

THE

Week

A news analysis for socialists 9d.

No: 2

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No. 1

ALL SOCIALISTS MUST FIGHT AGAINST CONSCRIPTION

There are many signs that the latest military difficulties into which the Government has floundered in defence of the ragged outposts of Empire are once again posing the question of the desirability of conscription to the military establishment. On January 6th the Times reported that Thorneycroft's recent visit to Hong Kong is likely to result in a cut in the 6,000 strong force which is situated there. The need to police Malaysia, as well as Aden and now again Cyprus, has placed a severe strain on the war-lords. The most serious problem they have faced has been the need to cut the NATO force in Germany by 3,000 men, which has resulted in the order to the 6th Infantry Brigade to stand by for service elsewhere.

"A frequently canvassed suggestion," reports the Times "is that the Government may be forced to return to a measure of compulsory military service - possibly to introduce a form of selective service on the American pattern." "For some years," the article continues, "papers have circulated within the War Office at intervals to demonstrate how the gap between the Army's requirements and its resources could be met by calling up, either by selection or by ballot, 20,000 to 25,000 men a year for a two-year term." Mr. Julian Critchley, Tory M.P. for Rochester and Chatham, has tabled a question to the Prime Minister suggesting the selective conscription of 30,000 men a year. Critchley is a member of the Bow Group and believes that an army of 220,000 is needed, which could be achieved if 60,000 National Servicemen were included.

A serious tailpiece to this story is provided by the reported speech of Dennis Healey, Labour defence spokesman, made in York on 5th January. He is alleged to have said: "Unless the Government acts...it may have no alternative to some form of selective service."

It should be made clear to Mr. Healey, at once, that if the Tories wish to kill Indonesians and Arabs in defence of their plundering interests, they must go and do it themselves. This is a task which young people in Britain are no longer willing to perform, and anyone who tries to impose it on them must and will be sharply checked. It is a matter of high importance that Young Socialist branches, trade union, and C.L.P.s, together with CND groups, should begin to warn their members of this threat and take steps to meet it in the strongest possible way.

DON'T LET RIGHT WING OFFICIALS SQUASH YOUNG SOCIALISTS' LOBBY

The Young Socialists are due to hold a lobby of Parliament on the issue of youth unemployment next month. Readers of The Week need not feel ashamed if they have not heard of this forthcoming event because no announcement or advance publicity has been given, despite the fact that the decision was taken by the NEC of the Labour Party over a month ago. A report appearing in last Sunday's Telegraph said "...that some Transport House officials...fear that the demonstration...will prove an acute political embarrassment..." and that hopes were being expressed that an excuse would be found to cancel the operation.

Quite apart from the principle involved the effect of such a cancellation would be extremely demoralising to the already shaky Y.S. movement. Figures elsewhere in The Week show that youth unemployment is still a terrible problem despite the improvement in the overall employment position. The best way to meet this threat is to pull out all the stops and ensure the largest possible number of delegates and participants.

40-HOUR WEEK AND "EQUAL PAY" FOR COACHEUILDERS

About 20,000 workers making buses, luxury coaches and motor bodies are to have a 40-hour week next year and pay increases as from January 6 of between 4 and 5%. In addition a certain measure of parity between men and women is to be introduced. The new wage rate for women will be the same as that for labourers in the industry ($4/6\frac{3}{4}$ d per hour) but since the women concerned are semi-skilled workers the settlement does not give "equal pay" under a strict interpretation.

Alfred Roberts, general secretary of the National Union of Vehicle Builders, has described the agreement as "quite an advance." Certainly it will have the effect of increasing the pressure on engineering employers to concede the 40-hour week and equal pay.

HOUSE OF LAY-ABOUTS?from a London correspondent

Mandrake, in his column in the Sunday Telegraph of December 27 had an interesting item on how British peers earn (or don't earn) their living. Amongst those with inheritable titles (this includes baronets) and even excluding those aged 75 or more, it seems that "over one-third have never followed any gainful occupation, and another 25% have already retired from work." In other words, even disregarding the very old title holders, "less than 40% are currently in jobs; and among this minority nearly half are company directors."

