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ORGAN OF THEORY AND PRACTICE OF THE AUSTRALIAN
COMMUNIST PARTY

Editor L. L. Sharkey

THE ROLE OF THE BRITISH LABOR GOVT.

L. L. SHARKEY

STUDENTS of working-class history will draw lessons for application in the present from the revolutionary period following the close of the First World War and the role then played by Social-Democracy. Lenin carefully analysed the position that arose in Germany and Austria, in particular, and showed that it was Social-Democracy that saved German capitalism at the moment when the bourgeoisie was broken, discredited and powerless. In close collaboration with the military caste, the leaders of Social-Democracy, Scheidemann, Ebert and the "bloodhound" Noske crushed the rising forces of the German Socialist Revolution, slaying thousands of revolutionary workers and murdering Karl Liebknecht and Rosa Luxembourg, the leaders of German Communism.

British Social-Democracy, in the person of its leaders, Bevin, Laski, Morrison and Attlee, today essays the reactionary role of saving British imperialism, in particular, and capitalism everywhere, from the advancing tide of the people's democratic movement and Socialist revolution. Allying themselves with resurgent American imperialism, the strongest section of the world bourgeoisie, the "Labor Leaders," in the name of the British working-class movement, head the anti-Soviet crusade of monopoly capitalism. They have restored monarcho-fascism in Greece, attempted to reimpose brutal Dutch imperialism on the Indonesian people by force, attacked liberation movements in Indo-China, Malaya and Burma, and slain hundreds of demonstrating Indian nationalists, socialists and democrats.

The fact that 1,000,000 Azerbaijanian peasants have been liberated from landlord exploitation and at last received the land for which they have struggled for centuries, that the Azerbaijanese, a different race from the Persians, have received autonomy, raises no enthusiasm in the breasts of the Bevins. Rather does it increase their anti-Soviet fury.

Bevin and Co., by every means in their power, have striven to obstruct the great nationalisation programmes of many of the new European governments, thereby acting in the interests of the landlords and capitalists, including the British and American financial lords, who had considerable investments in these industries.

A black, anti-working-class record indeed to establish in the course of a few months of governmental responsibility! It is clear that this is not the result of the machinations of imperialist bureaucrats in the Foreign Office, nor can it be rectified by removing bourgeois ideology from the mind of a Bevin; it is the settled, conscious policy of the

imperialist Social-Democrats who head the British Labor Government.

In all essentials, the leaders of the British Labor Government are the heirs of counter-revolutionary German Social-Democracy, which, now shorn of most of its strength, is replaced by Bevinism as the centre of reaction within the world Labor movement. Just as the policy of German Social-Democracy paved the way for the growth of Fascism and World War 2, so will the policy of Bevin, unless it is corrected in time by the labor movement, pave the way for World War 3.

According to the A.B.C., Bevin is talking of the British Empire "as the basis of a world federation," because of its "genius" for co-operation and not destroying other people's independence. It is a crying shame that Bevin seemingly has never read the history of the American War of Independence, the war, lasting nearly a thousand years, of the Irish for freedom from British imperialism, the Boer War, the Sudan War, the innumerable colonial revolts, the conquest of India and the long and bloody struggle of the Indian peoples for liberty. Bevin knows only too well that India today is ready for one of the great revolutions of history and that the delegation of labor-imperialists now in India are seeking a compromise with the Indian bourgeoisie, a compromise at the expense of the Indian workers and peasants, based on the fear of the Indian bourgeoisie and aristocracy for the rising Indian labor movement and aiming at saving as much as possible of Britain's monopoly capitalists' exploitation of India.

Special note should be taken of the role of the palminger of "democratic" and "socialist" phrases, Prof. Laski. While Bevin does the "tough" anti-Soviet work and the dirty work of suppressing colonial revolts, Laski, the pseudo-Socialist, tries to camouflage this real role of Bevinism with sentimental chatter reminiscent of the role of Kautsky and Bauer in the heyday of German Social-Democratic counter-revolution and anti-Sovietism.

There is a division of labor between Bevin and Laski, just as there was between Noske and Kautsky. Laski stumps Europe fighting working-class unity in the name of "democratic socialism," in reality striving to maintain the fatal split in the European labor movement which was the necessary condition for the temporary victory of fascism in Germany and throughout Europe. Bevin and Laski see in the curviving right-wingers of European Social-Democracy a handy tool of British imperialism, the proof of this being the refusal of the Anglo-American military occupation authorities to countenance the united party of Social-Democrats and

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Communists, the German Socialist Union Party, in the areas of Germany controlled by them.

According to an A.B.C. broadcast (April 14), when asked in Italy what he considered to be the difference between British Tory and Labor Party policy, Laski answered that in Italy the Tories stood for the monarchy, the Labor Party favoured a Republic.

It does not matter to capitalism whether there is a monarchical or republican form of government, the fundamental question of modern politics is social ownership versus private ownership of the means of production. In any case, in Greece the Bevin-Laski policy leads directly to the restoration of the monarchy, just as in Spain the Anglo-American policy favours the return of the monarchy and retention of the essentials of the fascist-clerical dictatorship, with Franco the bloody peacefully accepting retirement.

In domestic policy, the British Labor Government is for the nationalisation of a number of key industries. Can this mean that the home policy of the British Labor Government presents a contradiction to its foreign policy, that it is advancing to Socialism at home while defending imperialism with Tory-like vigour abroad? Not at all. Nationalisation in Britain arises from the critical position of industry in the post-war world and the weakening effect of two world wars and the general crisis of capitalism (pre-war chronic depression) on the British bourgeoisie.

In Germany, the fusion of trustified capital with the State had proceeded further than in other capitalist States and was accentuated during the Hitler dictatorship, giving rise to the illusion in some quarters that there was "collectivised" industry under Nazism. This is State capitalism, which can mean, according to Lenin (and did mean in Germany) "a paradise for the capitalists" and "a hell for the workers." Nationalisation directed by genuine Socialists can be a stepping-stone to Socialism; in reactionary hands it is a means of reorganising declining capitalism.

Nationalisation in Britain demands a heavy struggle on the part of the workers for its democratisation, otherwise, in the hands of Bevin or Churchill, it means an attempt to revive imperialist strength and to fasten more securely capitalist exploitation on the working class, by means of enormous tribute, by means of compensation and interest payment to bondholders. This accentuates the parasitical, coupon-clipping character of the bourgeoisie. It is State capitalism, not Socialism. The British working class, therefore, is faced with great struggles to ensure that nationalisation is really democratic and progressive. It should work for the defeat of Bevin and his imperialist foreign policy which must be replaced by a policy of cooperation with the Soviet Union and the new people's democratic governments for peace and

assistance to the colonial national movements to help secure their independence.

The reactionary policy of British Social-Democracy not only influences, in a reactionary direction, the European working-class movement, but we can expect it to exert a similar influence over the Australian and New Zealand labor movements as well, due to its encouragement to all reactionary, vacillating and class-collaborationist trends within these movements. The leaders of the A.L.P. today are vacillating between the traditional liberal-progressive policy of the A.L.P. and the imperialism and anti-Sovietism of Bevin. Their current policy and the "inevitability" of war with the Soviet Union, yet their policy as expressed at the U.N.O. is often, objectively, at least, anti-Soviet, and the Australian vote, on most occasions, is cast in opposition to that of the Soviet and other democratic countries like Poland and Yugoslavia, i.e. in line with the basic anti-Soviet policies of the Anglo-American imperialists. Dr. Evatt is the U.N.O. champion of small (imperialist) powers, but no word does he utter in disapproval of imperialist suppression in Greece, Indonesia, India and the colonies; rather he wishes to pursue the frame-up of the Soviet Union further than the Anglo-American representatives, supposedly in accordance with his lawyer's concept of U.N.O. as some sort of High Court.

The Prime Minister, Mr. Chifley, following on the repeated declarations on the issue by the late John Curtin, repudiates the A.L.P. platform of nationalisation ("socialisation") of basic industries, openly disavowing, now or in the future, any intention of nationalising either the mining industry or iron and steel (the B.H.P.).

The second most important Labor Government in Australia, that of McKell in N.S.W., has just caused considerable disappointment in the ranks of Labor Party supporters by refusing to nationalise the beer monopoly in this State, which sells inferior quality liquor at monopoly prices under the worst of conditions. His liquor reform bill has been described as the "brewers' gift bill." It is well known that, for a long period, a tie-up has existed in N.S.W. between the top leaders of the A.L.P. and the Tooth-Toohy brewing monopoly.

The divergence in policy on the nationalisation issue between the British and Australian Labor Governments reflects the different capitalist perspectives. Nationalisation in Britain arises as an urgent need in order to withstand American competition in the world market by overcoming the relative backwardness in industrial equipment, a task beyond the strength of much-boomed "private enterprise."

Australian capitalism, on the other hand, looks forward to a further period of growth, of industrial expansion with the aid of both British and American

finance capital. Such capitalist giants as Ford, Nuffield, Courtaulds and others are developing or about to develop, with millions in capital investment, the motor, rayon, textile and other industries in Australia. These big industrial ventures, together with the Government's immigration plans in the view of the liberal capitalist Australian Labor Party, indicate a further period of capitalist expansion, the completion of the process of the transformation of Australia from an agrarian to an industrial economy and the strengthening of its military potential also by a rapid increase in population through large-scale immigration. This is another phase of the policy of the A.L.P., described by Lenin, of building "an independent capitalist Australia." In these circumstances, the A.L.P. leadership renounces its 50-years-old espousal of nationalisation as an urgent measure. It still supports a number of reforms — the 40-hour week, certain social benefit schemes and the like, which are essential if it is to maintain its basis in the working class.

It is clear that there is grave danger that such a government will be drawn (especially as it sees itself militarily dependent on Britain and the United States) into the web of Bevin's anti-Soviet, imperialist policies and intrigues. Messrs. Chifley and Evatt, the leaders of the A.L.P., are now in England. There they will discuss with Atlee and Bevin the problems of British imperialism and the role the bourgeoisie expects Australia to play in relation to British and U.S. imperialism and their anti-Soviet plans. This could well mark a decisive turning point for the A.L.P. For or against the

SOME THOUGHTS ON WAGES, PRICES AND PRICE CONTROL

E. A. LAURIE, L.L.M.

[I]t is quite a common contention today that an increase in the basic wage is not really of much use to the workers, because the capitalists would immediately increase the price of commodities and so offset any benefits to the workers arising from the wage increase.

