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LABOR

IN THE

POST-WAR WORLD



An Introduction to the Problem of
Post-War Reconstruction

— by —

Lloyd Ross

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This talk was included in a series on Post-War Reconstruction organised in March by the Workers' Educational Association and given by a number of speakers with different points of view. The circumstances of the talk meant that questions were raised for the purpose of discussing frankly the issues that will confront us at the end of the war. As one of the conclusions stressed by me was the need for the Labor Movement to enter into a period of intense theoretical discussion, I hope that this pamphlet may be regarded as a contribution to that discussion rather than an attempt to solve the problem dogmatically and finally.

L.R.

Labor in the Post-War World

THE subject of this talk is twofold—Labor in the Post-War World; Labor *and* the Post-War World. The talk deals with the reaction between the two—action and counter-action. It implies a consideration of three questions:—

What kind of Labor Movement?

What kind of Post-War World?

What kind of relation then between that Labor Movement and that world?

The answer must be tentative and complicated—there'll be many "ifs" and "provisos" because he would be only a fool or a sloganmonger who would be dogmatic about either the Labor Movement or the Post-War World. Here are only suggestions and headings for argument:—

§ THE POST-WAR WORLD

Do we win or lose?

Lose, either by ourselves or with the rest of the Allied nations, then there follows underground struggles for national and social liberation; a revolutionary period whose length will be prolonged according to external events and internal solidarity, and a postponement of the post-war problems until the post-revolutionary period has been reached.

But we will win this war—and then? We have our chance to establish that new world that everyone is promising and planning so glibly . . . after the war.

This New Order will be a world without insecurity, without unemployment, without poverty, without malnutrition, without all evil things. It's a world without many things, because it is so much easier to make *promises to eliminate* than it is to evolve *plans to create*. Yet, even the plans are plentiful—water conservation to absorb labor and remove the fear of drought from Australians; housing schemes to employ labor and to eliminate slums; free libraries, kindergartens and cultural centres to be organised and built by the labor released from war needs; educational opportunities to raise the cultural level of our people; afforestation and the elimination of soil erosion, and so on.

The plans for a new world are not carried very much further by such generalising. It's easy to talk vaguely about

the potentialities for a new social order that should exist at the end of the war—it's not so easy to solve the two questions which test the reality of the promises and the indefiniteness.

Those two questions are: What type of plan will give us security, opportunity, progress? What forces are available to provide the dynamics for such a plan?

It's easy to outline the desires of humanity. It's easy to state that no one will object to a world without poverty, without insecurity, without inequality, but—what particular plan, what detailed idea, what concrete application will give us these desires? And having worked out these details, what forces will drive us forward to this plan?

Socialism

I have no new answer to give to the first question. The answer is Socialism—the reorganisation of industry under State ownership planning and control. Only by such organisation can we apply the plans that will re-absorb labor and so . . . provide a world without slums . . . without poverty, without . . .

The word "Socialism" arouses so many prejudices that we were better advised to approach the question dynamically and realistically as we are doing the problems of the war itself.

We are still afraid to-day of a word, but more afraid of the Japanese aggressor. To-day we are dealing with the production of munitions, with the organisation of the nation for a total war effort. Experience is teaching us that only by State control, State intervention, State planning and State ownership can we meet the urgent demands of the war. We have limited profits, conscripted labor, closed down some factories and organised State factories, determined the direction of consumption, standardised incomes, placed the development of industry under State Boards because we know no other method of meeting the needs of a nation in war. For we have performed these acts not because we are Socialists but because we want to win the war. We have not, thereby, all become Socialists; we have not organised our intervention as we would, had we been Socialists; our methods are too wasteful, too anarchial, too timid, too contradictory, too limited by respect for private business interests and too administered by anti-Socialist advisers and economists. We are behaving like Socialists against our own traditions,

instincts and theories—and so our efforts are frustrated by our own prejudices.

The reason, however, of this emphasis on our war-time acts is not to discuss the weaknesses but to emphasise the direction that the pressure of events in the war is compelling us to take.

The pressure of events at the end of the war will also be great.

Say there are 100,000 soldiers to be found jobs in industry—say 200,000 munition workers need be diverted to peace production; women in industry returning home or desirous of staying at work; war factories half-built, stopping half-way; private owners of munition factories fearful of their future and so ceasing work; people poised between the economic security of war and the nightmare of peace-time insecurity—thousands of unemployed asking if that be the new social order and therefore thousands setting out to establish the new order for themselves.