HOW FORDS HOPE TO KEEP HALEWOOD HAPPYfrom a London correspondent

Just before Christmas (December 23rd) The Times carried an item from a Northern correspondent about labour relations at the new Fords factory at Halewood. It argued that executives at the factory, which is near Liverpool, attribute their success in avoiding labour troubles to their policy of selecting men "on a basis of character rather than previous experience." Men are given jobs because they are fit, have good working records and have the "ability to work hard and fast under a shift system and to accept a fairly tight discipline." Despite this Ford are finding that "many (of those selected) cannot take kindly to hard, concentrated work over a period of hours."

Special precautions are being taken to exclude "local trouble makers." The company has fairly "extensive knowledge" of these gained by "exchanges of information with other employers" and "while there is no political discrimination the chances of an agitator getting an undercover job are slight. A few doubtful cases have slipped through the net, but they are known. They will be allowed to go their ways in peace unless they try to start something."

The recruit training system now includes a six-month course for prospective foremen, a course "which obviously owes a lot to Sandhurst, Dartmouth and Cranwell." One class visited "was tackling the problem of how to deal with a man who was expecting promotion and who was not going to get it." 90% of the workers belong either to the TGWU or to the NUGMW. Major questions of pay and conditions are to be negotiated at Dagenham but local problems are to be dealt with by a newly-formed works committee. Full-time union officials on Merseyside have "made it clear that they do not intend to have the initiative taken out their hands by shop stewards and are visiting the factory twice a week."

MORE NATIONAL AFFILIATIONS TO M.C.F.

The Movement for Colonial Freedom has had two new national affiliations recently, says a report in the current issue of Colonial Freedom News. One is from the Scottish Horse and Motormens Association (20,000 members), the other from the Free Oman Committee. This brings the list of national T.U. affiliations to 21, an increase of two unions this year. The Free Oman Committee is the third non-T.U. national affiliation year, the others being the National Association of Labour Student Organisations and the Iraqi Students Society.

VERY HIGH RATE OF YOUTH UNEMPLOYMENT IN MERSEYSIDE

The rate of youth unemployment on Merseyside is almost nine times higher than in the Greater London area. This remarkable figure emerges from a study of the statistics for November published in the Ministry of Labour Gazette. Despite the great difference between the populations of the two areas, more boys and girls under the age of 18 were without jobs on Merseyside than in London, 2,642 compared with 2,348.

Other blackspots for unemployment amongst youth are: Tyneside (1,716); Glasgow (1,541); Teeside (1,134 or more than one in five of the total unemployed); and the Highlands & Islands (761) more than one in six of the total).

C.N.D..HOLDING VARIETY SHOW TO HELP FUNDS

C.N.D. are holding a variety show in aid of funds at St. Pancras Town Hall on Sunday 12 January (7.30 p.m.). The show, "The Scound of Symbols", stars Edric Connor, Miriam Karlin, George Melly, Cardew Robinson, Sheila Hancock, Anna Massy, the Tony Kinsey Quintet, Bruce Turner's Band and many more. Seats: £1, 15s, 10s, 7 s.6d, 4s, sold only to members of CND Stage Club (Membership 2s.). You can book now at CND, 5, Caledonian Road, London N.1.

INTERNATIONAL DISARMAMENT CONFERENCE IN SWEDEN based on Peace News report

Peace News, 3/1/64, reported a conference to be held at Tyringe, Sweden, on January 9-13 of the International Confederation for Disarmament and Peace. The conference will hear a paper by April Carter on unilateral initiatives. Others who will speak include A.J. Muste (USA), Dr. Heinz Kloppenburg (Germany) and Claude Bourdet (France). The conference will receive reports from six working groups dealing with peace research, the establishment of contact with other organisations and various internal matters.

In her paper April Carter lists a number of "essentials for an international peace action programme for Europe." The most significant practical point is one calling for a programme that "provides for all wings of the peace movements, those committed to constitutional action, those committed to political action, and those committed to direct action."

