed back without having to leave; the courage of the labor bloc and its allies shrank away and they all swallowed the rebuff by the real convention powers. The labor leaders were shown their real place in the picture.

EVEN MORE DECEPTIVE was the show of power that the labor leaders seemed to display in "vetoing" the nomina-

tion for president which was sought for Barkley. You would think that the absurdity of this claim for labor's strength in the Democratic party would be evident on its face. It should be obvious that Barkley could at no time have been a serious contender in the eyes of those who make the decisions in the party. That he is a septagenarian was the lesser of the handicaps of this altogether undistinguished politician. What decided his fate was primarily his complete association with Truman and the administration. The real powers in the party, North as well as South, would not accept a pronounced Trumanite as their candidate. It should hardly be necessary to add that if the party bosses had actually wanted Barkley, the labor veto would have had no effect on their decision. It should be even less necessary to point out that if the labor leaders were so strong that they could veto the candidacy of a staunch Trumanite, their failure or inability to veto the nomination of so odious a politician as Sparkman would be absolutely inexplicable. It was all as simple as the fact that Barkley did not have even a remote chance of winning the election, which was the main concern of the bosses. That did for Barkley. The strength of the labor leaders did not lie in the convention, any more than it does in the Democratic Party in general.

The most revealing of the self-deceptions of labor at the Democratic convention is the platform: particularly, the flat pledge to repeal the Taft-Hartley Law, the pledge to enact an F.E.P.C. law without mentioning that now offensive term, and the promise to put an end to the monstrosity of the southern filibusters in the Senate. These are the outstanding victories of the labor-liberal bloc. Only, they are meaningless victories,

or better yet, they are worse than meaningless. They are perfidious, cynical, misleading, and a deliberate vote-catching trap for the innocent and unwary. That the labor leaders have acquiesced in the laying of this trap is nothing short of an outrage.

Not one of the labor leaders at the convention, or since the convention, or in any statement on the election, has made note of the fact that the pledge to repeal Taft-Hartley and to enact an F.E.P.C. was made at a convention of the party that has enjoyed government power for twenty years and was the government at the very moment of the convention pledges. What prevented the government party from repealing Taft-Hartley and enacting an F.E.P.C. against the filibusters up to now? It could not have been the Republicans, for they were and are the minority. Everyone at the convention, without exception, knew it was the southern Democrats who were responsible, and that their accomplices—for all their protestations to the contrary—are the rest of the Democratic leadership which has allowed them to continue their reactionary sabotage with elaborate impunity. The same convention, with straightened mendacity, condemned the record of the Republican reactionaries in Congress while passing over the record of the Democratic reactionaries in the silence of thieves' solidarity. That silence was not broken even by the labor delegates, even by the A.D.A. delegates, and not even by the Negro delegates. It is a shameful thing to record. It is likewise shameful that nobody at the Democratic convention was asked to explain by what means the incoming Democratic administration would carry out the platform on Taft-Hartley and F.E.P.C., when the outgoing Democratic administration had failed to carry it out; to explain

why any moderately intelligent person should have more confidence in the one to come in than in the one that is going out.

The platform planks on Taft-Hartley and F.E.P.C. were, without a possible doubt, concessions to the labor movement and to the Negro people, and their leaders are entirely justified in claiming them as such. These concessions were the irreducible minimum required to hold the increasingly disturbed and restless mass of workers and Negroes. That minimum was cheap; nobody ever got—or at least ever expected—a bigger return on a more modest investment. The labor-liberal-Negro convention bloc was given *words*. These words could have been matched by *deeds* in the nomination of the candidates called upon to win the victory and translate the platforms into legislative action.

THERE IS NO EXCUSE for misunderstanding the meaning of the nominations that were finally made, Stevenson and Sparkman. Where they stand on controversial questions is a matter of familiar record, and so it was before they were nominated. When Stevenson calls himself, after Eisenhower, a "middle-of-the-road" man, he simply means he is somewhere between Taft-McCarthy and Truman, that is, well to the right of the New Deal. Before the convention, Stevenson took the trouble to make his views public in print: he was opposed to repeal of the Taft-Hartley Law and favored only amending it (was not Taft himself also opposed to repeal and in favor of modifying amendments?); and he is opposed to a compulsory national Fair Employment Practices law. The words in the convention platform on these points become a cynical joke in face of this unaltered position of its standard bearer. They

become a downright fraud, mere election flypaper, in face of the nomination of Sparkman for the vice-president, whose record includes voting originally for the Taft-Hartley bill, opposing its appeal to this day, and opposing F.E.P.C. along with the filibustering gang from the South. The present advertising campaign to paint Sparkman as a liberal because he is not a full-fledged barbarian like other southerners, is disgusting; McCarthy, too, is a liberal compared with, say, Hitler. Stevenson and his Sparkman are authentic representatives of the continuing shift to the right in the party of the ex-New Deal.

In sum:

The labor leaders got all the concessions in words that were needed to keep the labor vote; the reactionaries got all the concessions in deeds that were needed to keep the southern Bourbon vote.

The latest tactic of the labor leaders was bankrupt before it could net a single gain. There is a fundamental reason for it, which they are too primitive politically to see: the Democratic Party is, by its whole tradition, its whole structure, its whole training, its basic associations, its leadership high and low, a bourgeois party. That is how it will live and die. The strength of the working class lies not inside this party but outside of it. It was not even this class that sent the labor leaders to the convention as delegates: in every instance we know of, the labor leaders were appointed as delegates by the party bosses who needed them for one thing and only one: window dressing to attract the labor vote.

There is, to be sure, another, far from unimportant side to the new tactic of the labor leaders, that of entering directly into the Democratic Party in order to determine its course,

instead of merely endorsing what the party decided by itself without laborites in its ranks. Between the officialdom of the labor unions and the officialdom of the bourgeois Democratic Party, there is deep-seated antagonism, which the cleverest tactical tenderness and diplomatic friendliness cannot erase. Each, in its own way, represents different social interests. The conflict between them can be concealed for a time, or dulled for a time, but never reconciled. To protect its own interests, and the interests of the class it represents, however inadequately, the labor officialdom is being driven to political measures of timid desperation. One of them is its spectacular appearance at the Democratic convention as a bloc; another is the taking over of the Democratic Party machine in a few places where it has collapsed almost entirely; another is the taking over of the Democratic election campaign in localities where the official party is prostrate. The old party machine, bourgeois and corrupt through and through on a national scale, will never allow the "laborite upstarts" to gain a decisive position in the party, let alone allow itself to be taken over and even served under laborite politicians. Let the laborites in? By all means and with a maximum of paper concessions! To the fullest extent required to guarantee the voting support of the workers! And above all as guarantee that labor shall not form its own party! Let the laborites have the deciding vote, or even the power of the veto? Never!

ANIMATING THE SECRET DREAMS of some labor leaders, and sustaining the interest in life of some radicals converted to respectability, is the frail idea that they can sneak up quietly on the Democratic Party and make it into the political instrument of la-

bor; that this, and not the formation of a labor party, is the true and unique American way. If they ever realize this dream in life, the second coming of Christ cannot be long off. For even if, by the most miraculous and earnest of organized efforts, the labor officialdom, organizing their followers in whispers, could win the decisive positions through the great American primary elections system, they would capture themselves and nobody else.

The Democratic Party is a big bourgeois political machine. Ever so shrewd labor leaders may join it. But the mass movement they represent cannot join it. The individuals who do, are quickly corrupted in it, as the Chicago convention already showed. The labor movement as a whole cannot bring its real strength to bear upon the Democratic Party: it is not represented in the machine which is the sum and substance of the party, and by its very nature it cannot be. As the political and economic pressure upon it continues in the land, it can and it will bring its strength to bear upon the labor leaders who are now so precariously represented in the Democratic Party. There is no sure way of telling at present which of two forms this pressure will take in the next period: forcing the labor leaders

out of the Democratic Party and toward an authentic, representative, independent party of the working class, or forcing the labor leaders to take such actions inside the Democratic Party as will precipitate the muted conflict between the old machine and the new "interlopers" and lead by another road—an indirect, tortuous, discreditable and foul one—to the same inevitable conclusion: the declaration of political independence of the American working class. But there is a sure way of telling what road should and will be taken by the conscious working-class militants and socialists whose principles on this vital question are buttressed by the entire history of the working class of all countries: The road of progress does not lie through the swamp of capitalist politics and capitalist political parties. In such a party as a minority, labor must take a responsibility for the politics of its class enemy which is at once degrading, incriminating and demoralizing. If ever a majority in such a party, it finds itself without the partners it captured, and is faced with the need of constituting itself as a class political party anyway. That is its need now; there is no way of cheating history and circumventing the need; and the road to it is clear and direct.