In spite of the fact that this fallacy was dealt with by Marx as long ago as 1865 in a lecture to the Council of the First International (now published under the title *Value, Price and Profit*), it has proved very persistent, and has won some support, particularly as a result of the workers' experiences during the war, when every increase in the basic wage has been apparently followed almost automatically by an increase in prices. Because any acceptance of this idea among the ranks of the workers tends to weaken the struggle of the working class for increased wages, it deserves serious attention.

In a letter to Engels dated 20th May, 1865, Marx pointed out that "stupid as this (idea) is,

final victory of the labor movement and Socialism, that is the question history inevitably poses for it. The working class will closely scrutinise the immediate activities of Chifley and Evatt in this connection during their sojourn abroad and the policy they enunciate when they return, to determine whether they have changed as Billy Hughes did during his 1916 English visit.

Australian Labor, too, is facing a crisis which will be accentuated both by world events and eventual economic depression. It is in danger of being influenced in a Rightist direction by the actions of the British Labor Government. It is a period in which the Labor Government is submitted to a test before the eyes of the workers, such a period as Lenin described in *Left-Wing Communism*, when the limitations of the Labor Party are becoming manifest, not only to the conscious vanguard, but to broad masses of the workers.

The Communist Party is aware of its increasing responsibility in the struggle against alien class influences within the fortress of labor and the need to conduct a determined struggle against them, thereby developing the political consciousness of the masses. The key to victory still remains the United Front in action with the masses and in support of whatever progressive measures the Labor Governments initiate, accompanied by criticism of the weaknesses and limitations of the latter. It goes without saying that the victory of Socialism depends primarily on the further building of the Communist Party and the strengthening of its independent role.

since it only attaches itself to the most superficial external appearance, all the same it is not easy to explain. You can't compress a course of political economy into one hour." All that this present analysis therefore can hope to do is to draw attention to some aspects of the question arising from war experiences.

Market price at any given time is governed by the law of supply and demand. During the war the demand for consumers' goods became greater than ever, because full employment prevailed, and, in addition, many workers earned overtime, the mass of the people had more purchasing power in their pockets than ever before. Normally, such an increased demand would soon be satisfied by an increase in supply. There would be a steady increase in price at first, followed by a return to normal as the demand was satisfied. But, because of the switch to war production, the supply of consumers' goods not only did not expand, but was actually curtailed. A rise in prices naturally

took place, slowly at first but with greater speed as the tempo of war production increased, and the unsatisfied demand accumulated.

As prices rose, the move began to adjust wages to meet the increased cost of living. Demand again increased and so prices again rose. This so-called "vicious spiral" was used by the capitalists and their stooges as an argument for not increasing wages. But it is important to note that the spiral began, not with wages, but with prices. Wages followed prices upwards. This has been clearly demonstrated since 1942. In spite of wage-pegging regulations, prices have continued to rise, even in official calculations, and, periodically, wages have been adjusted upwards accordingly.

If the law of supply and demand had been left to operate unhindered, this condition of curtailed supply and a large, and continually increasing, unsatisfied demand would have resulted in a sky-rocketing of prices to inflationary levels. But Government machinery was set up which aimed at pegging wages and controlling prices. And, with all its defects, it must be admitted that this machinery did succeed in keeping the prices of those commodities to which it applied much lower than they would have been, if the interaction of supply and demand had been allowed full play.

Under this system of price control, within certain limits the law of supply and demand was superseded by a new method, whereby prices were fixed by allowing the capitalist a fixed margin of profit on his costs of production. As costs increased the capitalist was allowed to pass them on in price. As any increase in wages appeared as a higher cost to the capitalist the price control authorities allowed this cost to be handed on to the consumer in prices. And so increased wages did result in increased prices. Thus under the abnormal wartime conditions it appeared that what determined price was the capitalists' costs, and that the capitalist was able to pass on any increase in wages to prices.

As consumer goods are still in short supply, the necessity for price control continues. Without price control any increase in the basic wage would certainly result in higher prices as a result of increased demand, and even without a higher basic wage, the price of many commodities would rise immediately (for example, land, building materials, men's clothing), if price control was lifted.

But even with price control as it has operated during the war, an increase in the basic wage would lead to higher prices, as the price control authorities would allow the employers to pass on any increased costs arising from increased wages. What is needed, therefore, is not merely a continuance of price control, but a more effective method of price fixing, so that no increase in prices will be permitted to follow from a rise in the basic wage. How can such a method of price fixing be applied?

The more obvious defects of the wartime price control machinery are, first, that it did not cover a sufficiently wide range of commodities; secondly,

that the maximum tended to become the minimum, so that the poorest grades sold at the highest price, and the better goods, in many instances, disappeared from the market altogether, thus resulting in a general deterioration in quality; thirdly, that the regulations were too easily evaded and conviction of offences too difficult, slow, and costly; and fourthly, that failure to police and destroy the black market resulted in a diversion of huge quantities of price-controlled goods to the black market and so still further curtailed supply for those who needed them most, by placing consumer goods beyond the power of the people to purchase.

The principles of price control adopted are also open to considerable criticism. Prices were fixed by allowing the capitalist a set margin of profit (generally his pre-war rate) on his costs. Many practices were introduced whereby costs were considerably inflated and so prices were increased. Apart from the more obvious method of increasing labor costs by excessive overtime or by employing more hands than necessary, total costs were inflated in many instances by increases in the non-productive factors of cost, for example, by exorbitant rentals, advertising, commissions, dummy subsidiaries, inflated reserves for depreciation and taxation, excessive managerial expenses and many other practices, most of which were only back-door methods of increasing the return to the capitalist class. Consequently, although prices have been prevented from rising as high as they would have if there had been no Government intervention, the price of commodities is on the whole considerably higher than their economic value.

The spokesmen of the capitalist class are continually pointing to the fact that costs are too high and must come down. But they argue that the only way this can be achieved is by "speed-up" and other methods of increasing the intensity of labor. They conveniently forget these other non-productive cost factors which are, in fact, one of the major causes of cost inflation at the present time. If price-fixing authorities were to direct their attention to these non-productive aspects of cost, then not only would it be possible for increased wages to be won without any increase in prices, but in many cases an actual reduction in prices could be effected.

Price-pegging, instead of the more flexible and easily-manipulated price control, would compel the capitalists to pay some attention to cutting down their inflated costs, if they did not want their profit rate to suffer as a result of increased wages. Increased wages could then be won without being followed by increased prices.

Price control, however, can only operate within the narrow limits where there is an artificial scarcity, such as is created by war conditions. As re-conversion proceeds and industries are turned over to civilian production, supply will overtake demand and prices of commodities will tend to find a level more in accord with their value. Price control

could then be used by the monopolists to help maintain an artificially high price level. The freest possible operation of supply and demand will then be in the best interests of the workers.

In *Value, Price and Profit* Marx showed that under the conditions of a free market, the capitalists are unable to pass on increased costs in the form of increased price, because they do not control price.

The price of a commodity fluctuates in accordance with supply and demand and in the long run, as the fluctuations in price caused by the interaction of supply and demand cancel each other out, the price of a commodity is determined by its economic value. The economic value of a commodity is in turn determined by "the amount of socially necessary labor" contained therein. In a free market, therefore, price is determined independently of the whim of the capitalist or his costs.

When a general increase in wages takes place, the capitalists try to counteract any increase in costs which would result either by introducing new labor-saving machinery, or by more efficient organization of plant, or by "speed-up" methods so that the labor cost per unit of production does not rise. For example, in the sugar industry the wages cost per ton of raw sugar fell from £3/15/4 to £1/11/7 between 1921 and 1939 in spite of increased wages and shorter hours.

The productivity of the worker is increasing continually, as the capitalist endeavours all the time to cheapen the cost of his product. In Australia the index of real production per person engaged in industry (corrected to allow for changes in money value) has risen from 100 in 1911 to 146 in 1942-43—an increase of 46 per cent. It is to this increased productivity that Marx points as the first source which makes a general increase in real wages possible. Over the same period the index of real wages (corrected to allow for changes in money value), including all margins for skill, increased by 1,000 to 1,196, an increase of only 19 per cent. Therefore, increased productivity has been such that a substantial increase in real wages is possible in Australia today.

But even if production remained static, Marx maintained that an increase in real wages could be won at the expense of profit. "If I have a given number," he said, "say eight, the absolute limits of this number do not prevent its parts from changing their RELATIVE limits. If profits were six and wages two, wages might increase to six and profits decrease to two, and still the total amount remain at eight." In this case the capitalist has not been able to lower his cost and increased wages have had to be met out of profit.

But in neither case can he pass on his increased costs by increasing prices. If he cannot produce at a profit at the prevailing price he may decide not to produce at all and this will affect supply and so alter the price. But price is affected only indirectly. But another law of capitalist production is that capital will flow to the field of greatest

profit. Soon an increase in supply will take place which will force prices down again.

Marx concluded, therefore, that workers can win an increase in real wages either as a result of increased productivity or at the expense of profit, and that that increase will not be taken from them in increased prices. The relative shares of the worker's product which will be taken by the worker as wages and the capitalist as profit will depend in the last resort upon the bargaining strength of the parties at any given time.

But Marx was dealing with the conditions that operate in a free market. To what extent have these principles been modified by the development of imperialism and the growth of monopoly since Marx wrote?

The growth of monopoly has certainly interfered with the free operation of the market both by the restriction of supply and by interference with the movement of capital. Consequently the monopolists have been able to maintain the price of commodities at artificially high levels for long periods. Professor Varga has pointed out that although during the 1914-18 war "the rising productivity of labor lowered the value of products of the same quality, the strength of monopoly, and the fact that war resulted in a piling up of overheads on production, maintained market prices at a far higher level than before the war."

At the same time the period of the decay of capitalism has been one of continuing currency inflation, so that there has been a steady rise in price levels expressed in terms of money as the value of money has fallen. In Australia, for example, the sovereign, which was worth £1 (Aust.) in 1907, is today worth £2 8 s. Therefore, even with price expressing the true value of commodities, prices in terms of money over a period would have risen considerably. The two factors operating together resulted in an extremely high level of money prices in the 1920's compared with 1910.