RONALD MEEK TO SPEAK AT NEW LEFT MEETING IN NOTTINGHAM

Readers in the Nottingham area will be interested in a meeting of the Nottingham New Left Club on Friday, January 31. Ronald Meek, of the Department of Economics at Leicester University, will speak on "Russia since Stalin", Room 5 of the Albert Hall Institute, commencing at 7.30.

SHIFT WORK AND THE INTENSIFICATION OF LABOUR from a London reader

An article in New Society, 2nd January, "The Future of Shift Work" by Stephen Aris examines the human consequences of the shift work system. There is first the physiological effects: "The human body it seems, does not take kindly to working by night and sleeping by day. According to the experts we possess what is known as diurnal rhythm which is dictated, among other things, by our blood pressure, rate of breathing, pulse rate, bowel function, gland action and so on. By measuring the body temperature (the easiest of these to gauge) doctors have discovered that the body is at its most efficient at 6 p.m. and least effective at 3. a.m.. The crucial question is: when a man's living pattern is reversed does his diurnal rhythm change also? The answer is a qualified "No". Two Dutch doctors, J.M. van Loon and F.M. Bouer of the Netherlands Institute of Preventive Medicine have established that, although the rhythm is disturbed very rarely is it completely reversed." After saying that research has not fully confirmed the consequences that could be expected, Aris continues: "All the researchers however have found that shift workers invariably suffer from loss of appetite, weight and sleep badly during the day. In Norway, for example, 97% of those with houses close to traffic gave sleeplessness as their reason for leaving shift work and even with those who had quiet houses the figure was 84%. Lack of sleep is the shift workers' universal complaint..paradoxically it is on the wives that much of the burden of shift work falls. In a household where three men are on shifts - often different ones - the housewife can cook up to 5 meals a day besides looking after the children and shopping....Dudman (industrial chaplain to the Scunthorpe steel companies) believes that shift work puts a 'very serious strain' on young married couples and points to comparatively large number of women in the district's mental hospital who have broken down on account of loneliness." Aris points out that managers, who do not work shifts, are likely to be ignorant of what shift work involves.

Aris writes that "for whatever reasons shift work is introduced it is bound to increase". Sometimes, as in Scunthorpe which Aris studied, shift work is a technical necessity because continuous processes are involved. In these circumstances it is important to the unions that wages reflect conditions and that unorganised workers are not introduced by the companies to avoid this: Aris records that at an average of £16. 5s. weekly, wages are "not startlingly high" in Scunthorpe.

Increasingly shift systems will be introduced, according to Aris, not for technical reasons but simply to maximise profit. "As new machinery is increasingly expensive it becomes economically essential to use it as intensely as possible." In other words, this intensification of labour is directly linked to the change in the organic composition of capital (the growth of fixed capital in relation to variable capital or wages).

OVER 32% OF ALL WORKERS IN MANUFACTURING WORK OVERTIME

The December, 1963, issue of the Ministry of Labour Gazette gives statistics for overtime worked in the manufacturing industries during October. These reveal that of the somewhat over 6m. workers employed, just under 2m. (32.3%) worked an average of 8 hours per week overtime. The proportion working overtime was very high in non-electrical engineering (44.7%) and newspapers (45.6%), whilst in chemicals and dyes, operatives working overtime did on average 10.7 hours per week.

STEEL EMPLOYERS TO START FRESH CAMPAIGN ON NATIONALISATION

The British Iron and Steel Federation are to launch this month a new campaign against Labour's plan to renationalise the steel industry, according to a report in the Financial Times, Jan. 1st. The chief medium will be newspaper advertising and the aim, a Federation spokesman has said, will be to tell the electorate "quite clearly and distinctly, and without mud-slinging, what the industry has done and is trying to do." In addition, independent companies will be free to carry out their own campaigns. Federation officials will not disclose how much the campaign will cost. It is still not known how much was spent on anti-nationalisation advertising before the last General Election, though a figure of £300,000 has been suggested.

CAMPAIGN PLANNED TO KEEP RESALE PRICE MAINTENANCE

Any moves to end resale price maintenance are to be opposed by manufacturers, wholesalers and retailers through their trade associations. The President of the Board of Trade has promised a statement soon on Government policy on fixed prices and the Resale Price Maintenance Co-ordinating Committee, representing 32 national trade bodies, is to mount a big campaign if this statement proves unsatisfactory.