Social Policies of Labor Rule

A Review of the British Labor Government

The article which follows is a critical evaluation of certain social policies of the recent British Labor government and their effects upon social relationships within the nation. It forms a part of a long study and evaluation of the Labor government from 1945 to 1951 written by the author.

EDITOR'S NOTE

On the surface of things, the outward relationships between the hierarchised social groups of the British population have undergone no fundamental change. The social comportment of the English "gentleman," so often described, is unvaried; his dress, speech and manners have not changed; the British workers are perhaps more outspoken and vigorous than in the pre-war period, with a greater consciousness of their importance in the national life, but their outward behaviour has not been radically transformed by the fact that their political party held office. The same generalization may be offered for other social classes or groups of the population. But, as we know, social status and position in Great Britain has always largely depended upon property and wealth, their presence or their absence. The foundation of property and wealth consists of fixed capital, in the form of assets, landed property, stocks and bonds, etc. The mobile and dynamic aspect of property and wealth consists of revenue, income, payments, earnings, dividends, etc., that is, all that which the individual accrues as a result of his ownership of capital. A partial, but important, change has taken place in the holdings and possession of the first element of social status in England (fixed capital, wealth); a still

more important and more generalized change has likewise taken place in the second element of social status (income and revenue); both of these changes will be examined below. For the moment, it suffices to point out that such changes have had their inevitable effects upon the social life and habits of great sections of the population, ranging from the landed gentry and aristocracy to the lowest and poorest workers of the oldest industrial quarters. If the landed aristocrat of West Riding no longer rides after his hunting dogs to chase the fox, the impoverished Jewish peddler of the Whitechapel ghetto now has a small business and his home in London's Golders' Green, while the dock worker of Liverpool's slums has moved into a municipal housing project and earns his guaranteed minimum salary each week. These are the form that social changes assume in England: slow, evolutionary, silent and most clearly expressed in terms of concrete factors, such as income, living standards, budgets, food consumption, etc.

The incomes of the rich are, of course, heavily taxed, but it should not be believed that there are not people who live on a lavish scale in England today; the rich, if they so desire, have their capital to spend in supplementation of their income, and many are at present gradually liquidating this capital. The habit and tradition of individual saving, except among the working class and lower middle class, has gone; the attitude being that such savings will be taxed out of existence in any case. Those who are rich, but not in active business, cannot possibly maintain the

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former standard of living on the basis of income in their possession; they spend their capital and, as a result, the inheritance of their children is too small to maintain them. They are obliged to go to work. Those with money and businesses are able to take advantage of the non-taxable expense account provided by the tax laws, as well as the fact that, under the Labor government, capital gains of business were also untaxed. The business man suffered a certain loss of income and freedom under Labor, the heavy inheritance taxes made it impossible for him to accumulate a fortune which he could pass on to his family, but in general he did quite well in terms of real income and was able to maintain a relatively high standard of living. The activities of the London Stock Exchange and the various financial organizations centered in the city of London, known as the *City*, remained largely untouched by Labor. As an English author remarks:

The defenders (of the *City*—H. J.) stand firm, their monetary belts drawn a bit tighter because of high taxation, their amusements curtailed because some former avenues of spending have been closed off; but they remain a compact and integrated body. A few citizens of note from their ranks have negotiated with the enemy, but they feel that no one who matters has gone completely over to the other side.*

THE STATUS OF THE MIDDLE-CLASS individual, drawing a salary, certainly declined under the Labor régime, with the exception of that strata of professional economists, technicians, administrators, etc. who found an important place within the government's planification and control apparatus. His monthly salary did not increase in proportion to the increase of the weekly wages of industrial workers; his importance in the national econ-

* E. Watkins, *The Cautious Revolution*, page 148.

omy was granted smaller recognition than that of the coal miner or the worker who produced articles of exportation. While the total income of the middle class groups did not fall, their proportion of the national income dropped considerably, as will be indicated below. This relative decline struck the middle class worker or employer at his most sensitive point, his social pride. His living standard likewise declined: Not possessing any capital whose liquidation would enable him to continue to live as before, he also found himself unable to buy those small articles of luxury so essential to a middle class existence. Such articles were not subsidized by the government; on the contrary, the heavy purchase tax discouraged their sale. The various privileges and pleasures he desired—owning and operating his own car, buying his own home, spending his vacations outside the country, in Paris, or at Lake Annecy, etc.—all these were denied to him or restricted by various limitations or prohibitions.

As the Labor government developed its policies and the restrictions continued or grew, the "average middle class Englishman," the clerk, the small entrepreneur, the civil service functionary, the domestics, the shop-keepers, etc. became more and more hostile towards the régime. It was our personal experience in traveling through England that whereas the conservative voter or supporter, by his social status forming a member of the bourgeoisie itself, would attack the Labor government with arguments of a political and ideological nature, defending his belief in capitalism, the doctrines of his Party and the evils, according to him, of socialism, the petty-bourgeois opponent of the government and the Labor party would express himself in

much more passionate and emotional terms, bitterly describing the effects of Labor upon himself, his family and their general social status. The difference in temperament and reaction was striking.

A study of changes of income between 1938 and 1949 for salaried people, including civil servants, clerks, shop assistants, school teachers, etc., undertaken by the Oxford University Institute of Statistics* drew the conclusion that an important narrowing of wage differentials between the different categories was to be observed. In all cases studied, except one, the lower down the scale, the higher the increases. The highest in grade had increased its salary by less than the lowest in grade. The fall in the real income of the higher civil servants was especially noticeable. A school principal, for example, in 1949 could only afford a living standard equal to that of a clerical officer before the war; by taking tax and price changes into account, the real value of the differences between wages received by various grades of middle-class employees was estimated to be one half of what it had once been.

Even more striking are the illustrations cited in the series of articles published by *Le Monde* to which reference has been made. We quote at length from the text of the article of March 15, 1952:

The group most affected is that of the liberal professions, whose annual income is not more than 2 or 3 thousand pounds. According to the *Economist*, professors, local functionaries, salaried doctors, technicians, journalists, accountants, architects, clergymen and military people rarely earn more than 1,200 pounds per year. This, for a family having three children, leaves them a net income of 992 pounds, against 530 for a miner and 380 for an

* *Bulletin of the Oxford University of Statistics*, 1950, article "The Levelling of Incomes," by D. Seers, pages 281-2.

average worker. And the *Economist* is able to write: "The winds of austerity are tempered for the salaried person, and the capitalist is protected by his fur coat, but the liberal professions can only shiver." From this follows the incapacity of this later category to give to its children the education which it itself received and which conditions its social position. How can a judge of the High Court who, with three children has a net income of 2,554 pounds, find the 700 pounds each year indispensable for the education traditional of a "gentleman" from the age of 5 to 18? The reduction of his economic standing inevitably results in the lowering of his children's social standing.

As for the British bourgeoisie itself, much can be understood about its new social position within British society as a whole by grasping the fact that, confronted with the process of being socially expropriated from its ownership of large masses of productive capital, it chose acceptance of this expropriation rather than resorting to extra-parliamentary means of preventing it, or at least attempting to do so. Who would say that the British bourgeoisie of the 1920's or 1930's would have limited its opposition to expropriation from 20 per cent of its national capital to parliamentary debates? This was a risky choice in the sense that the inner dynamic of the Labor nationalization program pushed it onward to the decisive point, as in the case of the steel industry, and a third electoral defeat for the Conservative party would have been an almost fatal one. The most spectacular aspects of the general decline of the British bourgeoisie are those represented by its aristocracy and its section devoted to government and political life. These aspects, certainly the more dramatic and interesting, are often taken for and confused with the bourgeoisie as a whole. But, important as they may be, the real power of the British bourgeoisie, its remaining social power, is represented by its

ownership of 80 per cent of the national economy, by British industry, by the network of trusts, monopolies and corporations to which reference has been made.

The decline of the landed aristocracy is an old story in Great Britain, and the dispossession of the political caste of the bourgeoisie by the victory of the Labor Party was neither decisive nor definitive. Under the Labor régime, there was a further consolidation of the remaining private sector of industry, and a strengthening of its capital resources and funds. But it is doubtful whether the British industrialist received much encouragement from these facts. More important, it would appear, was the fact that he saw the establishment of a juridical and administrative procedure, including a social justification in the national interest, by which he could be expropriated from social ownership of his property; he saw, further, the self-expanding tendency of nationalization, the "silent" and "creeping" characteristics of this nationalization; he saw the power of the working class, its organizations and its political party. All this cannot be measured in precise and quantitative terms; it consists of a loss of social confidence and an uneasiness which has been transmitted to all groups within the bourgeoisie.