But the monopolists were unable to maintain an artificially high price level indefinitely. In the crisis of 1929-33 the law of value manifested itself and prices fell in accordance with the fall in value that had occurred over the previous 15 years. The depth and sharpness of the crisis was aggravated by the previous artificially high level of prices maintained. In the long run, therefore, the principles set out by Marx asserted themselves, and all the more violently because of previous restrictions.

The conditions in Australia during the 1914-18 war, and since, bear out this general picture.

Due to the inflation of currency, the restrictive activities of monopoly, and to the instability of the market in the period of the general crisis of capitalism, there has been a steady increase in price level over the past 30 odd years. This has taken place apart from any increase in wages and would have occurred even if the basic wage had remained at £2/2/4

But the practice of the Arbitration Court operating in a period of rising prices has made it appear that the rise in prices has followed and been caused by periodic wage increases. The Court has made regular upward adjustments to the money wage so that the level of real wages has been maintained, on the whole, about the same as in 1907. But they have steadfastly refused to allow any money wage increases which would result in an increase in real wages. As the process of rising prices has been a continuing one (except during the depression), each upward adjustment of the money wage has been followed by a further increase in prices, so that, to external appearances, the rise in prices has apparently been caused by the increase in wages.

The practice of the Arbitration Court has, thus, crystallised the belief that increased wages lead to increased prices which nullify the wage increase, and, therefore, that no increase in real wages is possible under capitalism.

That the real position is that wages are chasing prices, and not prices chasing wages, was clearly shown during the depression. Prices kept falling. Although the Arbitration Court tried to anticipate

them by a drastic reduction in wages, prices actually fell even lower than wages and the worker who was in full time employment had a higher real wage than at any other time. Then prices again began to move upward and again the only adjustments of the basic wage allowed were those necessary to restore the old real wage level.

The position is that increases in real wages can be won, but not from the Arbitration Court as long as present wage-fixing principles are applied.

In the post-war period it can be anticipated that the general level of prices in terms of money will be higher than pre-war, owing to the further inflation of currency which has taken place during the war. Monopoly can again be expected to attempt to use its strength to maintain artificially high prices and to pass on increased costs to prices.

To enable workers to get the full benefit of wage increases and to bring the prices of commodities nearer to their economic value, the control of monopolies is essential. At the same time, by preventing the maintenance of artificially high prices, the control of monopolies would help to cushion the economic crisis when it comes.

MR. BEVIN AND BRITISH FOREIGN POLICY

K. ZILLIACUS, M.P.

(Mr. K. Zilliacus, British Labor M.P., is the author of *Why We Are Losing the Peace*, *The Mirror of the Past*, and other books on international affairs.)

WHEREAS in home affairs the Labor Government are supported by a united and enthusiastic Party and are being bitterly fought by the Tories, in foreign affairs it is Tory roses, roses all the way for Mr. Bevin, while Labor back-benchers and the Party in the country are getting more and more puzzled and dismayed. It is important to understand just what is happening in our foreign policy, and why.

In 1938 Mr. Attlee wrote a book called *The Labor Party in Perspective*, in which he said that the chief fault of the Labor Party in foreign policy after the first world war was that it had been content to borrow its ideas from the Liberals instead of hammering out a Socialist foreign policy of its own. He added that

"there is a deep difference of opinion between the Labor Party and the Capitalist parties on foreign as well as on home policy, because the two cannot be separated. The foreign policy of a Government is the reflection of its internal policy. Imperialism is the form which capitalism takes in relation to other nations. A Capitalist Government in Britain . . . is nationalist, not internationalist in outlook. It may on particular occasions take action in foreign affairs with which the Labor Party agrees . . . but such particular instances of action which can be ap-

proved by Socialists do not affect the truth of the general proposition that there is no agreement on foreign policy between a Labor Opposition and a Capitalist Government."

In spite of these brave words, the Labor Government after the second world war have thrown overboard the Labor Party's statements on foreign affairs and are continuing, in national unity with the Tories, the foreign policy they inherited from their Conservative predecessors in the Coalition. The result is that whereas the world is changing and our position in the world has changed, our foreign policy remains unchanged.

Anglo-Russian relations have generally been the acid test of British foreign policy. Let us take them as the starting-point of this analysis. To give the necessary perspective, let us begin with the Russian Revolution.

"Hate of the revolution and fear of its consequences in England were the dominant reactions of Conservatives. . . I found the same fears among the Labor patriots," wrote Bruce Lockhart in *Memoirs of a British Agent*. "The Allies greeted the revolution first with feigned enthusiasm and then with increasing alarm. They wanted—and on the part of the military advisers the wish was natural—things to be put back where they were before."

The Tories are still in the state of mind that these quotations reveal. Between the wars they lost the peace because they first fought the social revolution in Russia and Europe, then boycotted the Soviet Union, and finally appeased the fascist aggressors. They view the second wave of the social revolution, released by the second world war in Europe and the Far East (where the French and Russian Revolutions have arrived hand in hand) with the same hysterical hatred and dread that they fought the first wave in 1918-21. The ex-appeasers of yesterday still sitting on the Tory benches have turned into the frustrated interventionists of today. Their view of what ought to be done now is still that of Lord D'Abernon in his book, *An Ambassador of Peace*, when he wrote, defending the Locarno Treaties (the Western bloc of those days):

"It was apparent to those who took a world view that Western civilisation was menaced by an external danger which, coming into being during the war, threatened a cataclysm equalled only by the fall of the Roman Empire. This danger arose from the sweeping success in 1917 of the revolution against the Czarist regime and the establishment in Russia of a fanatical Communist Government animated by hatred of all political organisations which stood in the way of a world victory of the Soviet creed. . . ."

"Resistance to communistic propaganda, the maintenance of peace in Europe, the avoidance of another Great War, the establishment of security for respective frontiers, the preservation of society on existing lines, were capital objects of British policy. But there was more than this. England's stupendous and vital interests in Asia were menaced by a danger graver than any which existed in the time of the old Imperialistic regime in Russia. Hostility to England or jealousy of the intrusion of British civilisation into Asia were indeed of old standing. For the last seventy years of the nineteenth century, rivalry between England and Russia had been a dominant fact in history. But the Bolsheviks disposed of two weapons which Imperial Russia lacked—class revolt propaganda, appealing to the proletariat of the world, and the quasi-religious fanaticism of Lenin, which infused a vigour and zeal unknown to the officials and emissaries of the Czar."

"Resistance to communistic propaganda," "the preservation of society on existing lines," and the determination to defend Britain's "stupendous and vital" interests in Asia by excluding the U.S.S.R. from the Middle East, are the operative parts of this statement. They were the "capital objects" pursued above all others by British foreign policy between the wars. That is why our foreign policy played a big part in bringing about the second world war.

The Tories are so enthusiastic about Mr. Bevin's foreign policy, because they see it apparently pursuing the same traditional aims and animated by

the same 19th century motives as those so ably summarised by Lord D'Abernon twenty years ago. Mr. Bevin's speeches in the House and in the Security Council pour balm on the suffering souls of the frustrated interventionists on the Tory benches.

Mr. Bevin's outburst on February 1st in the Security Council against the Communist Parties of the world aroused the utmost enthusiasm in the press of Franco Spain and Fascist Argentina, not to mention the Greek Royalists, General Anders' Polish Army in Italy, the Hearst press and the *Chicago Tribune* in the U.S.A., the *Kemsley* and *Rothermere* papers here and the whole rag-tail and hobtail of the fascist and reactionary down and outers throughout Europe. For they all dream of another war of intervention that will put them back where they were before. And did not Mr. Bevin say that "it has been the incessant propaganda of Moscow and the incessant propaganda of the Communist Party in every country in the world to attack the British people and the British Government as if there has been no friendship between us. That is the danger to the peace of the world. It sets us against one another, causes suspicion and misunderstanding, and makes one wonder what the motive is."

On the same occasion Mr. Bevin admitted that British troops had gone into Greece, not to liberate the country from the Germans, but in order to prevent the resistance movement, E.A.M. (then a broadly-based coalition including nearly all democratic elements) from taking charge of the country. Instead, we put into power a pack of reactionaries, Royalists and ex-collaborators, who instituted a reign of terror against the Left.

In December, 1944, Mr. Bevin told the Labor Conference that Greece had been invaded because "the British Empire cannot abandon its position in the Mediterranean." That is a return to the imperial strategy of the last century, which was directed to keeping Russia out of the Balkans and Middle East and bottled up in the Black Sea. The same strategic conception appeared in Mr. Bevin's remark when, speaking to the House on November 7th about the Soviet desire to be made trustee of an Italian colony, he said, "one cannot help being a little suspicious if a great Power wants to come right across, shall I say, the throat of the British Commonwealth. . . . One is driven to ask oneself the motive."

Again, when on November 21st, Brigadier Maclean asked for an assurance that "it is the intention of H.M. Government in all circumstances to safeguard our imperial interests in South Persia and the Persian Gulf," Mr. Bevin answered grandly that "it is the intention of His Majesty's Government to safeguard British interests in whatever part of the world they may be found." The Brigadier then asked how the Government proposed "to carry out this assurance in this particular case." Mr. Bevin replied: "I cannot divulge to the hon. and gallant member, in answer to a question, all the strategy of the Chiefs of Staff and

everybody else concerned." Even the Brigadier felt bound to protest the next day that "That was not at all the answer that I expected or desired. Strategy and Chiefs of Staff are brought into play, not in keeping order in our outlying part of Asia, but in a major war, and that is exactly what we are out to avoid."

Mr. Bevin's outlook on Europe, the Middle East and the Soviet Union, it will be observed, does not differ by a hair's breadth from that of Lord D'Abernon twenty years ago, in the day when we lost the last peace. Our Foreign Secretary stands with one foot in the Crimean Conference and the other in the Crimean War.

The truth is that the War Office, the Admiralty and the Foreign Office are running our foreign policy, not the Labor Government. And in Europe, the Middle East, the Far East (Indonesia) alike, they are pursuing the traditional social and Imperial aims of the old governing class, who may have lost the election, but are still overwhelmingly represented in the Foreign and Colonial Offices and the fighting services.

But the world has changed, and our position in the world, including the things for which the British people are prepared to fight, has changed.

The Soviet Union has emerged from the second world war as a first class world power. There is a tremendous ferment and stir among the peoples of the East where the demand for national independence and political democracy, and the desire for social change, are working together powerfully in men's minds.