Meanwhile, opposition is being organised to John Stonehouse's Private Member's Bill to end R.P.M., due for its second reading on January 17. Despite the fact that he is a Co-op M.P., the movement is not supporting the Bill and the latest edition of Co-operative News is critical of it. Individual trade associations are organising a mass lobby of M.P.s and the National Chamber of Trade has circulated its members urging them to actively oppose the Bill. Amongst those anxious about the growing support for ending the manufacturer's right to enforce prices are tobacco companies, furniture makers, the motor industry and manufacturers of electrical goods.

INDEPENDENT FILM-MAKING THREATENED BY BRITISH LION TAKE OVER

An article in the Financial Times of January 1st links the plan to dispose of the assets of the Government controlled British Lion Company to private interests with the present crisis in independent film production: "... (the two) may seem to have little connection. In fact they are closely - and possibly fatally - linked. Some of the independent producers argue that the production crisis has been caused by the policy of ABC and Rank in making many independently financed films wait up to 9 months for a showing on their circuits. As a result, the independents cannot get money to finance further films.

"Many of these small producers get a proportion of their money from British Lion, which is the only distributor independent of ABC and Rank.... If Mr. Box takes over ... the independents fear the company may fall into the maw of the two giants. So the whole crisis now revolves around the fate of British Lion.

"Independent producers are worried... for a number of reasons. Firstly, Box... is not universally regarded as an outstanding film producer... Secondly, Box, like his sister Betty has worked for long periods with Rank... However, even if the prospective new owner gained golden opinions from the industry, producers would still be opposed to anyone other than the Government controlling British Lion.

THE FORMATION OF THE MORO GOVERNMENT AND THE SPLIT IN THE PSI

The formation of the Moro government accentuated the two crises in Italian politics at this stage; firstly, the crisis of Christian Democratic leadership with its monopoly of real governing power; secondly, the whole debate on the strategy and tactics of the left-wing forces. The immediate results of recent events have been clearly reflected in the three main parties; in the Christian Democrat Party, where a split has temporarily been patched over; in the PSI (Italian Socialist Party) where there is now a de facto split; and in the PCI (Italian Communist Party), which has made a rapid tactical swerve to the left.

As a result of their reverses at the polls in April, the Christian Democrats have been forced to abandon their monopoly of power; this they have done in two ways: (1) by appearing to give considerable ground to the PSDI (Social Democrats) in certain fields, such as foreign policy, where the PSDI is as far, if not further, to the right than the Christian Democrats; (2) by incorporating the PSI in the government - Nenni has a completely honorary vice-premiership; the only key PSI ministry, the Budget, has been hamstrung in such a way that Giolitti cannot move without the approval of his colleague, Colombo, a key leader of the right wing of the Christian Democrats (the so-called dorotei).

The attempted revolt of the old right of the Christian Democrats was swiftly reduced by the intervention of the Vatican, but more importantly, the modern left of the party, represented by Fanfani and Sullo has refused to accept posts in the government.....However, the headlines in Italy have been held by the split in the PSI; at the Congress in October, when the party was already seriously split on tactics and ideology, Nenni obtained a qualified mandate from a small majority (57%) to join the coalition government, but on certain conditions, in particular concerning NATO and German rearmament. Instead of joining in a coalition government reflecting a balanced compromise between the various parties, Nenni has agreed to give PSI approval and participation to a regime actuating Christian Democrat policy, has agreed to total exclusion of the Communists, which is a prelude to further betrayals demanded by the Christian Democrats. The government supports all the aspects of NATO policy which the PSI has traditionally rejected - including the multilateral force, atomic rearmament for West Germany. In the conditions, the left wing of the party felt obliged to refuse its consent to the government and, after a declaration, walked out of the Chamber. The right of the PSI revealed their splitting intentions by referring the 25 rebel deputies to the party court (loaded in their favour). This decision to treat a serious political difference as a matter of discipline has now created a situation where the left (40% of the party) must break away in order, as Basso said 'not to split ourselves from socialism.'