Finally, there is the question of the British working class in general, and of its trade union organizations. It is impossible to dissociate the two, since the British working class is probably the best organized in the world today, and the outlook and mentality of the British workers has long been conditioned by his membership in the trade-union movement which, for him, has a fuller and more important significance than for workers of other nations. His whole history has been

an organic part of the history of the trade unions, and his political activity, expressed by the Labor Party, which in its social composition, structure and functioning is the politicalized consciousness of the 8-million strong trade union movement, took on flesh and blood in the form of the third Labor government from 1945 to 1951. The responsibility of the British Labor Party leader and the trade union chief before the ordinary members—the rank-and-file—of his party or trade union, while far from attaining an ultimate perfection, has always appeared more real, concrete, less bureaucratic than in most working class parties or trade unions.

THE BRITISH WORKER HAD MANY criticisms of his Labor government, but even when certain of its activities which affected him most directly, such as the nationalization of the industry in which he worked, appeared to him remote, abstract and beyond his power to control or influence, he nevertheless persisted in his belief that it was his government in power, and that it had come about through his efforts, his party and his trade-union movement. A coal miner of Wales, for example, whom we spoke to concerning his grievances against the government, explained that he was a surface worker, that he had earned that week £9/3s./11d. for having worked 10½ shifts, or a total of 66½ hours! He could take home with him, after deduction of taxes, etc. £8/17s/2d., which would cover, modestly, the expenses of himself and his family. He was dissatisfied with the last wages reward of the government arbitration tribunal which had arranged a settlement between the union and the Board; he had pension grievances; he wanted a two week holiday instead of one week; he wanted establishment of

sick pay equal to a normal minimum wage, etc. But he did not attack the government, as such; he had complaints against its specific methods of operation, and the details of handling affairs, but there was no bitter denunciation of the government, such as one could find widespread among middle-class and professional groups. Other conversations, in 1950 and 1951, indicated that an attitude of criticism, disappointment and deception, and often of apathy, were growing in working class circles toward the end of the Labor régime; the initial enthusiasm had clearly gone.

The international situation weighed heavily upon these attitudes, and often workers questioned in different industrial centers of the Midlands or London areas felt that the government and the Labor leadership had "done their best," but that circumstances and factors beyond their control had largely liquidated these efforts. The solid achievements of the Labor régime, measured in terms of its social security program, full employment, housing, food subsidies, etc. were already accepted and integrated in the average worker's life by 1950; what interested him were the new problems posed by the change of events: above all, the decline of his real wages, the soaring of prices and the tendency for all of Labor's carefully constructed economic structure to fall apart toward the end of 1950. The electoral campaign of that year, emphasizing past achievements and defensive in tone, had not stimulated any response on his part. He remained still loyal to his Party—"A worker who votes Labor will never vote Tory; he may not vote, but he'll never vote Tory," we were informed by a young trade-union secretary—but doubt, disillusion and much scepticism had crept into his thinking; the ground

was becoming ripe for an internal crisis within the Labor movement and the Party itself.

ONE OF THE INSTITUTIONS carried over from the war period by the Labor government and by means of which it hoped to assure industrial and social peace within the country was, we have seen, the establishment of the *Joint Production Committees* in the nation's industries, including those nationalized. The government encouraged their development, and such an eminent Labor leader as Sir Stafford Cripps had wanted to make their establishment obligatory in every factory. In view of the importance attached to their activity, it would seem possible to evaluate at least partially, the workers' attitude toward Labor by seeing what his attitude toward these committees were. In his preface to a study largely devoted to these committees, André Siegfried writes:

This is not a minor revolution that England is experiencing in its internal structure. This revolution consists essentially of the fact that the aristocratic England of yesterday has become democratic and, above all, egalitarian. Therein lies the real novelty. It is rapidly liquidating its rich class.*

It would appear to be M. Siegfried's opinion that the institution of joint committees was one of the most important manifestations of the 'revolution' of which he speaks, but this was hardly the case as the text of the work prefaced by him itself indicates. Waline defines the committees, which he compares favorably, from the standpoint of a conservative, with the *Comités d'entreprises* in France, as: "an organ of collaboration working in a climate

* P. Planus, *Comités d'Entreprise en Angleterre*, Plon, Paris, 1946 gives an account of their extent, technique, system of organization, etc.

of mutual confidence," and he cites the words of Mr. Isaacs, minister, who, addressing the *Confederation of Management Associations* toward the end of 1947, stated:

Sainly understood, the joint committees in no sense contain any usurpation of management functions, no more than an attack upon the normal mechanism for negotiating working conditions.**

The fact is that precisely their limited and purely consultative character was responsible for the failure of these committees to develop, and their rapid decline after the war; in visits to coal mines, shipyards along the Tyne, small factories in London area, textile plants in Birmingham, etc., we were unable to find any serious evidence of their activities, beyond occasional routine committee meetings. The workers on the whole had lost their interest in these bodies, and were indifferent. The Conservative Party's "industrial charter," edited by Richard Butler and adopted at its party congress in October 1947, categorically pronounced itself in favor of these committees, granting of course that the authority of the head of the enterprise was not questioned, which were to be the means for the workers to participate in consultation, sharing, and partnership in management, as well as to develop a personal interest in their work. However, if the Labor leadership and the Tory Party saw eye to eye on the value of such committees, they did not convince either the trade unions or the masses of workers of their merits; the abundant literature which exists on the subject is overwhelmingly devoted to the mechanics and the academic details of this conception, with a minute proportion to its realization and the citing of examples and illustrations. The

** P. Walline, *Les Relations entre Patrons et Ouvriers dans l'Angleterre, d'aujourd'hui, Riviere, Paris, 1948*, introduction by André Siegfried.

committees simply never took on any real life. Writing in the *Tribune* of October 31, 1947, Ian Mikardo was able to state, with truth on his side, that most of the committees created during the war have ceased to exist; the rest have no more real activity and management has clearly lost interest in them. Mikardo considers that the decline of the committees was due first of all to their purely consultative character, secondly, the fact that the workers had no right to examine the company's books or no possibility to carry out any direct action in relation to management. This prevented the development of new ideas in the workers' movement as to its role within the framework of private economy, as well as within that of the nationalized industry. The structure for such a possible evolution was, in part, created by the establishment of such committees, but the inner content was lacking.

WHY HAD THE GOVERNMENT failed, on the whole, in its effort to make the joint committees function effectively? This raises the question of the relations between the trade union movement itself, its leading organism, the T.U.C. and its General Council, and the government. As we have seen, the government proposed that the unions accept a new relationship with it, one in harmony with the government's industrial policy of auto-regulation for industry and restraint of workers' demands. Labor proposed that the unions drop their former way of thinking, and their former relationship with the industrialists, in the national interest. It asked the unions not to take advantage of their position under full-employment, and to hold back efforts by their membership to start another cycle of temporary wage gains; it asked, in reality, the unions to share the responsibility of governing with it by adapting itself to a new

relationship within the national economy. We have seen how, in general, the T.U.C. and the General Council accepted this policy, and persuaded the large majority of affiliated unions to follow it, until the inflationary pressure in 1950 became too great to hold back wage demands.