The Challenge of the Unemployed

That's how the post-war world may be inaugurated. Not planned so that as automatically as men are displaced from war-time industry they are absorbed in the creative needs of slum clearance and afforestation; not in the quiet mood of scientists working out social plans in a laboratory, but in the angry spirit of economists deflating standards during a depression, and of workers resisting deflation and unemployment.

That is, unless our plans have been prepared beforehand and our nation educated in the ways and means of avoiding unemployment. There is plenty of thinking about ends; there is on all sides a determination that the old world will not return—but how few there are who know just how the new world can be created, how few face the harsh immediate issues, and how few are willing to pay the price of the necessary ways and means!

Idealistically speaking, the job is an easy one. Instead of munition factories, camps and air-raid shelters, let's build homes and cultural centres; instead of sending soldiers over our railways, let's circulate libraries; instead of feeding soldiers in camps, let's eliminate malnutrition by distributing

gratuitously milk, fruit and cheese; let's decentralise our life by extending amenities to the country areas.

How easy talking! But again, how is this to be done?

Only by State controls, State intervention, State production, State planning . . . State ruthlessness.

And many will not want to accept the necessary controls. The war over, private business will want to return to normality; vested interests will demand their freedom; monopolists will want to consolidate their war-won gains; and probably everyone will resent the continuance of war-time taxation. The outlook will not be that of the war but of the depression.

The necessities of peace are not as strong as the fears of invasion. The drive to eliminate poverty will not find anti-Labor politicians accepting the regulations that they accept now as necessary to save their skins. The tendency among all groups will be to talk freely about a new social order and oppose determinedly the measures necessary even to ease the transition from war to the post-war world—for those means, let's repeat as axiomatic in the chaos of new-won peace, will include the war-time means of controlling business, controlling profits, controlling prices and controlling property rights. Only by such controls can we be saved the tragedy of unemployment. An analysis of the post-war problem must force us to the important conclusion that the problem will be presented to us in the form of 250,000 people suddenly losing their occupations and seeking haphazardly, almost fearfully, possibly hysterically, 250,000 new jobs.

Who will employ them building schools, building dams, building houses, creating social amenities, raising standards? These immediately must be the main projects on which we can re-absorb our military people. Whatever we may think about the later stages when we could theoretically re-absorb our people making the radios, silk stockings, refrigerators, cosmetics and paper that we used to make in peace-time, and that could be distributed among the masses, the immediately urgent problem will be to stop the 250,000 men and women causing economic chaos before the change-over is completed. Only the State can avoid the chaos by directing men and women into social rebuilding; only the State has the money,

the facilities, the knowledge and the experience to build on the gigantic scale required.

Will the State do it? Will the State be permitted to do it?

It depends on Labor—and only on Labor. Only Labor can provide the plans and incentive to deal with 250,000 unemployed men and women, who, if they are allowed to fight one another for civic jobs, if only for one single day, will so upset the economy that the 250,000 will become a million, and Australia will be plunged into the horrors of a depression unprecedented in our history.

Either the State immediately and scientifically plans jobs for the great majority of those employed in war activities, or we will suffer from a depression that will mean still lowered standards.

Either . . . or?

That is the first aspect of the post-war world we are outlining—a world potentially able to direct the tremendous powers that we have rediscovered in war-time, so that standards for all may be raised . . . or a world which, because it will not utilise those potentialities to raise standards, will suffer from its own demoniacal energies.

Either . . . or?

But that is the internal side of a problem, which must be now placed in its correct world setting.

U.S.S.R. and U.S.A.

Should we win the war with the assistance of U.S.A. and U.S.S.R. then two different social systems clash for supremacy—the monopolistic capitalism of U.S.A. and the Marxian Communism of U.S.S.R. The one will support—consciously or unconsciously—the return to free private enterprise, the discouragement of socialistic schemes, the consolidation of the rights of private property, the resistance to higher standards as a means of re-absorbing the unemployed. The other will influence socialistic communities and militant schemes for the settlement of our post-war problems by State intervention, by State planning, by the workers seizing control of the State. In Australia, conservative, Fascist, capitalist forces will gain strength and confidence from the influence that American capitalism will exert openly on the peace settlement, and more subtly and indirectly on the internal policies of our government. We are not to-day in the mood of looking