It is this situation which has caused a certain tactical, but nonetheless important radicalisation in the PCI; the presence, not merely of a serious ideologically left party as such, but rather of a constant and exhaustive left critique and analysis of the total situation of Italy represents a massive threat to the present stance of the PCI, which has always been safe as the party on the extreme left of the spectrum (while the left of the PSI was forced to stick with the right of the party for reasons of discipline), although its tactics have been to stay as near as possible to the parties on its right, presenting itself as a

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ready-made alternative, or a worthy partner (with 25% of the vote).

The centre-left is the last manoeuvre open to the Christian Democrats to retain power (with a possible variation represented by the Fanfani-La Malfa-Lombardi team which has deliberately stayed out of the government for this reason); this is therefore a decisive phase in the class struggle in Italy; the PCI seems prepared to commit itself to a major battle in the coming period to topple the last possible compromise by the bourgeoisie. The definite clarification of forces, between the class collaborationists and those who represent the real interests of the working class can only help to hasten victory. The socialists are committed to an anti-communist policy in the government, and to collaboration with the communists in the unions; no verbal acrobats have been able to conceal the irresolubility of this contradiction from the Italian working class. The immediate formation of the left socialist party and united and vigorous action by all the forces of the left in all fields could throw the bourgeoisie's latest experiment into crisis.

Ed. Note: The above article was sent by an Italian correspondent and in view of its importance we decided to print it in full in one issue.

THREE MILLION WEST GERMAN METALWORKERS GET SHORTER HOURS

On January 1st, some 3 million West German metalworkers (roughly equivalent to engineers in this country) went on to a 41½ hour working week. This reduction in hours is stage two of a long-range agreement which will bring them on to a 40 hour week by July, 1965.

MORE PRIVATE ENTERPRISE IN POLAND from Financial Times 7/1/64

In Poland, the Communist country with the largest remaining private sector of its economy, the Supreme Council for Private Trade and Services has granted 95% of the applications for 1964 renewals of private trading licences. It has also granted 1,700 new licences for 1964. Mr. G. Mokiewicz, the representative on the Council of the private traders themselves, has stated that 59,000 private businesses are operating.

TWO-YEAR WAGE AGREEMENT IN FINLAND

The Finnish Employers' Federation and the Association of Trade Unions have agreed on a draft two-year collective agreement governing wages until the end of 1965. The Communists and the Social Democratic Central Association of Unions have criticised the draft agreement for tying the hands of the unions too much. The agreement includes an index clause according to which wages will automatically be increased progressively greater sums when the cost of living index rises to 164.171 and 182 points. Since the new 10% turnover tax alone will probably push the index up to 162 the increase in wages is expected to be 8.5% this year. Other provisions include the establishment of equal pay rates for men and women by 1965 and some improvements in sickness and overtime rates. However, according to this draft, Finnish workers would have to wait until 1970 before they get the 40-hour week.

The aim of the agreement, from the employers' point of view is to try to ensure 2 years of industrial 'peace' at a time when the policy of the government is causing inflation.

ONLY MILLIONAIRES OR FRIENDS CAN ASPIRE TO PRESIDENCY

Further to our item in last week, issue on President Johnson's personal wealth, our attention has been drawn to the following which appeared in the U.S. Weekly Parade: "To run an effective campaign, today's presidency-seeker needs airplanes, automation, television and poll-takers — all expensive." The article, entitled "Do you have to be a Millionaire to become President?", discussed the situation in the Republican Party. It estimated that "The man who obtains the Republican nomination...will have spent a minimum of 1,000,000 dollars." The article pointed out that expenses would not be of much matter for the leading candidates for the Republican nomination in the 1964 presidential race, as were known so far, since they were either millionaires or multi-millionaires. Giving details of their fortunes, it said Rockefeller had a fortune estimated at 200m. dollars and received an income of 5m. dollars a year in dividends and interest. Barry Goldwater, although the size of his fortune was not known, had bought more than 2m. dollars worth of shares last year. Scranton had inherited \$10m. from his mother, and Romney, who was former president of American Motors, became a millionaire by virtue of exercising a stock option.