The Communists of today are not the Communists of 1919. They are incomparably more mature and powerful. They are the leaders of most or all of the working-class in nearly every country in Europe except the old democracies of the North-West fringe, Switzerland and Austria. They represent the mighty Soviet Union and nearly all the forces of democracy and progress in that vast country, China, where they rule over whole provinces. They lead most of the organised workers in Latin America. They played a heroic and central part in the underground resistance movements, and have emerged in leading positions in the progressive coalitions that alone are capable of reconstructing the war-shattered countries where democracy has been destroyed or never existed, and where the old social order has broken down beyond repair. They are working hand in hand with the Socialist parties in most countries.

This country, at the present rate of demobilisation, will still have over 2,000,000 men under arms next June—a higher figure than the United States. We cannot afford to maintain much more than a quarter of that figure for any length of time. Let the fate of France serve as a warning. General de

Gaulle's policy of prestige and megalomania brought that country to the verge of economic collapse, and has necessitated drastic cuts in France's military establishment and armaments.

If we are not to wreck our economic reconstruction, we must cut out commitments, armaments and military establishments ruthlessly. We are not physically able to fight the Soviet Union and the British people would make short work of any Government insane enough to go to war about oil or strategic or any other of the "vital interests" in the Middle East so dear to the Foreign Office and the War Office and Admiralty, but about which British workers know nothing and care less.

Mr. Attlee said on January 29th that our vast military commitments were necessary to world peace. Let the United Nations Security Council be the judge of that. Offer to share with our fellow-members of the Security Council all our commitments to maintain peace, including such matters as Indonesia; Greece; Palestine; control of oil resources and irrigation and development schemes in the Middle East; control of the inlets and outlets of the Mediterranean and Black Sea; and the demilitarisation of the Straits (Dardanelles) the Dodecanese and Cyprus.

In the conditions of power-politics and international anarchy, it is the pleasant habit of War Offices, Admiralties and Air Ministries (under some such body as the Imperial Defence Committee) to prepare plans ceaselessly for war against States with whom we might be at war. Our fighting services no longer go through that routine against the United States. War between the English-speaking nations is regarded as unthinkable and is left out of our defence calculations. That is also true of France.

The Labor Government should instruct the Imperial Defence Committee and the fighting services to cease preparing plans for possible war between any or all of the permanent Security Council members, since they cannot under the Charter declare each other aggressors and are jointly charged with the maintenance of world peace. That means no more preparations for war or disposal of forces according to strategic calculations, against the Soviet Union. That would enable us to bring most of our soldiers home from the Near and Middle East in double-quick time.

Nearer home, we should apply Labor's declared policy of co-operating with the governing coalitions that have issued from the resistance movements, in order to unite, reconstruct and pacify Europe through a sweeping advance to Socialism and on the basis of the Anglo-Soviet and Franco-Soviet Alliances.

On those lines we could make peace. On present lines we are drifting to disaster.

THE HOUSING PROBLEM

(Written for the Communist Review by an expert on housing.)

It is a popular fallacy that the present housing shortage is due entirely to the cessation of building during the war and that its slow relief is entirely due to the mishandling of the problem by Labor governments. This misconception is being carefully fostered by the capitalist press throughout Australia, who see in the entry of Government into the housing field a trespass upon a province of private enterprise which has reaped handsome profits for property owners in the past at the expense of tremendous misery for thousands of Australians, who have been forced to live in foul, squalid, unhealthy, airless dwellings and have paid rents sufficient to replace their living quarters over and over again.

The Commonwealth Housing Commission proved conclusively in the 328 pages of their Final Report to the Commonwealth Government that there were approximately 120,000 houses short before World War II started. The main reason for this shortage was the failure of private enterprise to build sufficient homes for the lower-income group at a rental which they could afford. Attempts had been made by reactionary Governments to solve the problem without interfering with this well-established field of private enterprise. For example, the Stevens Government in N.S.W. in 1936 had boosted co-operative building societies by giving Government guarantee to portion of the capital invested in houses built through these agencies. But because a deposit was required and the loan repayment was high the terms were above the reach of the lower-income group. They do, however, provide a useful service for the lower-income groups.

It had been the policy of all Australian Governments between the two World Wars to avoid actively entering the housing field until forced to by public opinion and then to do as little as possible to interfere with the status quo. Although the 1914-18 war aggravated the housing shortage, and the return of ex-servicemen increased the demand still further, little was done to make provision for home building other than by the Commonwealth War Service Homes Commission, which met, to some extent, the needs of ex-servicemen.

The depression of the 1930's caused a very great reduction in all building and the housing shortage became so acute during the decade 1930-1940 that governments were forced to take further action. In 1936 a Housing Improvement Board was set up in N.S.W. which did no more than build 56 flats at Erskineville. In the same year the South Australian Housing Trust was established and had built 1,030 dwellings up to 1941. These, by provision in the Act, let at

extremely low rentals (as low as 12/6 per week) which, however, had the unfortunate effect of forcing down the size of the rooms and the standard of equipment. The building costs were most reasonable. The rentals were within the reach of the lower-income groups but the standards of space were below those demanded by the average Australian for the raising of a healthy family and for living conditions of common decency. This proved beyond doubt that Government assistance must be given in order that a reasonable standard of floor space and equipment be maintained. The high building costs at present prevailing aggravate the position even more.

In 1938 the Victorian Housing Commission was appointed. This Commission built the most satisfactory large-scale housing up to World War II. Their policy had been to take advantage of building economies by mass construction of large groups of houses under one contract on sizeable areas of land, which had been specially selected for its proximity to industry. Up to 1941, 1,586 slum houses were demolished and the rate of housing had reached 1,279 dwellings in two years. Even this was only a drop in the ocean of need. The other States did even less towards the erection of low cost homes.

With the cessation of building in 1941 the shortage of houses became critical and the Joint Parliamentary Committee on Social Security recommended that the Commonwealth Government should take action to solve a problem which was nation-wide. The Commonwealth Housing Commission was established in 1943 to report on the existing housing shortage in Australia and the housing requirements during the post-war period. The Commission underlined the failure of private enterprise to house the people and urged that Governments should co-operate in building a large volume of dwellings. The ability of Governments to build more cheaply and without profit was emphasised. Further, it was recommended that 1-6th of the tenant's family income was the maximum proportion payable for rent, and that as this would not pay for a decent home under present conditions a subsidy should be paid to make up the difference between the economic rental and 1-6th of the tenant's income. Programmes were proposed of 50,000 houses in the first post-war year, rising to 80,000 in the third post-war year and continuing at that level until the shortage was removed in 10 years time. Of this total half would be built by Governments and half by private enterprise, thus leaving an equivalent amount to private enterprise to the largest number of dwellings built in any pre-war year, that is, 40,000.

As the result of the Commission's report a

Commonwealth State Housing Agreement was concluded in 1945, incorporating the following:—

1. The Housing Authority in each State shall allow to low-income tenants a rental rebate equal to the difference between economic rent and one-fifth of the family income when that income equals the basic wage. (As the family income falls below or rises above the basic wage the proportion shall vary.)
2. The Commonwealth Government shall bear three-fifths of any financial losses incurred by the Government-financed housing schemes and the balance shall be borne by the States.
3. Dwellings shall be allotted on the basis of need.

Apparently the pressure by Treasuries had forced an increase in the proportion of tenant's income payable for rent from one-sixth recommended by the Commission to one-fifth. (The ruling proportion in the U.S.S.R. is one-tenth.)

Now turn the page to the post-war picture and see what has been done by Governments under this Agreement. Of all Governments, N.S.W. has clearly made the biggest strides. With practically no pre-war organisation, a handful of executives retained during the war and no technical staff, the N.S.W. Housing Commission has advanced to the position now where more houses are being erected in this State in each quarter than in any other. Even so, they have been very slow in taking advantage of technical knowledge developed pre-war in other States; from Victoria in particular. Mass-production of concrete houses had been proceeding there for some years prior to the cessation of building. Full advantage had been taken by the Victorian Housing Commission of the latest architectural knowledge through a panel of architects appointed as a result of a competition. The N.S.W. Housing Commission and the Minister for Housing muddled with the problem and refused to seek the best experience and advice. Then came a re-organisation of the Commission in 1945 under public pressure, when the technical quality of the Commission was improved, but clearly there has been no demonstration that the Commission understands the social nature of the job they are doing. Expediency has outweighed considerations of equal moment, such as the proper relation of housing schemes to industry and the proper

provision of community centres, shops, picture shows and so on. Flats, the most economical means of solving the housing problem quickly, have been thrust into the background. An enormous social problem is being tinkered with by small men with limited vision.

The major factor contributing to the slowness of the house-building programme is the slow production of building materials. Great energy and drive is necessary by Governments to overcome the shortage. But here again there is great reluctance to enter the field of production in competition with private enterprise. For example, the exposure of the go-slow policy of the brick producing monopoly, the N.S.W. Government belatedly took over the State Brickyards only after the big builders through their mouthpiece, Mr. E. R. Bradshaw, complained that their building works were being held up. The fibrous plaster industry is also adopting a go-slow policy. Electric stoves are in short supply. Only when the Government takes bold steps by requisitioning munition factories, of which there are plenty available, will the position improve. Now that the principle of housing by Government has been established, and it will be difficult for the forces of reaction to reverse this and still retain any vestige of popular support, the next important step must be to secure the increasing flow of building materials. Only active participation by Government can secure this.

New technical methods will develop from the researches of the Commonwealth Experimental Building Station, established in 1944 for the purpose of investigating prefabrication of house units and other building components such as kitchen fittings. This station should be fully utilized by the various State Governments.

The State Government has recently announced the establishment of a prefabrication factory at Villawood and this, if pursued with real purpose, may grow in importance as its methods prove successful. The adoption of new building methods must take place side by side with the use of existing methods so that full use may be made of craftsmen trained in those methods. The new methods may eventually supersede the old entirely for large-scale housing work.

INDIA'S AGRARIAN CRISIS

G. ADHIKARI

Part I (Abridged)

THE rice famine of 1943-44 which devastated Bengal, seriously affected Orissa, Malabar and Rayalseema, is history's grim and final warning to India. . . .

India was not visited by a great natural calamity. Japanese aggression had cut off rice

export from Burma. The total rice deficit for the year was not more than 12%. And yet 3,500,000 perished in one year in Bengal out of sheer lack of food; 1,200,000 died of epidemics in the next year; 10% of the total population of the famine-affected area was rendered destitute. . . . All rural life had

collapsed in more than one-fourth of Bengal. . . .