As a consequence of these policies, certain conservative trade union circles, as well as a large number of socialist "intellectuals," economists, technicians and specialists, developed the point of view that the government must, in effect, establish a national wage policy, applicable to all industries, and which would form a part of its planification. Norman McLaren, in an article entitled "Les trade-unions au tournant," poses the dilemma of British trade-unionism in the following terms:

Closely linked with the party mandated to govern the country, the TUC decided to do all that lay within its power to favor the success of the experience it itself had helped to set upon its feet. And this is where the trade union movement found itself confronted with the most crucial of problems. The essential function of a labor union is, of course, to struggle for the interests of the working population. English political tradition requires, in turn, that the essential function of a political party be to represent the interests of the whole of the population. By associating itself closely with the Labor Party while it was in power, the TUC ran the risk of being hampered in the pursuit of its labor demands and the party, for its part, risked giving into an excessive care in order to keep those supports necessary to maintain itself in power.*

This dilemma was accentuated by the fact that not only did the Labor government desire to represent the interests of the nation as a whole, but its entire policy of economic redressment—in terms of its export program, its investment program, its industrial planification program, etc.—depended

* *Esprit*, No. 188, March, 1952, pages 439-440.

primarily upon holding in check that proportion of the national revenue destined for wages and salaries. Those proposing state intervention to fix wage-rates, however, thought they had the answer to this problem. A State wage policy—that is, a centrally coordinated wage policy between government and the trade unions, which would modify, if not terminate, *traditional forms* of autonomous collective bargaining in each industry—could be, according to its supporters, geared to a national production policy already begun in part with the State ownership of certain industries and the planning of capital investment. This, of course, did not exist in Great Britain, where the General Council of the T.U.C. functions only as a coordinating body which makes recommendations of policy without enforcement powers, and where each trade union continues to be an autonomous body engaging in collective bargaining for its particular industry. The advocates of a national wage policy, made enthusiastic by the prospects of their proposal, recognized it would have to be accompanied by a more stringent price control, control over excess profits, and that the tying of the movement of wages to increased productivity would also mean that the government would have to determine what share of value represented by this increase in total output would have to go to an increase in wages. In a word, the functions and responsibilities of the government would enjoy an enormous expansion. Certain Labor members of parliament were even more specific: they suggested that the government should be able to determine a global figure for "that part of the national wages bill which is fixed, directly or indirectly, by trade union negotiation. . . . It would then be the function of the unions, acting in con-

cert under the direction of the General Council, to allocate the total, and any increases in it, among the various categories of workers."* Such a proposal would, of course, require the conversion of the trade union movement into a completely federated body, with the central federal authority having the power to negotiate on behalf of all the workers it represented; it would mean that British trade unionism had fundamentally changed its character.

Such proposed schemas—and many partial or complete versions were common during the period of Labor in power—rarely were heard among trade union officials or those responsible for the actual running of the trade union movement; they were the conceptions of socialist intellectuals and administrators who, made enthusiastic and partly blinded by the vision of national and long-range planning which several years in power had given them, were no longer able to think of the British worker as a worker, or the trade unions as the elementary protective organizations of these same workers. The concrete worker, with his demands and needs, had been transformed into an abstract "economic man" who must be fitted into the schema of planification. Professor Maurice Dobb, commenting upon the difficulty of enforcing minimum wage laws and other elementary legislation to protect workers, remarks: "It is a principle which is now fairly well established by experience that a law for enforcement contrary to the workers' own initiative is almost invariably a dead-letter."* There was no possibil-

* A. Flanders, *National Wages Policy*, page 16.

* M. Dobb, *Wages*, pages 208-9; for an excellent presentation of the national wage policy case, see article by A. Flanders, "Wages Policy and Full Employment in Britain," *Bulletin of the Oxford University Institute of Statistics*, vol. 12, 1950, page 225.

ity of persuading the British worker to accept such a policy, in variance with his tradition and the concrete and immediate interests which have, until now, determined his line of action. Those responsible for trade union policy, including the General Council, opposed any national wages policy, or any restraint on the rights of individual unions to carry on their century-old activities.

The dilemma remained, of course, and no clear-cut solution was ever reached, nor, given the increasing difficulties of the government as its tenure came to a close, could a solution be reached. The British trade-unions would never consent, without resistance and internal upheavals, to what has taken place in other countries; that is, becoming mere servants of the State. If their functions must change under a government for which they are largely responsible, that part of their function which relates to the protection of the worker does not change; on the contrary, it seems more important than ever in a planned economy. The government, recognizing this, placed the problem before the trade union movement, made its series of recommendations, and left the unions to work out their own solutions. This encouraged the unions to look at wage issues in their full economic context, and to relate them to general fiscal policy as well. A coordinated trade-union policy on wages was out of the question, since trade union congresses have opposed any effort to strengthen the powers of the General Council of the T.U.C. No general formula or solution was put forward, but a typically British trade unionist policy of compromises, partial concessions, adaptations, etc., was worked out, in the concrete. The results of this adaptation we know, and they may be summarized as follows: (1) A

trend toward the levelling of wage differentials during the periods of full-employment; (2) a narrowing of relative differentials in wages according to the skill and quality of work performed within a particular industry, accompanied by the raising of wages for unskilled occupations; (3) the formulation of ambiguous, vague and unclear wage policies on the part of both government and the T.U.C., with the tendency for affiliated unions to take matters in hand by specifying their own wage demands; (4) a growing apart of union leadership and union membership, with the leaders engaging in negotiations at a remote distance from the workers themselves, with the possible exception of the miners' union; (5) a greater freedom for workers in choice of their job, giving a greater mobility to manpower; and (6) a serious confusion within the trade union movement as a whole as to its precise role in the new situation which, together with the fact that workers came to depend less upon the concerted initiative of their unions than upon their own isolated initiative, forces the observer to conclude that despite the growth in membership and the basic solidity of the trade unions there was a loss in confidence and inner strength of a kind which is difficult to measure precisely. If we consider, briefly, the constructive and positive demands put forward by the trade union movement as a whole during the years of the Labor régime, we shall have a picture of this loss of vitality and drive, if only because of the limited and conservative nature of these objectives.

THE PROPOSALS OF THE T.U.C. during the years 1945 to 1951 were of the following order: First, to lift the wage standards of the lower-paid workers (the T.U.C. demanded wage increases

only for this particular category of workers until June 1950, when it recognized the need to end the blockage of increases in general); second, to adjust those differentials in wages which were considered unjust and inadequate, including the question of equal pay for women, etc. This was the extent of its propositions on the wages front. It considered its ideas relating to production, which aimed at increasing productivity, as being more important and urgent; this, of course, in agreement with the government. In addition to the program of joint production and consultative committees, the T.U.C. advocated the employment of production engineers by management, as well as the establishment of union production departments by the important national unions. The purpose of such a production department would be to advise the different units of the national union, the shop stewards and the joint production committees as to ways and means of solving specific problems of productivity.* It cannot be said, however, that these propositions met with a warm reception on the part of the unions or their membership. In reality, production efforts were limited to the participation of top union officials in various investigations, commissions (*Working Parties*), production groups which visited the United States, etc., together with the limited activity carried out by those joint consultation committees which continued to function after the war. The desire on the part of certain union leaderships to transplant

* This idea is largely borrowed from those American unions which actively participate in the campaign for more production, even to the point of accepting the principles of so-called scientific management, including time-and-motion studies, etc. It should be added that American unions consciously attempt to raise the efficiency of below-standard factories and spend much money for employing highly-paid officials, and educational work by running schools, lecturers, films, radio programs, etc.

an Americanized conception of the role of the union in the process of production met with such obstacles as to quickly render this suggestion illusory.

At the end of the Labor experience, no fundamentally new viewpoint had developed within the trade union movement, and the multitude of often contradictory tendencies and doctrines still existed, with perhaps a renaissance of purely syndicalist and guild socialist ideas to be noted in the unions concerned with the nationalized industries. The conclusion of Norman McLaren is that:

The very diversity of those currents which express themselves within the British movement, their fluctuations, the absence of apathy thanks to the existence of a still chaotic structure on the whole; all this indicates that the English trade unions still have a long road to travel.**

But it is undeniable that the British workers' movement, as represented by its 8 million organized workers and their unions, retained its full freedom of action and independence, both with respect to the government and to those political views in favor of its integration into the State apparatus that had been proposed.

This brief examination of the social status of the three principal sectors of Britain's population—workers, bourgeois and middle-class—bring us to a consideration of the more difficult and important question of their inter-relationship. If the relative status of the three major social groups was not changed by revolutionary and violent means, such as often accompanies the overthrow of existing property relationships and the substitution of new ones, then what changes could be observed in Britain under the rule of the Laborites? Such changes are generally grouped together under the heading of social levelling which, as

we have seen, is the consequence of a particular policy of wages, prices and taxes. The important details of such policies as they were carried out by the Labor Party have already been noted. What can be said as to their results?

The distribution of national income among the different social categories is certainly one of the most familiar and effective ways of judging the process of social levelling, particularly in a hierarchized nation such as Great Britain. This is a complex concept, into which many factors enter, and subject to much disagreement in interpretation. "The distribution of national income," writes François Sellier in the revue *Esprit*:*

Depends upon three distinct elements: the spread of the remuneration received by the different social categories, the price structure of the different goods, taking into account that the different social categories, even if monetary income is equal, don't make use of their income in the same way; and the distribution of the tax burden according to the different social categories. The real distribution of income is the complex result of the combination of these three elements.