YOUNG SOCIALIST PAPER LAUNCHED IN CANADA

Young Socialist Forum, a paper for students and young workers, was launched nationally in Canada in December. The first issue is a lively 4-page tabloid. The main article calls for an end to nuclear arms in Canada. The publication began as a mimeographed monthly published by socialists in British Columbia. It was endorsed by the British Columbia provincial council of the New Democratic Youth which is connected with Canada's equivalent of the Labour Party, the New Democratic Party.

Because of a witch-hunt against socialists in the two organisations, the endorsement was withdrawn and some of those on the editorial board were expelled. The Ontario members decided to continue the publication as part of their fight for reinstatement. A copy of the publication can be obtained by writing to the Young Socialist Forum, Box 939, Adelaide St. P.C., Ontario, Canada.

LESS MILITARY SPENDING MAY HIT U.S. ECONOMY from Financial Times

The \$1,000m. reduction in next year's defence budget announced by Senator McNamara after his meeting with President Johnson in Texas, December 30th, points the way towards even larger cuts in the next few years which may have significant effects on the U.S. economy. According to current estimates, defence expenditure in the fiscal year starting next July will be \$1,000m. less than the \$52,000m. expected to be spent in the current fiscal year. Defence officials have forecast that the defence budget may drop to about \$45,000 over the next 5 years and this would imply a 10% cut in defence spending compared with a 22% increase over the past four years.

CUBANS ACCUSE CIA OF BLOWING UP TORPEDO BOAT from Hsinhua

The Cuban Ministry of Revolutionary Armed Forces issued a communique December 28th accusing the U.S. Central Intelligence Agency of blowing up a Cuban torpedo boat with a mine....It recalled that the boat was blown during the night 22/23, in the Bay of Siguanea, and that 3 persons were killed. Only the U.S. forces had the means to do this.

AMERICAN PUPPET REGIME IN SOUTH KOREA EXPOSED from a London reader

Under the heading "Crisis in Korea: Economy Flounders Despite Huge Doses of US Aid" the Wall Street Journal of December 16, exposes the failure of this American puppet regime. Reviewing the past year, it says: "Since January rents have gone up by 25%. Some staple foods, including rice, have doubled in price this year. About one-fourth of the nation's labour force is unemployed. Each morning, men in tattered clothes stand shivering in the raw cold near Seoul's central railroad station, waiting to get food from a Catholic missionary relief kitchen....While South Korea's population grows each year by nearly 3%, its gross national product last year advanced by only 2.6%" (our emphasis)

The article points out that South Korea has received \$2.7m. in economic aid and \$1.5m. in military aid during the last decade. The hysterically anti-Communist Pak regime evidently feels that these vast sums are their personal reward for services rendered in suppressing the Korean people. The article comments: "American officials are openly critical of the junta's high living, which chiefly involved liberal outlays for goods abroad....local businessmen, with government help, have lavished foreign exchange on equipment for plants to make lipstick, cigarettes, stockings and similar items - mainly for the local market...the junta put up a state owned television station and, to assure the station listeners, imported nearly \$2 million worth of TV sets....Tired of riding around in battered US jeeps, the government built a \$5 million plant to assemble Datsun Bluebirds from Japan. With the drying up of the government's resources, no more Bluebirds are coming out of the plant, like two score others put up or renovated with US aid, is now standing idle." The report adds that despite the economic crisis "the government here appears in no hurry to press fiscal reforms."

Meanwhile, under the impetus of its 'Flying Horse Program', the Northern Republic records new successes in the harmonious development of its economy and social services. It is not surprising that in recent years it has received 70,000 refugees from the corruption, military rule, poverty, disease and unemployment of the US-occupied South.

PRO-US MILITARY CLIQUE IN SOUTH VIETNAM CLOSE DOWN 5 NEWSPAPERS

The Vietnam News Agency reported on January 1st that the South Vietnam puppet clique has closed down 5 newspapers in Saigon. They are the Dan Den, Dan Ta, Tan Van, Bao Moi and Dan Luan. The military clique accused these papers of having either called for an end to the war in South Vietnam or protested against the reactionary line pursued by the regime. The government has now declared that it will apply all the anti-democrat laws imposed on the press by the French colonialists and the Diem regime.