Ninety per cent. of India's food producers are poor and middle peasants. Their methods of production are several thousand years old and primitive. Most of them work under horrible conditions — as rack-rented debt-slaves, or as serfs. The landlord and the usurer take more than half of what the peasant produces. . . . Through decades of imperialist rule, the peasant cultivator and the tenant have become poorer and more debt-ridden. His plot of land has become smaller. He has had less and less to put back in the land to improve it. . . .

And this rickety agriculture of impoverished serf villages has to support the ever-increasing army of landless laborers, which the strangulation of industries by British imperialists thrust upon the village. It is not surprising that India under these conditions should be a land of chronic agrarian crisis. What is surprising is the immense patience of the Indian peasant, who has borne the ever-increasing load of parasitic classes, has gone on producing food under ever worsening conditions of exploitation and serfdom.

In the very year of famine, the Bengal peasant showed his amazing capacity to go on tilling the soil in spite of starvation, in spite of the want of bullocks. He raised the crop in every available acre even at the point of death. In 1944 the fields were overflowing, as it were, with a bumper crop of the golden grain. But it was not the peasant and the toiler who got the grain, but the landlords and the usurer Mahajans, who had now turned blackmarketeers and hoarders. The peasant faced further starvation, epidemics and ruin. . . .

The Bengal famine was neither a natural calamity nor a war accident. It was a danger signal. It has given us a glimpse of the ghastly end to which the Indian peasantry and Indian village society — the food base of our culture and civilisation — are inevitably going as a result of 200 years of imperialist rule and imperialist policy.

It is customary for the apologists of imperialism to talk of India's "over-population" as the cause of India's proverbial poverty. They talk of the "vicious circle" of growing population and declining standard of living of India. (Vaidyanathan, Indian Census Report, 1931.) In fact, the glaring feature of Indian life under the last 100 years or so of British rule is the growing pressure of population on land. But this is not a biological phenomenon nor need it be attributed to some mysterious law of the declining fertility of the soil.

It is a socio-political fact — a direct result of imperialist rule and exploitation. British imperialists conquered India as a huge monopolist market for their capitalist industries to buy raw materials and sell their finished goods. They destroyed

India's old artisan industries and throttled the growth of new modern industries. Since 1891 the percentage of population dependent on agriculture has steadily increased. It rose from 61% in 1891 to 73% in 1921 and 75% in 1931.

Percentage of industrial workers to total population has steadily decreased:

Year.	% of Population Dependent on Agriculture.	% of Industrial Workers to Total Population.
1891	61.1	—
1911	66.5	5.5
1921	72.2	4.9
1931	73.0	4.3
1941	—	4.2

On the one hand, more and more people have to live off agriculture because of imperialism's throttling grip on India's industrial development. On the other hand, agriculture itself, in the hands of a starving, rack-rented and debt-ridden peasantry has been steadily stagnating and declining. This, and no other, is the real vicious circle which is at the root of the growing crisis of Indian agriculture. India, which was described once by the old Chinese travellers as the land of plenty, of highly developed agriculture and cattle breeding, has become a land of deficit food production, a land of chronic famine.

How total sown area and food grain production has actually dwindled while the population has increased can be seen from this table:

Declining Food Production in British India.

(Note: That part of India ruled by British Governments, which excludes the Native States.—Ed.)

Year	Population	Sown area (in million acres)	Food Grain (in million tons)
1911-12	231.6	150.6	—
1921-22	233.6	158.6	54.3
1931-32	256.8	156.9	50.1
1941-42	295.8	156.5	45.7

(Burns, Technological Possibilities of Agricultural Development in India — 1944.)

For an all-India population of 388 million, the maximum available food grain production is 53 million tons. If the whole of India is to be rationed at the rate of 1 lb a head per day we would need 63 million tons of food grains a year, i.e., 10 million tons more than Indians can grow under present conditions in a good year.

That this decline of food production is due to the growing impoverishment of the peasantry and the consequent deterioration in agriculture is shown by the fact that the average yield per acre of important food grains has also declined. W. Burns, a Government of India official, in the book quoted above gives the following figures for rice:

	Declining Yield of Rice (lbs per acre)					
	1909-13	1926-27 1930-31	1931-32 1935-36	1936-37	1937-38 1938-39	
India (including Burma)	982	851	829	861	826	728
Burma	—	887	845	833	813	959
Japan	1,000	1,333	1,413	1,505	1,471	1,469
America	1,827	2,124	2,053	2,339	2,305	2,276

(Burns, *ibid*, p. 55.)

This decline in food production and yield naturally expresses itself in the chronic starvation of the Indian rural population. According to the well-known estimate of Sir John Megaw, in the whole of India only 39% of the population is well nourished; 41% is poorly nourished and 20% very badly nourished. This estimate was made in 1938. It is needless to say that starvation has immensely increased since the recent years of famine and high prices.

Ancient and medieval agricultural society in India was based on the self-sufficient village community. The land was owned in common by the peasants who cultivated it in small plots. Every village community had its own hand-industry run by individual artisans. The weaver, the carpenter, the blacksmith, the potter, the shoemaker, etc., each got his share of grain from each peasant as fixed by the village community. The village community as a whole paid a part of the produce to the king or the overlord, who in return protected the village and looked after its irrigation works. This basic unit of old Indian life and society persisted through centuries and under changing dynasties right up to the British conquest. British imperialism was a conqueror of a new type. It wanted political domination over India for securing a monopolist grip over its economy and a cheap source for its raw materials and market for British manufactured goods.

It was the British imperialist who created the landlord who, as Talukadar, Zemindar, Malguzar, Jagirdar, or Khot, is in possession of some 49% of the cultivated land. He created them from petty chiefs and overlords — the tax-gatherers of the Mughal and Hindu emperors from the villages. He created them because they were a convenient reactionary social base from which he could force foreign rule over a rebellious peasantry and people. The landlords pay a permanently or a temporarily settled land revenue to the state. From their tenant-cultivators they can extract almost any rent they like without having any responsibility whatsoever to look after the irrigation or the improvement of land. In the parts of the country where the British introduced Ryotwari, the state itself acted as the landlord and extorted enormous sums as land revenue. In the 19th century the British bothered as little about irrigation and land improvement as did their own creatures, the landlords.

But the new feature of imperialist robbery of Indian agriculture was the introduction of capitalist exploitation on top of the feudal one. The introduction of money economy and the coming in of cheap manufactured goods (cloth and tools) soon disrupted the closed circle of the self-sufficient economy of the village communities. Land became a commodity. The artisan who was a village servant became a jobless laborer. The peasant cultivator himself, under the burden of extortionate rent and land revenue, became debt-ridden. Old irrigation fell into disuse and agriculture rapidly declined.

The agrarian crisis of the end of the 19th century was mainly due to the excessive land revenue and rental demands on the one hand, and neglect of irrigation and destruction of handicrafts on the other. But all the other features of the general crisis of Indian agriculture under imperialism which have developed in the last 45 years were also there in more or less developed form: the tax-burdened tenant and peasant-cultivator was falling in debt; sub-feudation was growing in Zemindari areas with the result that the burden of parasitic strata which lived off the labor of the tenant-cultivator was growing greater; the debt-ridden peasant-cultivator was losing land — with the result that the number of agricultural laborers was increasing and the size of holdings becoming smaller; the tenant-at-will on temporarily settled Zemindari areas was becoming a serf.

The root cause of the strangulation of agriculture and the growing impoverishment of the peasantry is the grip of land monopoly. In the Zemindari areas, permanently settled as well as temporarily settled, it comes through the British-made feudal landlord. In the Ryotwari areas it comes through the all-powerful merchant-money-lender, who has the monopolist control over what the peasant produces and what he wants to buy and who supplies him loans at usurious rates. Forty-nine per cent. of the total land under plough is under Zemindari — permanently or temporarily settled. Nearly 30% of the rest, which is under Ryotwari, has already passed out of the hands of the peasant-cultivator into that of the absentee landlord, and 60% of the rich peasant. Thus 60% of the land is tilled by tenants in small plots. The bulk of what they produce is expropriated by the parasitic landlord who allows the tenant to starve and puts back nothing in the land for its improvement.

The parasitic feudal Zemindar, or the absentee landlord, gets easy money out of the sweated labor of his tenant. Why should he bother about investing any money in improving the land? The money-lender who sucks the debt-ridden peasant-cultivator through his usurious rate of interest has of course no responsibility towards the peasant's land. It is this parasitic feudal land monopoly on the one hand and the usury of the merchant money-lender on the other which has been the root cause of the growing agrarian crisis and decline in production.

Imperialist reforms and measures never touched this root question. Irrigation schemes were extended (25% of the area is now irrigated). Land revenue was moderated (as compared to the excessive demands of the 19th century). Tenancy legislation was introduced to afford occupancy rights to sections of tenants of the Zemindars. There were debt laws and credit co-operatives to rationalise usury. Lastly, there was the Agricultural Department to make a show of research and of teaching the peasant new methods of agriculture. These measures made hardly any difference to the fate of the poor peasants, who formed the bulk of the tillers of the soil. The process of his falling into debt and losing land continued. General deterioration of agriculture as far as food grains were concerned was not arrested. The new feature was the cultivation by the peasants of cash crops such as cotton, oil seeds, jute, and later, sugarcane, which began to fetch a good price in the Indian and foreign markets after the turn of the century.

The growing of money crops became a source of good profit to the rich and well-to-do peasants. A very thin stratum of these rich farmers who employ labor and grow specialised crops has come into existence. But to the bulk of the middle peasants and a section of poor peasants, the growing of money crops in a small part of their plots was just a source of additional income to balance their bankrupt budgets. That the cultivation of simple money crops like groundnuts, cotton, etc., played an important part in the peasant economy is shown by the fact that their production has very rapidly increased during the last 30 years, while the production of food grains has almost remained stable.