To these three elements in the distribution of national income must be added the additional element of wealth in the form of capital, or property, the maldistribution of which—from the socialist viewpoint—is the most reprehensible of all of capitalism's evils since not only does it add to the income of those already receiving the highest proportion but it arises generally from no effort on the part of those who possess such wealth. Yet the importance of this element has often been underestimated in examining the social redistribution which has taken place in Great Britain. We shall see that the method of an increasingly progressive direct taxation employed by the Labor govern-

ment, and by its predecessors, as a means of levelling incomes has about reached its utermost limits; as a means of amassing taxes it was exhausted by the Labor regime. If a greater equalization of incomes is to be achieved in Great Britain by a future Labor government, it would have to recognize that the effects of its taxation policies have partly been blunted by the *spending of capital*, as well as by the general stimulation of accumulation of capital, to yield revenue and income at a future date. The weapon of redistribution of income by taxation has worn away its cutting edge; further distribution and levelling would require an attack upon the source of unequal incomes which derive from such sources as inheritance and which are unearned. This, of course, involves the basic question of the distribution of *property and wealth*, rather than that of income. What is the present situation in Great Britain with respect to property distribution?

The studies of H. Campion, *Public and Private Property*,* still remain the basic works in this field although they cover only the pre-war period. His general conclusion as to property distribution has been cited elsewhere. What has happened since 1936, the last year covered in the work of Campion? At that time, a slight tendency toward a redistribution of capital wealth by comparison with the period before the First World War was noticeable, but 75 per cent of the total adult population of the nation still possessed only a little more than 20 per cent of its wealth. We must first observe that it is difficult to obtain contemporary information and statistics, because very little has been done

to continue the studies of Campion. Kathleen M. Langley of the *Oxford University Institute of Statistics*, who has made the most recent studies, up through the year 1947, states that: "It is possible to make reasonably correct calculations of the distribution of property in private hands for the years 1936-1938, but serious difficulties arise when an attempt is made to make similar estimates for the post-war years," largely because the annual reports of the *Inland Revenue* authorities and the *Estate Duty* returns for the deceased no longer give sufficiently detailed information according to age, sex distribution, etc., since the war.* Nevertheless, certain tendencies can be described. Death duties have been further increased since 1936, except on estates leaving under £2,000, on which they have been abolished. The trends noted in the studies of Campion have continued since 1936, but not at a greatly increased rate. The top 1 per cent of the population over 25 years of age now (as of 1947) owns under 50 per cent of the total privately held wealth of the nation as against 55 per cent in 1936, a decline of a little over 5 per cent; the share of the top 5 per cent has dropped by the same amount to now possessing 70 per cent of the wealth. The former proposition that three-quarters of the people own only 5 per cent of the wealth must now be amended to read "more than three-fifths of the people." But it must be borne in mind that this change is due above all to the fall in the value of money rather than to any significant change in distribution.** Clearly no sensational change in the distribution of property took place between 1936

* K. M. Langley, article on "The Distribution of Capital in Private Hands in 1936-1938 and 1946-1947," *The Bulletin*, December 1950, page 339-340.

** *Ibid.*, pp. 348-350; also R. Jenkins, M.P., *Fair Shares for the Rich*, Tribune brochure, 1951.

** *Esprit*, No. 188, page 446.

* *Ibid.*, No. 188, page 358-9.

and 1947, and in the 4 years subsequent to 1947 no new measures were undertaken which would have affected the distribution in any serious manner.

The one favorable development is the fact that although capital is still very unequally distributed, there was a substantial increase in the number of capital owners since 1914, with 7,750,000 people owning between £100 and £1,000 in 1947 and 2 and one-half million between £1,000 and £5,000. A levelling-up process has been going on over many decades, but at a slow rate which was not accentuated by the Labor government. Income, never so unequally distributed as property, has tended to level out and to be more evenly distributed at a much faster rate than has property. This has created a paradoxical situation which has yet to be resolved, and which is often ignored by those who make much of the "silent and bloodless revolution" which has unquestionably taken place so far as personal incomes are concerned. Formerly, gross inequality in property ownership went hand-in-hand with an almost equally gross inequality in the receipt of incomes. This was once accepted as a part of the British way of life and the country's social ethos. But just as the hereditary monarchy of Great Britain lost its most important support when the House of Lords ceased to exist on a purely hereditary basis, so did gross inequality in property holdings lose its principal support as a result of the striking development toward equalization of private incomes. Personal wealth and capital holdings stand exposed today, morally and socially without serious defenses if a determined attack should be made upon them*

* The left-wing of the Labor Party has long cherished the notion of a progressive

This anomalous situation was not touched upon by the Labor government which centered its efforts around the matter of personal income and taxation policy. Another paradoxical situation exists in the field of property ownership which, at some eventual date, will present a problem whose solution raises fundamental principles. We refer to the fact that while the public sector of ownership has expanded to an enormous extent, as a result of the nationalizations, from a juridical and technical point of view this public or statified property is mortgaged to private individuals because of the compensation policy of the government which took the form of interest-bearing state bonds. Strictly speaking, it would be possible to deduce from this situation that the state property represented by the nationalized sector of the economy is "owned" by private persons, but this is a legal fiction without social import, and the really important question involved in this relationship is that of annual interest payments of a considerable sum to the holders of these obligations.

ON RETURNING TO THE ORIGINAL three elements which determine the distribution of national income, according to M. Sellier, it is necessary to add certain details to those previously cited before attempting to draw up a balance of the whole picture. The progressive redistribution of the national income began forty years ago, and was carried out in turn by conservative, liberal and, finally, Labor governments. Its principal weapon has been that of the *income tax*, and the rate of tax imposed upon income has mounted steadily until it reached its height under the Labor government. J.-H. Huizinga, in his studies in *Le*

capital levy-tax on wealth and private property as such.

Monde, cites some of the more sensational aspects of this policy: five-sixths of the population, with an annual income of less than £500 now possesses a purchasing power of 25 per cent above that of prewar; the other one-sixth of the population has seen its living standard drop by 30 per cent; a rentier, with an income varying between £1,500 and £1,900 between 1938 and 1949 has seen his real income reduced by 53 per cent by comparison with the pre-war period; a millionaire with an annual income of £100,000 in 1913 (£91,700 after taxation), saw this reduced to £23,000 in 1928, £2,459 in 1945 and £2,097 in 1950. Innumerable other examples of this kind could be cited, but their significance is more sensational than anything else since they do not indicate the situation with respect to the mass of the population, nor that of the distribution of income among the different social groups.

The conclusions of M. Sellier, which are based upon statistics of government reports and the *Economist*, and which are concerned with the spread of individual revenue and income as a whole, must be cited to give a firmer picture of the general movement of social levelling. He distinguishes individual incomes according to the following categories: earnings of workers, salaries of employees, incomes drawn from capital (profits, interest and rent); distributed profits of companies in the form of dividends and, finally, rents. Taking 1938 as a base year equal to 100, M. Sellier concludes that earnings of workers had increased by 158 per cent, salaries by 125 per cent, income on capital by 68 per cent, non-distributed profits of companies by 48 per cent and rents by 19 per cent. And, taking into consideration the real value of this income, in terms of changes in the value of money, he

concludes that purchasing power of the working class increased by 28 per cent, that of functionaries and employees by 8 per cent, while that of holders of income from capital decreased by 20 per cent, non-distributed profits by 29 per cent and that of landlords by 54 per cent. These conclusions which appear too optimistic and which seem not to have taken other factors into account at first glance, must be examined further.

For the tax year 1938-1939, taxable incomes numbered 9,800,000, with a global income of £2,970,000,000 subject to taxation. Approximately 11 per cent, or £306,500,000 of this was taxed away, leaving £2,663,500,000 net income after taxes. Compare this with 1948-1949, to illustrate the new scope of both taxable incomes, the degree of taxation and the revenue in taxes yielded:*

Number of incomes taxes in 1948-1949:	20,750,000
Gross income before taxation:	£7,800,000,000
Taxation imposed:	£1,057,000,000 (13%)
Net income after taxation:	£6,743,000,000

The range and distribution of these personal incomes are shown in the following table which indicates the enormous growth of those earning incomes of between £250 and £1,000 per year in 1949 by comparison with 1938; note also the effect of the progressive taxation as indicated by the column showing the proportion of income before tax retained after taxation:

In general, the above table indicates the continuation of a process by the Labor régime rather than any radical innovation, so far as fiscal policy is concerned. The workers were conscious of the fact that the raising of taxes by means of heavy taxation of

* Annual Abstract of Statistics, No. 87 (1938-1949), page 242.