BIG INCREASE IN MALAY MILITARY BUDGET based on Hsinhua report

The House of Representatives of Malaysia adopted on December 28th the defence budget for the coming fiscal year. The Budget revealed that expenditure on defence would amount to over 158 million Malayan dollars (approx. £18.5m.), or 70% more than the current year's budget adopted by the Malayan Federation before the formation of Malaysia. When the Defence Minister introduced the budget he revealed that the strength of the regular army in 1964 would be double that of 1960.

THE FIGHT AGAINST BUREAUCRACY IN ALGERIA

The following editorial appeared in the Algerian weekly Revolutions Africaine, December 21. It was signed by Mohamed Harbi, the editor, who is also a leading member of the preparatory commission charged with organising the forthcoming FLN congress. Ed. Note.

"Algeria has decided on socialism. Nevertheless national independence has not been completely won; the economic, social and political bases of socialism have not yet been assured and consolidated. It is the duty of genuine revolutionists to locate in an exact way the forces whose action tends to aggravate the antagonisms and internal contradictions of our country. The struggle conducted by Revolutions Africaine and other Algerian journals against changing the political line defined by the general secretary of the party helps to bring into view the dangers faced by our Revolution.

"Since..independence, a new social layer with a bourgeois mentality has formed within the state apparatus...It is this layer...that presses for the fusion of the state apparatus and the party in order to lift itself above the popular masses. It is this layer...which in every essential problem places the activists and partisans of socialism before the dilemma : "Shut up or be accused of antigovernment action." Because of its position in the machinery of the state and the economy, the bureaucracy can prove to be more dangerous for our evolution toward socialism than any other social force in the country. It is through this layer at the present time that imperialism as well as the bourgeoisie transmits its influence.

"...In the struggle against these negative tendencies, the national press in a general way, and the party press in a particular way have enormous responsibilities...The difficulties of the period of transition from the colonial capitalist system to socialism require a permanent struggle to reinforce the ties with the masses, a combat that is inseparable from the struggle against all the errors and all the deviations which tend to sow doubt and discouragement in their minds.

UNEASY PERIOD AHEAD IN VENEZUELA

from a London correspondent

That most political of scientific journals, Oil and Gas World recently featured an article on Venezuela. It commenced: "...The big question now is whether Botancourt's efforts for political stability can survive the 3-month period until Dr. Leoni's inauguration - and beyond. The country's military leaders warned on the eve of the election against any further terrorism. They also issued thinly veiled warnings that the losing parties...must accept the results....There were 7 candidates in the election. This splintered the voting pretty wildly. Early results indicated that Leoni might not roll up a plurality of much more than 30% because of this slate. Actually he got 32%.

Other major contenders are in order of their vote in the early returns: Dr. Jovito Villalba of the Leftist Republican Democratic Union; Dr. Arturo Uslar Pietri, supported by several groups of independents; and Rafael Caldera of the Social Christians. It seems unlikely that Leoni's total vote will be a clear majority so he will probably head a coalition of two or more parties. This will increase the political jockeying for power that will take place now and March when he takes office.

PROFITS AND DIVIDENDS UP IN 1963based on Financial Times report

Profits reported by industrial companies during 1963 showed an increase of 4.5% over those for their previous accounting periods. This contrasts with 1962 when profits were 2.8% down on the companies' preceding financial years. Equity earnings have risen by less - they are up by 2.0%. But equity dividends, up 6.8% have risen considerably more than either gross profits, or equity earnings. The corresponding figure for 1962 was 3.1%. At the head of the profits list were Motors, Cycles and Components (up 20%), followed by Miscellaneous Textiles (up 17%), then Electricals (Light) and Electricals (Heavy), both 13%.

The Financial Times reporter comments: "The improvement shown in profits can be attributed to two main factors. One is the Government's expansionary programme, which is now having a steadily growing impact. The other is the increased effort made by many companies, large and small, to raise efficiency of their operations and reduce their costs." The rise in dividends is set down as being a "reflection of the increasing confidence of company directors in the business outlook."