a gift bomber in the mouth—but we may find that it was much easier to get American assistance to our country than it will be to expunge the influence of American capitalism from our political and social life. We will be fortunate if we have the assistance of Russian influences exerted, not so directly as in the case of American capitalism, but more effectively in the outlook and hopes of thousands of Australian people. Russian prestige can be a tremendous aid to the building of Australian Socialism, providing the friends of Russia, in Australia, recognise that the building must be constructed of Australian materials by Australian labor. It may well be that the conservative elements in the Labor Movement will be strengthened by American influences—it is certain that most of those whom Labor has called in to administer responsible positions during the war will be found on the side of monopoly capitalism.

These factors I mention, not because I desire them, but because I am trying to face the factors to be considered in the post-war world.

The clash between socialism and capitalism in Australia will be paralleled by similar struggles throughout the world—at the peace-conference table where reactionary diplomatists will be keen to use their power of preserving law and order for the purpose of stifling working-class movements on the Continent; in India where the danger of military defeat having lifted will give encouragement to the colonels to repudiate their war-time promises of self-government; in England and even in the United States itself, where the same internal issues of post-war reconstruction that we have noted in the case of Australia, will lead to the same clash between those who would return to the past and those who would rebuild the world. Either then world socialism . . . or world return to the miseries of 1929-1932.

Let's recall the earlier conclusions of this talk, again.

We cannot escape this clash by the repetition of vague phrases describing a new world without poverty, without insecurity, without, etc., etc.—though the more we stress these needs the less is the opportunity for reactionary forces to repudiate their promises. That they will attempt to do so is illustrated by our experiences at the end of the last war and during the depression. Once the fear of military defeat

has passed, private property will demand that limits on its right to profiteer be immediately lifted; Australian capitalism did not resist the Japanese expropriation to let itself be expropriated by the Australian people; Mr. Essington Lewis will return to the B.H.P., Mr. Hutchison to Lever Bros., Sir Ernest Fisk to A.W.A., and there they will preach again the need for the State to keep out of industry and the necessity for workers to accept sacrifices if unemployment is to be solved.

This struggle between private property and national rights is a struggle over a method of meeting our post-war difficulties on the one hand by unemployment, deflation, lowered standards, social and political chaos, and on the other hand by a planned rebuilding of our nation through national effort and national ownership control. Remember, again, that the problem of the post-war Australia comes to us not as an academic choice between the society we knew at the outbreak of war and the world we desire; it's not a choice between ideal systems; not a choice in which we might say that the risks and difficulties of reconstruction are so great that we prefer the easy ways of old peace. The choice is forced upon us by the exigencies of the economic and social situation at the end of the war. For us to try quietly and leisurely to return to 1939 is impossible because we will be confronted with expanding unemployment and increasing poverty—if we do not reabsorb our unemployed immediately in projects for raising standards. Our national income will otherwise decline—and so our economists will try to teach us as they did in 1929-1930, that the only way to meet a declining national income is to reduce the standards of the people. But this time we will not be in the mood to listen.

Some tried to teach the people that, even in the depression, lowered standards were not necessary; but the majority preferred lowered standards to the risks of social revolution. After the war there will be greater, deeper, more widespread resistance to the solutions of economists, financiers and newspapers. The war will have done that, at least, for us. There will be a desperate resistance shown to any attempt made to argue that if there are unemployed there must be lowered standards.

Again, as an objective fact, if men and women are

unemployed there will be a social struggle. It is the results and nature of that struggle which are important. Will the people be divided as we were in the depression; will we be so haunted by the prospects of civil war that we hesitate to be creative; will we read in our conservative papers calls for secession in the country areas; will there be New Guard movements in the cities and Green Fascist Guards in the country pledged to defend the rights of private property; will we enter into the history that produced Fascism in Italy and Germany and might have produced similar experiences in Australia during the depression if the people had not decided to prefer lowered standards to their fear of total collapse? Will we drift from one failure to solve the problem of unemployment to another failure until we fail completely by slipping back to the pre-war world, with greater insecurity and greater poverty?

It is only the Labor Movement which can avoid the uncertainties of chaos by being as firm in peace as it is in war-time.

So we come to the second part of our talk—*The Labor Movement*.