The money crop cultivation did not, however, save the Indian peasant for long. It brought him under the influence of the world market, and made him the victim of the recurring crises of world capitalism. The prices of money crops collapsed in 1919-20 in the wake of the general post-war crisis of the first world war. Vast numbers of poor and middle peasants who had somehow stabilised their bankrupt economy by growing money crops were ruined. Peasant debt rose rapidly. Thousands lost their lands. The number of non-working landlords on the one hand, and

that of the agricultural proletariat on the other, increased. In 1931-33, the Indian peasant was struck down by a still greater economic blizzard. The general world economic crisis and depression of the thirties led to a general collapse of the agrarian prices. The prices of food grains as well as of money crops fell suddenly to nearly half their level in 1928-29. Once again the poor and middle peasants sink deeper in debt. Peasants lose their lands. The army of the landless proletariat swells.

The changes and the deterioration that has taken place in the life of the peasantry as a result of these successive crises can be summarised in terms of the following well-known facts. Firstly, peasant indebtedness has grown to a colossal figure. Secondly, there is an equally steep rise in the number of the agricultural proletariat the bulk of whom, of course, are peasants who have lost their lands. This is a direct result of the rising indebtedness expressing itself as expropriation of the land of the poor peasant by the usurious money-lender.

Number of Landless Laborers in Millions.

Year	1882	1921	1931
	7.5	21.5	33

In 1921 one-fifth of those engaged in agriculture were landless laborers. In 1931 one-third of those engaged in agriculture were classed as landless laborers. In 1938, in Bengal as well as in Madras, this proportion was about one-half.

The general picture is that the number of parasitic rent-receiving land-owners is increasing. So is the number of landless laborers, while the number of peasants and cultivators has diminished.

	1911		1931	
	(in millions)			
Non-cultivating landlords	3.7	4.1		
Cultivators (owners and tenants)	74.6	65.5	28.4	36.2
Agricultural laborers	21.7	33.5		

If 1941 figures were available they would only show a further worsening of the situation. However, let us see what these figures mean: 55% of the total number of cultivator families are tenant cultivators. And the bulk of these are tenants-at-will on small plots whose standard of living is hardly distinguishable from that of the landless laborers. The tenants-at-will, as well as the agricultural laborers, are today living in conditions which are no different from serfdom. They are serfs of their landlords. Out of the owner-cultivator peasant families more than 60% are working on holdings which are uneconomic. Those peasants who have very little or no grain and have to buy grain for a part of the year, are generally in debt and in the grip of the merchant money-lenders. Out of the 100 million families which live and work on land and produce our food: 34 millions

are landless laborer serfs; 25 millions are tenants at-will serfs; 20 millions are poor peasant proprietors — mostly debt serfs.

That is, 70% of our peasants and land laborers live, work, produce food under conditions of serfdom. These are not imaginary statistics. They can be tested on the actual figures of different provinces. Take two typical provinces — Bengal and the Punjab. In Bengal 6,000,000 families are classed as cultivating-owners and tenants; 2,700,000 are land-laborers families. Out of the cultivator-owner and tenant families, about 75% have holdings which are less than 5 acres and which, according to the Flood Commission, are not enough to feed a family of four persons. It is the bulk of this section of the poor

peasantry which lost its paddy to the hoarder and itself became destitute, together with the poor artisans and village laborers in the famine districts of Bengal in 1943-44. In the Punjab there are 3,400,000 peasant proprietor families, 1,200,000 Muzaras (tenant) families and 600,000 agricultural laborers. Of the peasant-proprietors, 68% have holdings which are uneconomic. Of the Muzaras, 80 to 90% are tenants-at-will working under horrible conditions of serfdom and on uneconomic holdings. The lot of the land-laborers is no better than that of the Muzaras. Thus even in the Punjab — which is a surplus province — 70% of those who work on land and produce food are living a life of poverty and serfdom.

(To be continued)

CHURCHILL RATTLES HIS SWORD

(Pravda's Editorial on Churchill's Speech at Fulton)

THE British ex-Prime Minister Winston Churchill now in the United States, made a long speech in Fulton on March 5. Churchill's speech was preceded by an extraordinary lot of "hullabaloo" raised by the newspapers. American newspapers announced beforehand that the forthcoming speech would be "sensational." The Press spared no colour in building up loud publicity and Churchill himself, who mobilised the entire arsenal of his oratorical art, spared no colour either. Nevertheless his performance met with no success and most American, as well as British newspapers, frankly admit that the speech wasn't a success and that the speaker went too far.

While reading the speech of the British ex-Prime Minister one cannot help recalling Churchill in the period after World War I. At that time too he marched out of step with history. He lagged behind historical developments and made pitiable attempts to check or retard the progress of those developments. He was initiator of an anti-Soviet campaign and chief organiser of armed intervention against the Soviet Union. The British people paid a high price for this gamble on the part of British reactionaries who tried to impose their will upon the young Soviet Republic by force of arms. As all efforts of Churchills and Chamberlains. Many years have passed since then and much water has flowed under the bridge, but Churchill has remained true to his old self. Evidently he forgot nothing and learned nothing. He is still in the grip of his old ideas and ambitions and again he is riding his old hobby-horse and coming out against the Soviet Union . . . coming out sharply, aggressively and flourishing the old bogey of "Bolshevik menace" and "Bolshevik expansion."

While war was on, while mortal danger threatened Britain and Europe, Churchill in his speeches

more than once pointed to the outstanding role of the U.S.S.R. Then he pretended to be a friend of the Soviet people and swore loyalty to Anglo-Soviet friendship as well as the entire Anglo-Soviet-American coalition; but now the danger is past and the deadly menace of Hitlerite Germany which overhung Europe and Britain is gone forever. Churchill has become his own self. Now he can give free rein to his real sentiments which he has been hiding under a bushel throughout the war years, carefully concealing his intentions and hostile plans towards the Soviet people. Churchill is sufficiently experienced to know how to cover up those intentions and plans by high-flown phrases about democracy, peace and brotherhood of nations, but it is enough to read his speech to see beyond any doubt how false and hypocritical these phrases are on Churchill's lips when he makes use of words poisoned with venom and hatred of true democracy, when he speaks about "expansionist tendencies" of the Soviet Union, about "the iron curtain which descended upon the continent," about the shadow from the East which "fell on fields but recently lit up by Allied victory." What does Churchill put forward now? He puts forward old way as he did 20 odd years ago to intimidate the world by the horrors of the Soviet's "expansion" carrying a threat to "true democracy" in the West. Prague, Belgrade, Bucharest, Budapest, Warsaw, to Churchill's horror are "in the Soviet sphere" and "are all subject in one form or another not only to Soviet influence but also to a very high and brands all of them as Police States where, with the exception of Czechoslovakia to which Churchill makes however none too courteous a bow there allegedly exists no "true democracy." He bears

down upon the Polish Government, accusing it of "making enormous and wrongful inroads upon Germany," he breathes fury against "all these Eastern States of Europe" and against totalitarian control which allegedly is being established there. "This certainly doesn't constitute the liberated Europe we fought to build up . . . neither is it one which contains essentials of a permanent peace" Churchill exclaims, and warns at once that at present war can overtake any country wherever it is between sunset and sunrise. He sees the only consolation in Athens. In Churchill's view it is the model for "liberated Europe" — in Greece where under the wing of British troops the Fascist Royalist Reaction is doing its work, where Greek Chitons — these Hitlerite leftovers — massacre Greek Patriots with impunity. But just as one swallow doesn't make a summer, "democratic" Greece alone cannot divert Churchill's wrath from the entire Eastern Europe. Now after World War 2, as was the case after World War 1, Churchill imagines himself the saviour of Europe from Communism which threatens to flood, if not the whole of the world, then at least the whole of Europe and Churchill is ready to assume the role of saviour.

Churchill stated in his speech at Fulton: "I repulse the idea that a new war is inevitable, still more that it is imminent. It is because I am so sure that our fortunes are in our own hands and that we hold the power to save the future that I feel it my duty to speak out." Here too Churchill is true to his old self — he says not what he thinks but in reality he tries to impress the idea of inevitability of a new war. More, he instigates this war, which is precisely a war against the Soviet Union, which he slanders by saying that "Soviet Russia desires the fruits of war, and indefinite expansion of her power and doctrines"; when he demands "not waiting to see what happens" and "not to be relieved by the policy of appeasement" but to act without relying upon "narrow margins offering temptation to the trial of strength" and do everything to increase their own forces. Such is the "overall strategic concept" which Churchill proclaimed in his Fulton speech and proceeding from which he expounded his new plan for saving mankind from Soviet "expansion." Churchill himself in his speech called this plan the crux of everything, but it proved to be nothing but a plan for the creation of Anglo-American military alliance which, according to him, calls for special relations between Britain and the United States of America.

Regarding these relations Churchill said literally the following: "British association requires not only growing friendship and mutual understanding between our two vast but kindred systems of society, but a continuance of intimate relationship between our military advisers, common study of potential dangers, similarity of weapons and

manuals of instruction and interchange of officers and cadets at colleges. This should carry with it a continuance of present facilities for mutual security by the joint use of all naval and air force bases in the possession of either country all over the world."

Thus Churchill proposes the creation of an Anglo-American military alliance, stating frankly that this military alliance must be directed against the U.S.S.R., against a Power which shouldered the brunt of the struggle and played a decisive part in routing Hitlerite Germany. But military alliance of two members of a coalition against a third member means the liquidation of the coalition of three great Powers formed during the course of World War 2, and thus with one stroke Churchill obliterates everything he preached as immutable truth during the war. "Our old doctrine of balance of power," Churchill continues, "is unsound. We cannot afford to work on narrow margins." He urges the unification of the "Western Democracies" under the hegemony of an Anglo-American Military Alliance. Churchill believes that the front of the "Western Democracies" under Anglo-American domination must be opposed to "Eastern Communism." He openly proclaims the policy of force which must be carried out by the Anglo-American military alliance, but who will fail to see that actually all this means nothing but liquidation of the United Nations Organisation! Thus with another stroke he makes short work of an organisation of which he was once an ardent champion. Is this anything but total renunciation by Churchill of a goal repeatedly proclaimed in a declaration of the Three Powers — to assist in every way the democratisation of the liberated European States after Hitler's defeat?

What is the gist of Churchill's proposals? To create an Anglo-American Military Alliance which would ensure their domination all over the world, to liquidate the Three Power Coalition together with the United Nations Organisation and to make the policy of force the dominating factor in world development. The only thing lacking to make the picture complete is the frank formula about "Cordon Sanitaire" against the U.S.S.R. Needless to argue, Churchill swings wide indeed, but will his puny strength suffice? His plans aim far but they plainly are out of tune with real possibilities and real conditions. He himself realises that he lacks the means for carrying out the plans conceived by his impetuous imagination and he frankly clutches at Uncle Sam's coat-tails in the hope that an Anglo-American Military Alliance will enable the British Empire, at least as a junior partner, to continue the policy of imperialist expansion.