DISTRIBUTION OF PERSONAL INCOME BY RANGES OF INCOME**

Range of Income before tax	Number of Incomes	Proportion of Income before tax retained after taxation	
		at 1938-39 rates	at 1949-50 rates
£250 to 499			
1938:	1,890,000	96.8%	95.7%
1949:	10,310,000	95.7	94.7
£500 to 999			
1938:	539,000	89.2%	83.4%
1949:	2,443,000	88.9	85.2
1938:	183,000	81.8%	70.9%
£1,000 to 1,999			
1949:	545,000	82.1	74.0
1938:	98,000	70.9%	53.5%
£2,000 to 9,999			
1949:	219,000	72.	57.4
1938:	8,000	42.3%	20.2%
£10,000 and over			
1949:	11,000	45.8	23.2

** National Income, op. cit., page 22.

NB: Incomes not subject to taxation such as certain government certificates, cooperative dividends, investment incomes of charities, etc., are not included; they would not, however, change the comparative figures between 1938 and 1949.

large incomes is a decidedly limited method, whereas the augmentation of the average income of the mass of the population is a much more fruitful way of obtaining results. This policy was pursued with much success.

According to official government statistics, the distribution—in terms of percentages—of personal incomes after payment of taxes changed in an important fashion under the influence of the Labor government. The *Times* of April 18, 1950, stated that: "The

main changes since before the war have been the increase in the share going to wage earners . . . and the fall in th share going to profits, interest and rent." The claims of the Labor government may be summarized as follows:

Expressed in monetary terms, the figures regarding national income and its distribution after taxes, for the same period, are as follows:*

* National Income, op. cit., page 19.

DISTRIBUTION OF PERSONAL INCOMES FROM WORK AND PROPERTY, AFTER TAXATION*

	1938 Per Cent	1946 Per Cent	1949 Per Cent	1950 Per Cent
Wages	39	43	48	47
Salaries	25	22	22	25
Armed Forces Pay	2	8	5	3
Profit, interest and rent.....	34	27	25	25
	100%	100%	100%	100%

**NATIONAL INCOME
(£ Millions)**

	1938	1946	1947	1948	1949	1950
Wages	1,682	2,857	3,295	3,700	3,862	4,096
Salaries	1,054	1,507	1,702	1,904	2,021	2,164
Armed Forces Pay	77	512	324	227	228	233
Profit, interest and rent	1,448	1,969	1,989	2,049	2,100	2,197
Total personal income derived from work or property, after taxation:	4,261	6,845	7,310	7,880	8,211	8,690

M. Sellier, who follows a slightly different system of estimation developed by the *Economist* (June 16, 1951), arrives at substantially the same proportions of the national income which go to the different social categories. He concludes,

The share of income from work (wages plus salaries) in the sum total of income enjoyed by all physical persons after payment of their direct taxes is therefore respectively 65 per cent for 1938 and 74 per cent for 1950."** He concludes further that the proportion going to wages had increased from 39.5 per cent in 1939 to 47 per cent in 1950, adding the important remark that this does not take into account "gains derived from incomes which were transferred (social services, family allowances etc.

However, an important qualification must be made before it is possible to accept the conclusions toward which these statistics seem to point. A change was introduced by the government economists into the last two White Papers concerned with the question of national income. The tables relating to distribution of na-

** F. Sellier, *Esprit*, No. 188, pages 377-8. According to *National Income*, pages 26-7, the total personal expenditure on consumers' goods and services, at 1948 prices, was as follows: 1946—£7,946,000,000; 1947—£8,187,000,000; 1948—£8,204,000,000; 1949—£8,360,000,000; 1950—£8,610,000,000.

This negligible rate of increase (9% in 5 years) is far below the rate of increase of the national income (13%) during the same period; this is the economy of austerity.

tional income now shows the distribution of *personal income, excluding undistributed profits*, whereas formerly it showed the distribution of *private income, including them*. Successive White Papers have given undistributed profits—which may be defined legally as being income which belongs to the shareholders of a company, but which are not immediately spendable—a more and more inconspicuous place position in their accounts; the point of view of the Laborites seemed to have been that in the given situation they represented nobody's income, but strengthened the general financial position of industry, thus reinforcing the national economy as a whole. The amount of undistributed profits retained by companies after payment of dividends, interest and taxes on earnings is equal to the amount available to provide for stock appreciation, and reserve funds, out of which dividends can be maintained if normal earnings fall. The role of undistributed profits is therefore undetermined and depends upon the activity of the government and its policy toward such profits. Some critics of the Labor government have automatically attributed undistributed profits to company, as well as attributing amortization and depreciation to the national income of the capitalist class

thus presenting—it goes without saying—a completely different picture of the distribution of national income according to social groups; one much less favorable to the working class and to the claims of the Labor government. This, however, strikes us as an unjustified attribution since it ignores the use to which undistributed profits were put, in relation to the Labor government's program of encouraging the formation of capital for purposes of expansion and reequipment of industry, as well as to the fact that depreciation cannot possibly be classified as income, but clearly belong under the category of formation of capital. Gross domestic capital formation, which is subdivided between fixed capital formation on the one hand and the physical increase in stocks and work in progress, on the other hand, does not include expenditure on the

* *Economic Survey for 1951*, Command 8195, page 44.

maintenance and repair of plants. Its development during the years of the Labor régime are given in the following table:

We note here not only the governably strengthening the position of private capital in financial terms, forget not only that such was its open government's active support of domestic capital formation and expenditure, by the transfer of its surplus on current accounts and other transfers, but also—and this, it would seem, testifies as to the role of undistributed profits and depreciation allowances on the part of private industry—the role of capital accumulation in terms of its reactivation in industry, by way of the capital expenditures described in the preceding table. This was, of course, entirely in accordance with the policy of the Labor government, much concerned with expansion and reequipment of industry. Those who

GROSS DOMESTIC CAPITAL FORMATION, 1946 TO 1950*
(£ Millions)

	1946	1947	1948	1949	1950
<i>Capital expenditure on fixed assets:</i>					
Public service vehicles	14	25	34	42	41
Road goods vehicles	72	75	71	75	75
Railway rolling stock	22	26	30	31	30
Ships	77	83	75	75	81
Aircraft	—	16	14	25	12
Plant and machinery and passenger cars	350	440	531	603	641
Buildings and Works	865	1,030	605	631	697
<i>Repair expenditure on buildings and works:</i>	—	—	560	600	585
<i>Total fixed capital formation:</i>	1,400	1,695	1,920	2,082	2,162
<i>Value of physical increase in stocks and work in progress:</i>	—165	140	200	215	115
<i>Gross domestic capital formation:</i>	1,235	1,835	2,120	2,292	2,277

* *National Income*, op. cit., page 43.

attack the Labor government on the grounds that it contributed, directly and indirectly, to the formation of private capital, thereby unquestionably, but, more importantly, planification as undertaken by the government was based upon a *mixed economy* concept which assumed a harmonious relationship between public and private sectors of the national economy; the development of one sector would favor the development of the other. It is true, of course, that such was not always the case and a competition between the two sectors over a division of the new capital accumulated had developed toward the end of the Labor government. But, here again, it must be pointed out that the solution of this competition depended upon a series of complex social and political factors, including the international situation; or, in a word, the orientation and tendency of the Labor régime itself. There was no abstract or

mechanical division of capital investment funds under Labor; the division took place according to the interplay of the internal forces which operated within the government and the Party, a state of affairs which, it would appear, reflects not only the democratic content of the régime, but the possibility for various viewpoints to exert their influence in a democratic fashion.

We note, in passing, that the rate of formation of capital came to a halt and began to decline from 1947 onwards, but what is of greater importance is the source of this capital formation and expenditure almost all of which was devoted to the development of private industry, the government's housing program, etc. What is, otherwise stated, the financing of capital investment as carried out by the Labor government? The table which follows gives us the answer to this

THE FINANCE OF CAPITAL INVESTMENT, 1948 TO 1950**
(£ Millions)

	1948	1949	1950
<i>Global domestic investments:</i>	2,120	2,297	2,277
<i>Foreign excess or deficit:</i>	30	30	—229
<i>Total amount required</i>	2,090	2,327	2,506
Surplus on current account of the central government....	310	313	481
War Damage payments and other transfers of central government to private capital account	204	238	145
<i>Less: Inheritance and other taxes on capital</i>	—214	—253	—188
Surplus of local authorities and of national social insurance	135	189	195
Depreciation and amortization	845	1,027	1,124
Increase of taxes on business	154	—15	118
Non distributed profits	524	487	569
<i>Less: Provision for the evaluation of stocks of companies and public holdings</i>	185	—17	—270
<i>Total, less personal savings</i>	1,773	1,969	2,174
Personal savings	317	358	332
<i>Total:</i>	2,090	2,327	2,506

question for the years 1948, 1949 and 1950.