§ THE LABOR MOVEMENT

A tremendous responsibility rests on the Labor Movement. Anti-Labor might have won the war—but it cannot win the peace. Only Labor can do that—can Labor do it? Assuredly it can, if all the issues are examined and faced determinedly, realistically, keenly.

Labor gains support from the people for its determined war-time policy. Were a Khaki Election held to-day, then it would be Labor this time that would reap the results. Labor undoubtedly has deepened its hold on the Australian people by the energy, determination and understanding with which it has approached the problem of defending Australia. Labor has built up a confidence and loyalty that will assist Labor to reconstruct peace by the methods of Labor, if . . .

There are three provisos:

(1) That, after Australia is freed from immediate danger, there is not a further period of war, during which the Labor Party fails to change its present methods—and prolongs too long the negative restrictive methods of the moment. The public which to-day accepts many of the inconveniences as necessary, will frequently re-judge a Government by its

own view of changing necessity. Gratitude is not a political factor. Nations as well as individuals often turn against their saviours.

(2) That the Labor Government does not create such a potential of irritation, doubts and opposition that further splits will follow and Labor will be threatened by a form of Australian Fascism.

(3) That, the war over, Labor politically has the courage and determination to apply Labor plans to the post-war world.

Let's discuss these three provisos at greater length.

A Labor Government can be beaten either by the electorate or by groups within its own ranks—the success of a Labor Government must be judged not merely by its popularity with the public but by its harmony with the conflicting elements inside the Labor Movement. A Labor Party which, in order to win public support, believes it to be necessary to move so far from its own ideas that a Labor split is produced, must be regarded as a failure. Otherwise it ceases to be a Labor Party. And a consideration in judging the possibilities of Labor framing the post-war world must be the effect of war-time action on the Labor Movement—its own organisation, its mood, its own policies and faiths.

I have tried to avoid as much as possible raising to-day's controversial issues as the post-war policy is my subject in this pamphlet. But the following considerations seem to me important in determining the inter-Labor Party position at the end of the war:—

Dangers To-Day

(1) Whatever may be the reduction of standards and the enforcement of controls deemed by Labor to be necessary at the moment there is no reason—except timidity and opportunism—why Labor Governments should not take steps to strengthen the power of the Labor Movement in Australian life by conscious war-time Labor acts which will at the same time strengthen the war effort.

(2) Whatever the demands of the immediate situation may be, the building up of Australian morale in order to emerge victorious in a prolonged war, needs a different policy from a negative one of cutting down holidays, closing down business, introducing quotas, and issuing "hate propaganda."

(3) Whatever at any particular stage may be the strength

of the opposition to national ownership of basic needs, the only way in which Australia can wage a prolonged war is by increasing socialisation of industry and income.

(4) Finally, a Labor Government in such an emergency as that confronting us has obtained the support of the public and the acquiescence of the movement for Regulation 9 of 1942, and Regulation 77 of 1942—but, that once the immediate danger of invasion passes, the accumulation of irritation, discontent and suppressed doubts will tumble like an avalanche on the heads of any Labor administration which does not evolve a more constructive policy—and that policy must be socialism. A Government no less than a country, can win every battle except the last one; our country is losing every battle but the Government is winning most—it will be incomplete for the people if the Government loses the peace and the country wins the war.

Those considerations cannot be discussed in detail in this pamphlet—nor can I do more than outline the policy that follows from them.

The Socialist Alternative

In a much more planned and determined way Labor must make appointments to major position from its own ranks, partly because present policy is strengthening anti-Labor forces, and partly because the opportunity is being lost to strengthen the Labor influence in economic life. One would think, from recent appointments, that the Labor Movement has no organising or administrative ability. If it is true—which I doubt—that Labor could not have found Labor members to fill important positions, then a Labor Government, knowing that the war is likely to be prolonged, should immediately take up the job of training its own executives, administrators and organisers to take the place of the deflationists, U.A.P. supporters, big business executives and anti-Laborites, now administering the war machine.

Controls must be more planned; more guided by socialist principles; more centralised under direct state ownership.

Whether or not we agree with the outlines of such policy, there can be no doubt whatever that the post-war developments will be considerably influenced by Labor's success in the present situation, though they will not be decisive.

Great as will be the importance of Labor's policy

during the war, in preparing the way for a new world, failure will not necessarily mean that Labor will lose its chance to recapture Labor enthusiasm if the post-war problem is correctly stated. There will still be a movement to the Left. This is inevitable—and Labor includes the Left.