Churchill's speech met with a reserved reception both in the United States and in Britain. Commenting on the speech the New York Herald Tribune writes: "Those who shout about moral crusades against the

Soviet Union must right now think about what such crusades must lead to in practice." The Chicago Sun writes that: "Churchill's goal is false and fraught with countless dangers." Member of the United States House of Representatives Patterson stated: "Great Britain for 1,000 years has been pursuing a policy of continuous militarism. We don't want unhindered militarism on the part of any State." The U.N.O., Patterson added, "will function despite the fact that Churchill made this speech asserting that the world would return to the old struggle." Senator Brewster stressed that "the United States cannot accept the legacy of the British Colonial Policy." In Britain too, various public groups critically regard Churchill's speech and the London Times advises "not to rely exclusively on America's assistance," and emphasises "the major importance of solving the problem of Anglo-Soviet relations." Labor M.P. Joseph Reeves commented thus on Churchill's speech: "It must be made clear that Churchill spoke only on his own behalf.

The idea of an Anglo-American Bloc against the Soviet Union is hateful to the masses of the working people of our country. It is very characteristic that Churchill came out with his plan not in Britain but in the United States. Evidently Churchill remembers that his first post-war experience in speculating upon the "Red Peril," during

ARGENTINA, FASCIST SPRINGBOARD FOR WORLD WAR III

NORMAN FREEHILL

ARGENTINA, freed for a brief forty-eight hours from the open terrorism of the near-Fascist regime, cast its vote in the national elections of February 23 and 24.

That "the elections would be effected with absolute freedom," as declared in a Press statement (Sydney Sun, 28/2/46), issued by the Consul-General for Argentina in Australia (Senor F. Remonda da Mingrand) may reasonably be doubted. Note that, after 16 years of power, the dictatorship itself granted the two-day freedom. The gangster says to his victim: Come for a ride, I'll be with you!

Consul-General da Mingrand said his official information was that 90 per cent. of the people voted in the big centres. But what of the millions of illiterate ranch and farm workers, influenced by fanatical, Fascist-minded priests, who voted under the cold eyes of their arrogant, semi-feudal landowners? What of these votes? Did the feudal lords who sire the Colonels of the Officers Group see that the votes were cast for their opponent? Does the leopard change its spots?

Remember that Peron's supporters said frankly: "Vote for Peron or else!" And: "If you vote

the Parliamentary elections in Britain, brought him crushing defeat. Having suffered political fiasco in Britain, Churchill decided to try his luck in the United States hoping evidently for support of certain American circles, but the reaction of American public opinion brought him fresh disillusionment.

Churchill has not been recognised as a prophet in his own country or beyond its borders . . . his plans are old songs sung to a new tune . . . his new concepts are doomed to as hopeless a failure as were his old concepts which were so mercilessly overthrown by history. He is obstinately pulling backward while life goes forward. He plainly overestimates the forces of reaction and underestimates the influence and might of democratic forces, Churchill forgets that in wartime freedom-loving nations acquired enormous political experience and know how to distinguish between real champions of peace and imperialists who, under the false flag of "Defence of Peace," are drawing up plans for unleashing new imperialist wars. No amount of false speech about democracy and freedom will enable inveterate reactionaries like Churchill and his American friends from Vandenberg's camp to entice the nations on to the path of new wars they are preparing.

["Pravda" is the organ of the Communist Party of the Soviet Union (Bolsheviks).]

against Peron, that will be a pity, because you'll still get Peron!"

It is to play fools with logic to think that the Fascists granted the freedom to vote unless they had everything fixed to ensure the return of their puppets.

What is the explanation of the present and past situation in Argentina? It arises out of the contradictions in the economic set-up in the country; contradictions which, evident a century ago, are still present.

Let us look at the historical background.

In the second half of last century, although Argentina was a capitalist country, with a bourgeois democratic political constitution, its finance and its steadily expanding secondary industry were not native. England financed most of the railways and tramways and much of the freezing and meat processing, and supplied loans to the government. America was interested to a lesser degree. Native capital was in the huge cattle runs and sheep stations; in the wheat, corn, rye and linseed fields. The employees were ill-paid, poorly treated, little more than serfs.

The absentee character of the banking and industrial capital left economic power largely in the hands of the semi-feudal landowners. The young bourgeois democratic Parliament had no roots in the working masses.

In this period Argentina experienced its first brutal dictator, one Rosas, chosen by the semi-feudal landowners. Rosas faked a national ballot in a manner to make the average A.W.U. official grind his teeth with envy. Rosas organised his vote so well — he did not even bother with sliding panels! — that he registered 300,000 votes for, and only two against.

Parliament was reduced to puppet status. Murder and terror being less important than bond interest and trade. England, through Lord Palmerston, appeased Rosas just as, almost a century later, Chamberlain appeased Adolph Schicklgruber Hitler, loud mouthpiece of German finance capital. When, after 23 years' rule, Rosas was deposed, England did what England has done to dictators over the years: it took him aboard a British warship and let him spend the last 25 years of his life as a country squire. Rosas died at Swatshelng, near Southampton, in 1877.

Rosas maintained a close relationship with the Roman Catholic Church. Rosas tortured his opponents; murdered them; made their organisations illegal. He murdered his associates when they displeased him. The Press was censored, the university bullied to spinelessness. Peron has also done those things.

Rosas sent Argentina to war with Paraguay, Uruguay, Brazil, Peru and Chile. Peron, Rosas' 20th century replica, has not repeated that record — yet. But he has placed his agents in his border countries, armed the Chilean border, and tried to woo Brazil.

The wartime democratic fever of 1916 made a break with a long succession of reactionaries and swept a radical bourgeois party, Union Civica Radical, into office.

But the sharp contradictions in the economic set-up had become sharper with the years. The contradictions in the economic set-up in the semi-feudal landowners had become more powerful. They had widened their activities into industry — industry concerned chiefly with their products — meat and other foodstuffs.

The Radical Party had no close contact with the masses. Nor did it utilise the political power given it by the electors. Its moves to modify the semi-feudal economy of the republic were reduced to futility, often with the co-operation of elements in the UCR itself.

Under the corrupting influence of the landowners and reactionary capitalist, Parliament deteriorated. The landowners and the reactionary industrialists, with British backing, maintained the pretence of Parliamentary Government, but manoeuvred their agents into power and kept them

there by corrupt elections, fraudulent ballots, suppression of public liberty. So was the political machinery kept ineffective until the world war against Fascism stirred the Argentine people again to democratic activity.

We come to the elections of June, 1943.

In the meantime however, the seeds of Fascism had found fertile ground in the Republic. Argentina's Fascist-minded ruling class and its almost completely Catholic populace were viewed with greedy eyes, no less by atheist and pantheist Nazi gas-chamber specialists than by bloody-fingered, devout thugs of Spain and Italy, as material easily moulded to their wishes.

Seeing the end as the Red Army smashed the Nazi war machine at Stalingrad, German capital, capitalists and technicians poured into Argentina. These Nazis saw in Argentina the ideal area to which to transplant the framework of the Nazi machine; the ideal area in which to mould a new Imperialism and gather strength for next attempt at world domination. This emigrant political scum — Fascist gangsters from Italy, Iron Cross torturers from Rumania, Vichy traitors, Francoist thugs, Nazi murderers — were given an eager welcome. The number of Axis firms in Argentina by October, 1944, was stated at 2500.

Having espoused Fascism, the local lads used Hitler's "promises" technique. They promised to abolish profiteering and to re-establish constitutional government. Instead, corruption increased. The State and its finances were used to further the interests of the Colonels' Group or Officers Group (Grupos Oficiales Unidos — GOU) and the Fascist-Imperialist interests and ambitions which it represents.

The democratic forces were goaded into activity. But, as always in periods of crisis, the Social Democrats (Labor) rushed eagerly to the defence of Capital. They sabotaged the Popular Front. The result was to give the Officers Group an open road to dictatorship. The Officers Group made no pretence, now, of submitting to Parliament. Its actions were blatantly corrupt: its aid to Nazi and Falangist agents insolent; its terrorism undisguised.

The Atlantic gives a graphic picture of the terror: "For more than a year, to Montevideo, capital of Uruguay, 125 miles across the estuary from Buenos Aires, have come young men; by steamer or plane; by yacht or humble fishing boat. They were often swollen, bruised, limping; sometimes still bleeding from beatings by Colonel Peron's national police — known as the Argentine Gestapo.

"In mid-October the stream thickened; the wounds were more serious. Young men came on crutches, with their ribs smashed, or with their faces beaten to a pulp. Sometimes women arrived. . . .

"Some escapees were unknown political workers; others had had villas at Uruguay's fashionable beaches.

"Montevideans know, from their frequent business and social visits, of the tanks in Buenos Aires streets, and Tommy guns in the hands of police; of police-paid slum thugs — brass-knuckled, toting knives and guns.

"They know, too, how the police force of Buenos Aires has grown since June, 1943, from 4,000 to 35,000. They know its ugly elements: Half-Indian Gauchos lured in from Corrientes, the last "Wild West" province in Argentina; and Guarani Indians hired straight out of the Paraguayan Army, as ready to shoot into a political meeting in Buenos Aires as to massacre a file of war prisoners in the Chaco."

In September more than a thousand political figures were thrown into jail.

Argentina's wealth still lies chiefly in its rich plains with their cattle and grain. Its oil, mineral and metal resources thus far exploited are modest. Its light industries prospered during the war, but that prosperity has passed. It lacks too many essential raw materials to give its new war industries sound foundation. It needs more to consolidate and strengthen its heavy industries. But it is balancing up what it lacks. Funds stolen from Europe's subject countries, gold torn from the fingers of murder-camp victims, profits won from Fascist-controlled Treasuries in Europe, these have been poured into Argentina to build up secondary industries — not for peace and prosperity, but for war.

Today tanks, guns and aeroplanes are rolling off the assembly lines from Nazi blueprints — and the Officers Group knows that the raw materials Argentina lacks are in the weak, neighbouring republics, while to the north is Brazil, one of the potentially richest areas in the world.