The productivity of British industry increased, we have already seen, by approximately 7 per cent for each year of the Labor régime through 1950, when it began to fall. This increase did not benefit the consumer, but went to the formation of capital. "The real consummable product was more equitably distributed," writes M. Sellier, "but it diminished considerably." "The accumulation of capital increased by the amount which had been deducted from consumption through taxation and the increase in prices, in spite of the rise in productivity. If the accumulation of capital can become a form of exploitation in numerous instances by its very exag-

geration, it is equally incontestable that the survival of the British economy was permitted only by the large accumulation which took place between 1949 and 1950."* The truth of this statement is incontestable, and is the fundamental justification of the Labor government's policy; to which must be added that any criticism of this accumulation must also deal with the question of its orientation and its use: namely, for the program of public housing, for the export program, for the development of the nationalized industries, and for the reequipment and modernization of private industry.

* F. Sellier, *op. cit.*, *Esprit*, pages 379-380.

** Ch. Bettelheim, *Cahiers Internationaux*, No. 34, mars 1952.

DIRECT TAXES PAID ON DIFFERENT TYPES OF INCOME AND PROPERTY*
(£ Millions)

	1938	1946	1947	1948	1949	1950
Tax on income	59	122	108	113	115	114
Surtax	7	8	8	10	11	11
<i>Interest and Profits</i>						
Tax on income	207	657	604	664	791	821
Surtax	43	52	55	67	75	79
Taxes on profits and excess profits	15	391	286	283	300	277
Social security contributions of self-employed workers	—	—	—	10	26	26
<i>Wages</i>						
Tax on income	43	262	228	233	250	254
Surtax	9	15	18	22	24	26
Social Security Contributions	8	31	33	79	105	108
<i>Salaries</i>						
Tax on income	2	205	179	202	210	219
Surtax	—	—	—	—	—	—
Social security contributions	101	135	197	238	292	296
Total:	494	1,878	1,716	1,921	2,205	2,231

* National Income, page 40.

WITH RESPECT TO TAXATION POLICY, it has been pointed out that between 1938 and 1950, the percentage of increased taxation imposed upon wages which, it has been stated, increased by no less than 10,850 per cent!** Whereas the 1938 government took a mere 2 million pounds in taxes from workers, that of 1950 took 219 million pounds; or stated otherwise, the conservative government only took £2 millions from gross earnings of £1,735 millions in 1938, whereas the Labor government took £219 millions from gross earnings of £4,470 millions. This, of course, still left the wage-earning class with a net income of two and one-half times more than in 1938, without repeating the previously described details regarding the enormous increase of those whose earnings were raised to taxable levels, as well as the important changes within the income tax structure itself in favor of families and those with low incomes. But it is important to give a picture of the tax system itself, as it relates to direct taxes, according to the following table:

From this table we see that whereas all taxes on salaries and wages in 1938 made up one-third of the taxes imposed in 1938, the same source provided 40 per cent in 1950; while private industry provided 52 per cent of taxes in 1938 and 54 per cent in 1950. Wages taken alone were 21 per cent in 1938, and 23 per cent in 1950. This would appear to be the correct and objective way of stating the situation with respect to the comparative evolution of the British tax structure as it affected the various social groups and in relation to unearned and earned income. At the same time, this gives the true indication of the Labor gov-

ernment's tax program which emphasized the heavy taxation of wages and salaries, in order to eliminate as much buying power and pressure on the consumer's front as was possible, with a relative easing up on the income of private industry in line with the expressed policy of stimulating the accumulation of capital.

ON THE BASIS OF THE MATERIAL presented, what general conclusions may be drawn with respect to the distributive and social leveling tendencies of the Labor government, First of all, the Laborites did not introduce any strikingly new or sensational measure in this field, but simply continued and deepened the process already begun. The possibilities of a further leveling of the national income were small and no important measure could have been taken, in the circumstances, which would not have tackled the more fundamental issue of the distribution of property ownership itself. This, as we know, the Labor government was not prepared to do.

Secondly, as we move downwards from property income to social income, passing through the categories of distributed and undistributed profits, professional earnings, income from farming, merchants' profits, etc., through wages and salaries and on to social security benefits, pensions, etc. (social income), the percentage income increases are larger for each major group of incomes the closer we approach the bottom; or, as we move from the income of the rich to that of the poor. Our general conclusion is that all the main, historic tendencies toward income equality continued to operate during 1946-1950, but that the general leveling tendencies have been less rapid than in the past, largely be-

cause of a faster rise in living costs for the working class than for others. Since before the war, the net effects of income, tax and price movements have all been egalitarian, but between 1946 and 1950, this egalitarian force shifted to changes in income alone. The rate of change slowed still further in 1948, largely because of the government's wage stabilization policy, and the real value of property income rose propor-

tionately. Beginning with 1949, there was a reversal of the previous tendency for wage earners to gain at the expense of those with incomes from property; a tendency which was related to the government's attitude toward private industry and the accumulation of capital. This seems to summarize those processes which, both in the concrete and in the general, took place under the Labor government.

Henry JUDD

The Struggle in Czechoslovakia

What Stalinist Rule Has Meant

Hypnotized by the terrible vision of 1984, many socialists have come to view the Stalinist empire as the reign of sheer power, as a domain in which history has stopped. They abdicate the responsibility for scientific analysis, out of a feeling of profound disappointment which has its source in the fact that the working class has let them down. Hadn't they been promised that, at least in Europe, the workers' struggle against capitalism would lead to a more just society soon? Instead the workers have submitted to fascism, and looked to Stalinism as their saviour.

This disappointment with history and with the working class has its counterpart in the course of the class struggle itself and in the confusion and passivity that characterize the present state of class consciousness. The aspect of this confusion which interests us here is the myth of Stalinism as socialist, or at least as progressive with respect to capitalism; and the first thing to be observed about this myth is that it exists only where Stalinism doesn't. The Iron Curtain separates those who can be fooled by

propaganda from those whom reality is teaching a less passive attitude and showing a new perspective.

In the Kremlin's European empire, the Czech working class occupies a particular position, because it is the most experienced, belonging to a social structure more or less like that of Germany. This is why its acceptance of Stalinism was especially tragic and why its reactions to the régime are especially significant. The Stalinist coup of 1948 was a victory over the Czech workers, of course, but it was not a real defeat for them, because they had not fought their enemy. The fact that most workers had either a let's-wait-and-see attitude or welcomed the coup as anti-capitalist makes a great deal of difference as far as their present morale is concerned. If one has fought and lost, the result is tiredness, disgust and demoralization; but having trusted the wrong people, one is apt to become fighting mad.

From the immediate political point of view, the extent to which the Czech workers can resist exploitation has a direct bearing on the stability of the Stalinist bloc. But it may well be that

the Czech working class, through its experience of struggle against the new State-boss, will make a contribution to the fight for socialism on another level as well. It has already freed itself of the illusion of Stalinism as a progressive force, and of the vaguer but more widespread illusion concerning nationalization. It has learned not to rely on the state bureaucracy or the Party or government-controlled unions. It has said: "We do not want to go back to capitalism. We want socialism, but this isn't the kind of socialism we want." Taken together, these attitudes spell a renewal of working class consciousness and point toward a way out of the present crisis of the labor movement.

•

THE STATE OF "sheer immobilization of uncertainty and confusion" in which the Czech working class found itself at the time of the coup* disappeared gradually as the situation itself became less confused. To retard the process of clarification, a fairly generous Social Security Law was proclaimed in May 1948 and presented as a gift of the régime to the workers. It was to lull the workers into a careless passivity, since from now on, the providential State would take care of everyone's well being.

But for a Stalinist régime it is of course impossible to maintain the fiction of the "providential State." Its role as the new caretaker of capital includes the extraction of surplus value from the workers, and its measures are logically centered around this main function. The traditional features of the State as arbiter among conflicting social forces disappears rather quickly, because the State itself becomes a party to the social conflict.

* See article by Hal Draper in *New Internationalist*, April, 1948.

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As the régime's managerial face began to show from beneath the "providential" mask, the workers recognized an old enemy. Each measure of the régime, seeking a new intensification of work, resulted in a counter move on the part of the workers. As the pressure to work longer, more intensely and for less pay grew, and shifts of income distribution toward the bureaucracy became more and more systematic, the workers grasped the class nature of their position.

The first reaction after the process of disillusion had set in was the so-called passive resistance. We say so-called because it is a rather vague term, implying anything from an individual absenteeism to a mass slowdown, and because it is usually opposed to armed resistance or sabotage. From a non-military point of view, it is probably more adequate to follow the development of resistance from individual, spontaneous forms, to concerted, but still occasional activity, and finally to an organized struggle.