Leftwards—Ever Leftwards

Either a Labor Government under the pressure of events expands its war-time policy in a more consciously socialist direction, thus strengthening the influence of socialist ideas in the community . . . or the Government hesitates before the growing unemployment and so intensifies the Left Socialist ideas in the country and in the Party. Probably both alternatives will follow—there will be more drastic interferences by Labor Party in economic life, but unless there is careful war-time preparation there will remain unsolved some difficult problems. Unrest will therefore continue and unrest will create a situation in which Labor can apply its socialistic principles.

Either of the above alternatives will be an expression of Left ideas, which simultaneously will increase the influence of the "Militants" and stir up Left thoughts inside the Labor Party itself. Arising from this situation there will be two great dangers for the Labor Party—and since the thesis of this talk is that only Labor can solve our problems—also for the Australian people.

Two Dangers

The Labor Party may stop freedom of discussion within the Labor Party and may try to avoid the difficult economic problems by using the Party machine to force obedience and acquiescence upon a declining number of supporters. Labor may expel critics and exclude from its own ranks the ideas that could save the Party. Labor may think conformity more important than discussion and take the foolish view that critics are disruptors. Labor leaders who are unable to solve the economic problems may refuse to accept the right of the movement to throw up alternative leaders with alternative ideas. We know that such a development did occur during the depression and that it has been characteristic of many A.L.P. executives to keep control of the machine by expulsions, corruption and other methods of dictatorship. If the

Labor Party solves the problems of reconstruction even Party dictatorship may survive—it is only when failure and dictatorship go together that immediate disaster follows in the form of political defeats and party splits. A very important task is the defence of Party democracy.

To avoid splits Labor must avoid Party dictatorship . . . and perhaps must therefore solve the problem of reconstruction. But we must approach the issue with the thought in our mind that, even if Labor is muddling with the solution, there must also be intensified a spirit of unity and democracy so that by discussion and democracy the Party at last will solve the problem of the transition to a New Order.

Whether Labor solves the problem or not, it seems clear, however, that the "Militants" will grow in strength and importance—unless the Comintern decides a policy out of harmony with the needs and traditions of the Australian people. The "Militant" Party will not take the place of the Labor Party in Australian development. Unions may be captured by them and they may win seats in a post-war election; but that Party at most can divide the Labor Party. It cannot displace the A.L.P. in the loyalty of the Australian people. That I state not as necessarily as a desire, but as a basic fact in Australian development. It must therefore be taken into account—even by the "Militant" Party.

The second danger arising from this, therefore, is that the "Militant" Party, in trying to force its slogans and tests upon the Australian Labor Movement, will so act that disunity will follow and Australian Fascism may get its opportunity.

There is a responsibility upon the Labor Party to avoid disillusionment either from failure or dictatorship. There is a responsibility on the Communist Party to avoid so behaving that instead of being satisfied with influencing the people, it pushes its independent organisation to the extent of smashing the Labor Movement.

Our Task

Two courses of action can be followed to-day by those who realise the important part to be played in the post-war world by Labor.

Both the Labor Governments and the Labor Party should at once begin making concrete plans for post-war reconstruc-

tion. The Government, both State and Federal, must set up research bodies, on which the Labor Movement must be adequately represented. The Post-War Reconstruction Committee set up by the State Government in New South Wales must be paralleled in every State in the Commonwealth. Concrete plans must be prepared; schemes of rehousing must be ready; scientists and engineers must work out methods of transferring industry from war to peace needs. We must be ready instantly the war ends. If we wait until the war is over it will be too late—for we will not be able quickly to improve the problems of the transition. Improvisation will not be enough. Labor Governments are not doing nearly enough in preparing for the end of the war. If the Government will do nothing in the present crisis, then the next best policy will be to start planning as soon as there is a sign of the immediate danger being ended.

The Labor Party itself must introduce such theoretical discussions on Labor problems that the movement will learn to disagree without splitting and will learn to work out theoretical problems without abuse or personalities. The events of the last post-war period must be thoroughly analysed. The Australian social system must be studied and conflicting theories discussed freely and tolerantly. Such discussions will have a two-fold value—they will convince people that Labor has a plan of Post-War Reconstruction, and they will enable Labor to frame the concrete realistic plan that will end poverty, slums, ignorance, malnutrition and war.