HUGE WEST INDIES SUGAR PROFITS

Record group profits are announced by the Board of the West Indies Sugar Company, a producing company of the Tate and Lyle group, based on Jamaica. A total dividend of 1/8d (tax free) per £1 share, is to be paid, together with a one-for-two scrip issue.

Trading profits amounted to £1,629,054 for the year ended September 30, 1963, compared with £184,314 previously and net profits were up from a mere £58,175 to £908,975, an all-time high. These results follow a year of record crops in Jamaica and peak world sugar prices.

RETAIL PRICES RISE RAPIDLY IN MANY COUNTRIES

Inflationary trends in several overseas countries are evident in the figures relating to changes in retail prices published in the December issue of the Ministry of Labour Gazette. The most striking case is that of Spain where the retail price index for the third quarter of 1963 was 11.1 points up on that of a year previous. The index for food only was 12.2 points up. (1958 equals 100). Other examples are France, up 9.9 points (all items) and up 10.9 (food), with a base 1956-7 equals 100; and Israel, where the index (all items) was up 8.3 points in the second quarter compared with the same quarter 1962. In most European countries food prices are rising more rapidly than those for all retail items.

DE BEERS' SALES REACH NEW PEAK

The value of world sales of rough diamonds handled by the De Beers' Central Selling Organisation reached, at £115.98m., a new peak in 1963. This figure surpassed that of 1962 by £19.7m. The company handles some 80% of the world's output.

The firm is boosting its own output by the reopening of its Kimberley mine and a subsidiary, Consolidated Diamond of South West Africa has raised its production by some 20%. Despite the fact that the firm is South African, it is through De Beers' that the Soviet Union markets its gem diamond trade with the West.

FINANCIAL TIMES EXPECTS INFLATIONARY PRESSURE IN 1964

We have extracted here sections of the Financial Times editorial for January 2nd. Much of what the paper says is incontrovertible but it would appear that the paper is stressing the danger of inflation in order to provide arguments against any more "excessive" wage settlements. The editorial began: "Retail prices have risen in every year since the war, sometimes faster, sometimes more slowly. During most of 1963, despite the steady drop in unemployment and the upswing in production, there was enough idle capacity in many industries to keep prices relatively stable. The few sharp increases which took place were due to special factors, and their total effect on the cost of living for the average family was small - much less noticeable, in fact, than the spread of price-cutting. It is only during the past month or two, therefore that warnings about inflation have been heard again.

"The chief upward pressure on prices during 1963 came from abroad: by October..import prices had risen by 4%. Raw material prices had risen by about this amount, food prices - largely but not entirely because of sugar - by twice as much. Industry experienced a corresponding increase in its costs..the price of raw materials rose by 6% during the last quarter of the year. For the food-processing industries, the rise amounted to 9%; it amounted to 11% for textiles but only 4% on average for the rest. Wholesale-prices, however, have so far risen very little. Food prices..have risen by 3.6% on the year, but the only other significant increase has been in textiles....

"This relative stability of wholesale prices has been reflected at the retail stage. The retail price index rose during 1963 by a little over 2% (a good deal less than the average of the past few years) And nearly half of the rise was accounted for by food....In fact food, housing, fuel and fares accounted for $\frac{7}{8}$ of last year's rise in prices, with most of the rest being accounted for by services. The inflation, such as it was, resulted partly from what was happening in the world outside and partly from deliberate acts of official policy.

"Import prices still seem to be rising, and it is possible that much of the rise which has already taken place has yet to be passed on to the consumer. The cost of housing and fares, will probably continue to rise. Industry generally, particularly if there is a sharp increase in the wage bill, will tend to pass on the higher costs as the pressure of competition decreases...It seems inevitable that the cost of living will rise more sharply during 1964 than it did during 1963...Even if price increases cannot be referred to some body like the National Incomes Commission for consideration, there is every reason why the Board of Trade and the Ministry of Labour should attempt to keep the public aware of what is happening."