The results of two of the régime's offensives against the working class will serve us as examples of the evolution.

RIGHT AFTER THE COUP in 1948 the régime issued appeals to the workers to accelerate their working pace in order to show allegiance to their "people's republic." Since at that time the first serious purge was undertaken among the rank and file of the party, a certain number of workers answered the appeal: the card of a shock-worker helped to survive the purge. This did not apply to the average non-Communist worker, however, who merely commented on the zeal of the shock-workers with a joke.

The next phase of the offensive was introduced gradually during the spring of 1949, with an appeal to less

idealistic motives. The rise of prices at the official black-market devalued real wages and made the advantages accorded to shock-workers very attractive. "Those who surpass the norms have to be rewarded accordingly," said Rudolf Slansky, the Secretary General of the Party, in May, 1949. But this was only an introduction to a more subtle role the shock-workers were assigned during the first general revision of individual productivity norms in 1950. The shock-workers had to become members of committees supervising this revision. They were supposed to prove on the spot to reluctant workers that their particular operation norms could be "stiffened." Thus they changed from more or less naive opportunists into agents of the régime. At that point, the workers ceased to be tolerant toward them. We know, for instance, that in some factories shock-workers demanded that their names not be published, for fear of the rank and file workers.

At the same time there was a run on the plant trade-union organizations that were charged with issuing the "shock-workers' cards" which meant important material privileges. "The shock-workers cards," wrote the trade union paper *Prace* two years ago, "are being issued in a more elastic fashion than ever before. This can be ascribed to the fact that they are issued directly by the factory councils, which are in permanent contact with the workers." The plants were flooded with workers having shock-worker cards but offering no shock-workers' performances.

The régime acknowledged its defeat in March 1951 when it discontinued the issuance of shock-worker cards and changed the entire set-up regarding shock-workers, from now on called "innovators" and "best workmen."

THERE IS ANOTHER manifestation of

the class struggle in Czechoslovakia, which we can follow relatively closely thanks to numerous pronouncements of the top bureaucrats and a few published numerical data.

Under the Stalinist régime in Czechoslovakia, wage demands assumed the form of individual bargaining between the worker and the foreman. The wage policy of the régime is simplicity itself. The workers may get more money only to the extent that they increase their working performance. But who decides how a particular worker will be rewarded for a particular operation? It is his immediate supervisor, the front-line agent of the régime in the factory. Everything depends on the amount of pressure applied to the foreman and on the ingenuity with which the workers are able to fool him when he takes note of the work performed. If the balance of power and ingenuity tips in favor of the worker, a difference immediately arises between the amount he should get if the policy of "wages-according-to-productivity" were strictly adhered to, and the amount he actually gets. The pressure on the foreman is transmitted to higher spheres: to the management of the plant, which accounts for higher wages through higher cost per unit of output; and from the management to the Central bank which allocates cash for payrolls. The régime was unable from the beginning to contain the movement of money wages and was compelled to balance it by a continuous rise in prices—the classic procedure of inflation.

Last year it was decided to take drastic steps to keep wage increases in line with the rise (or fall) in productivity. Pressure was applied at the other end of the ladder: Beginning in April, 1951, the Central bank allocated strictly limited amounts of cash for

payroll purposes, calculated according to the planned production quota of each factory. Management was expected to keep its payroll down to the prescribed limit. The régime thus provided us with an excellent opportunity to verify its ability to contain workers' demands through administrative measures and threats.

Judging by a recent declaration of Premier Zapotocky, the workers again defeated the "Bolshevik determination" of the régime: "The plant managements and the managers were the first to circumvent what had to be done in wage-policy. . . . Numerous trade-unions and local trade-union organizations, as well as other trade-union organs, ran away from these obligations too, so that in the end the State Wage Commission with its president [*i.e.*, Mr. Zapotocky himself] remained isolated in their role of defender of a correct wage policy" (*Rude Pravo*, June 7, 1952).

It is important, in spite of such spectacular results, to point out the limitations of the spontaneous forms of resistance. The workers are on the defensive against a vast apparatus of terror that is constantly threatening their standard of living and robbing them of hard-won gains in the conditions of work, and the present methods of resistance can affect directly only what is under the jurisdiction of the plant administrations. If the workers' resistance is to go beyond the level of pressure inside the plants, an organization must channel their uncoordinated energies, rendering them more powerful and maneuverable.

As the quotation from Mr. Zapotocky's speech reveals, even the present, spontaneous opposition to increased exploitation has found advocates among trade union officers and even officials. A glance at the previous development of the trade union and

party organizations will show us how this became possible.

ORIGINALLY THE TASK ASSIGNED to the State trade unions in the bureaucratic division of labor was to execute the régime's policy among the workers, or, as the Stalinist euphemism goes, to "persuade" them that the sweat-shop is for their well-being and that their "egalitarian tendencies" are anti-socialist. The function of party cells in plants was meant to be approximately the same. It is difficult to ascertain to what extent the local trade-union and party cells carried out their tasks during the first two years of the régime. But there is abundant proof that during 1950 activity decreased sharply among the officers of both organizations, who tried not to compromise themselves vis-a-vis the workers. Under pressure from above and facing discontent from below, trade unions and party cells fell into a permanent state of lethargy.

The top bureaucracy of the trade-unions tried in different ways to pour new life into the veins of their chloroformed organization, but since they were not able to blow away the workers' resistance their attempts brought adverse results at best. They tried for instance to replace the check-off system of dues paying by direct collection, which aroused a sort of interest for the collectors in the plants, but not the expected one.

The main attempt of revival came during last fall. The Central Trade-Union Council announced new elections of plant and shop officers, with secret balloting. The underlying idea probably was that voting would provide trade union organizations with fresh officers, the secrecy of the vote assuring some degree of workers' participation. It seems absurd that the Stalinists could have hoped to revive

the plant and shop organizations in this manner. It was a confused attempt, and it brought quite unexpected results.

The secret elections came at a moment when the workers began to realize that even State-directed trade unions have two doors and can work not only as transmitters of governmental orders but also as transmitters of workers' demands. This is how the Minister of Interior, Nosek, characterized the situation on the eve of the elections: "Old, deep-rooted syndicalist tendencies . . . sometimes press the trade union organs into the role of defenders of the working people against the 'employer,' i.e., today against the people's democratic state" (*Prace*, October 30, 1951).

There is little material concerning the course of the elections. Sixty per cent of the officers were replaced, and among the new ones a certain number of former social democratic trade union officers probably were elected. In any case, Premier Zapotocky commented on these elections, addressing the Central Committee of the trade unions: "I ask the question: why did you decide that elections of plant officers should be secret? What sense did it make, since you did not exploit it politically? The foreign broadcast turned the secret elections to greater profit than our own trade union organization" (*Rude Pravo*, November 9, 1951).

It remained to be seen how the workers themselves profited by it, a matter which the official press has mentioned only recently. The Stalinist press is desperate in face of a new trend: the lower-echelon officers of the trade unions, as well as those of the Party, are no longer lethargic but work as a mouthpiece for workers' grievances. We have already quoted the declaration of Mr. Zapotocky con-

cerning the pressure of trade union organizations on money wages. We can complete it by a more recent one in which Mr. Zapotocky points to a concrete example of an attempt to bargain collectively on the plant level: ". . . For instance, the management of the nationalized factory Kovoplastik in Mikulovice quite unlawfully increased its basic wage rates by 50 per cent. . . . The officers of the trade union and party organization also exerted an inadmissible pressure upon the plant management. Instead of furnishing the timers* with political and moral help . . . they forced them by their incorrect procedure to trespass crudely the regulations governing our wage policy" (*Rude Pravo* July 19, 1952). It is not rare that the factory trade-union councils and Party cells work for a downward revision of the planned production quotas assigned to their factory or their shop (*Rude Pravo*, July 25, 1952). An example from the mines: When management tried to introduce an innovator's working method, "the leaders of the Party cell quietly watched the innovator's work being impeded by malevolent people and hidden ill-doers.

The active participation of trade union officers in the workers' resistance is a completely new development. As a matter of fact, we are witnessing a fight of the workers for dominance in the official trade unions, at least on the plant level.

The trend toward organized resistance can of course be affected by unfavorable circumstances. It may be slowed down; but it is fairly safe to predict that its direction will not be changed.

George BENDA,
Natalie SIMMONS.

* A "timer" has the special function of constantly re-adjusting a worker's wage according to his amount produced.

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