Intoxicated with their home successes, the Colonels cast ambitious eyes around them. They planned the world's newest imperialism. They believe that with their well-disciplined Army; their new war industries; Nazi tutoring; R.C. regimenting of the oppressed masses, and the covert economic assistance of monopoly capital and of the reactionary elements in other countries — they believe that, with all these, the way to a South American clerico-Fascist Empire will be easy.

The Officers Group visualises no serious opposition from the countries it plans to absorb. The small Republics would be quickly overrun and Chile and Brazil could be quickly overrun and its military might. This plan was disclosed in a secret document exposed in June, 1944. After stating the plans of infiltration and conquest, the document ended: "With Brazil fallen, the South American continent will be ours."

The Officers Group counts, too, as Hitler counted, on the Fascist elements in every land assisting Argentina by keeping assistance away from its victims!

They have something on which to build these hopes. On November 4, 1945, at the Conference of the International Labor Organisations, the Mexican delegate, Lombardo Toledano, protested, amidst unanimous applause, against the presence of Argentine delegates.

But the dirty work had already been done in the higher body — the United Nations Organisation. As Argentina was a member of UNO, its delegates could not be excluded from the ILO Conference. A month earlier at the UNO Conference in San Francisco, anti-Russian forces (which means, stripped of all pretence, pro-Fascist forces) had engineered to get Argentina admitted. Australia's Dr. Evatt voted with the anti-British American isolationists and the anti-Russian British delegates.

What the ambitious Officers Government underestimates in its Imperialist dreams is that an established Imperialist Power, the United States of America, already has interests in the South American Republics. The secret document just mentioned opened with "In North America, the controlling nation will be, for a time, the United States."

American policy has been tolerant of the Fascists within its own borders and in France, Italy, Germany, Bulgaria, the Philippines, China. But American Imperialism will not tolerate poaching on its preserves. And it will have noted the "for a time" of the secret document! Already it has issued the first warning to the young Imperialist braggarts. Early in February of this year, the U.S. State Department published a 40,000-word Blue Book denouncing successive Argentine Governments for aiding the Axis. It charged the Argentine with Fascist intentions, consistent relationship during the war with the Axis powers, and making a mockery of its pledge to the United Nations.

[It was the American delegates who worked hardest for the admission of Argentina at San Francisco.]

The Blue Book says the Germans in Argentina have now constructed a complete duplicate of the economic war structure they had in Germany.

Sunday Telegraph's New York correspondent, J. B. Davies, said (17/2/46):

"A sinister, new, totalitarian plan for eventual world conquest is being hatched in Argentina. . . . The Nazis have a cache of £219,000,000 hidden or invested in Argentina to establish the nucleus of a Fascist State in the New World. Returning Americans say 120 factories in Argentina today are producing weapons from German blue-prints.

"Colonel Juan D. Peron is the key man behind the movement. Peron is providing a

safe haven for a band of international bankers, munitions makers, cartel directors, and war-mongers, who have transferred their headquarters from former Axis capitals to Buenos Aires, together with their fortunes, formulas and blue-prints.

"At home Peron is supported by an armored police force of 40,000, as powerful as the army controlled by the Catholic Church, whose political caudillos (leaders) for the past 16 years have counted votes their own way or not at all.

"In 1939, the Argentine Government attached Peron to the German Army for two years, and he goose-stepped over Europe and into Paris with the conquering Nazis. Then he returned home to plan the seizure of his own Government, and lay the basis for a group of Nazi-dominated Governments in Latin-America."

Calls to overthrow the Colonels Group (GOU) were made last year by the Patria Libre (Free Fatherland) movement; the legitimate trade unions in the Comanda Obrero Unificado (United Workers' Leadership) the Union of Argentine Youth, democratic parties and organisations, and those members of the armed forces, including many officers, belonging to the National Liberation Movement.

INCOMES OF AUSTRALIAN FARMERS

G.P.

BY knowing farmers' incomes, some idea can be gained of the poverty of the countryside. This information can be obtained in two ways:

- (a) By studying a number of individual cases.
- (b) By using statistics available in year books and production bulletins.

Very little has been done in Australia by the first method, but an expert economist of the New South Wales Department of Agriculture has used the second method to obtain some interesting facts about farm incomes. These have been published in the April, May, June and July, 1945, issues of the "Review of Marketing and Agricultural Economics," published by the Division of Marketing and Agricultural Economics, Department of Agriculture, New South Wales. This article aims to set out the most interesting facts from these papers.

It is not sufficient to know merely the total value of farm products because farmers have to meet many expenses. The immediate expenses are cost of fertiliser, seed, etc., marketing and depreciation. This leaves a net income for the farmer, but the expenses are not finished, for interest payments, debts, mortgages and wages of employees

The Argentine Communist Party, forced underground, submitted a programme acceptable to the Popular Front. It called for—

Restoration of Constitutional Government. Freeing of all anti-Fascist prisoners. Freedom of action and expression of all anti-Fascist bodies.

Freedom of religion.

Reduction of prices and rent.

Improvement of workers' wages and conditions.

Suppression of all Fascist organisations. Confiscation of their property and imprisonment of Fascist leaders.

Alignment with the United Nations.

The election result will force a more determined effort by the democratic forces. The inevitable progress of the Fascist dictatorship will open the eyes of those who voted blindly; will give courage to the intimidated; will disillusion those misled by the treacherous Social Democrats; will make the honest Catholic workers realise that the fanatical Clerics were interested parties when they took the hustings for Peron.

The nations have been forced by world mass opinion to go through the motions of protest against the oppressive and murderous Francoist regime in Spain. World mass opinion may yet force action against Argentina — Fascist-Nazi-Falangist springboard for World War III.

have to be paid. When these have been paid, an income actually available is left out of the net income. It is this available income which determines the standard of living of the farmer and his family. The economist in the above-mentioned papers has first of all examined gross incomes, then net incomes, available incomes and finally wages of rural workers.

GROSS INCOME is the market value of crops and livestock products coming off Australian farms. Nearly half the total wealth produced by the land comes from the pastoral industries. The pastoral industry has always occupied first place in the production of wealth, although dairying and poultry industry are producing more returns during recent years.

Out of every £100 of wealth produced the following industries gave these proportions:

	1907-1914	Last 5 years
Pastoral	£49 0 0	£41 0 0
Dairying and Poultry	£17 0 0	£23 0 0
Agriculture	£34 0 0	£36 0 0

The gross value of production of all rural industries since the depression has averaged nearly

£250,000,000 per annum. The farmers did not receive all this money. Where did it go? Let us examine figures for 1940-41.

GROSS COSTS	£226,000,000	£
Marketing	24,000,000	
Feed and Seed	22,000,000	
Miscellaneous-Raw Materials	12,000,000	
Depreciation	5,000,000	
	£63,000,000	

leaving £163,000,000 for farmers as net income from which to pay interest, mortgage, wages, etc. Thus in 1940-41 out of every £100 of wealth produced, £28 was eaten up by immediate costs and £72 left to farmers as net income. What was the position in the other years from 1928-29 to 1942-43 out of every £100 wealth produced?

Immediate Costs	£40 (Highest)	£24 (Lowest)
Net Income	£60	£76

These figures do not give any idea of actual amounts received by farmers, but they do give an idea of the proportion absorbed by costs. The total net income has fluctuated considerably, being as low as £103,000,000 during the depression and as high as £226,000,000 during 1942-43.

The above figures giving net income and immediate costs are for all rural industries and they give no information regarding individual sections of farming. How do costs vary in each industry?

For 1940-41, out of every £100 of wealth produced, the costs were as follows:

	Costs	Net Income
Agriculture	£46½	£53½
Dairying	£22½	£77½
Pastoral	£14½	£85½
Poultry	£51	£49

These costs do not include wages and interest charges to be paid by the farmer.

These figures show that immediate costs are greatest in poultry industry (over ½), least in pastoral industry (about 3-20th). How are these costs allocated in each industry? Again taking every £100 of wealth produced, costs were as follows:

Year 1940-41.	Marketing Costs	Feed & Seed	Miscellaneous Raw Materials	Depreciation
Agriculture	£15	£13	£12½	£6
Dairying	£6	£14	£2	10/-
Pastoral	£9	£3	£2	10/-
Poultry	£9	£38	£2½	£1½

These figures bring out the great cost of feed in the poultry industry and the high cost of marketing agricultural products (including fruit and vegetables).

The pastoral industry is much more stable than any other section. If the gross value of production

is cut by ½ then the net income of the pastoral industry will drop by 1-3rd, but agricultural net income will be halved.

AVAILABLE INCOMES to the farmer and his employees. Out of the net income the farmer has to pay such costs as wages, mortgages, interest, etc. What amounts go in paying these costs?

CASUAL WORKERS. It is very difficult to obtain accurate figures as no suitable statistics have been kept. It has been approximately calculated that about 11% of the net income goes to casual workers and contractors.

INTEREST PAYMENTS. This can be found indirectly by calculations. The average capitalisation per farm in New South Wales in 1939 was approximately £6,500. There are about 250,000 farms in Australia, therefore the capital invested in Australian farms is about £1,600,000,000. Interest on this at the rate of £5 would be £80,000,000 per year.

If £80,000,000 per year is taken out of net income, making allowances for casual workers, what is left after? The residue ranges from £13,000,000 in 1930-31 to £122 in 1942-43. Divide this amongst those permanently engaged on the land (includes farmers owning property and landless workers). The income per person permanently employed works out at £46 per man during the worst three years of the depression, i.e. less than £1 per week. The average over thirteen years would be £117 per annum or £2/5/- per week. (These figures do not include value of dwelling place.) These figures are only averages for the whole group and those worst off would have even less than the average. The important part played by interest in lowering incomes of farmers and their employees can be seen by fixing the interest rate at 2½% and then working out the residue. After interest is deducted at 2½%, the residue would allow £5 a week (£4 and rental value of house) per person permanently engaged in farming, i.e. farm operators and employees.

SHAREFARMERS. Payments to sharefarmers are considered to be about the same as for wage workers.

RELATIVES working without wages are considered to receive about half the income of wage workers. This amount includes food and keep.

After all these deductions have been made, some idea can be gained of the income actually received by farmers. The figures have to be confined to New South Wales as statistics are only complete for New South Wales. However, values given for income would be relatively higher for New South Wales as this State possesses 40% of pastoral industry, a wealthier section of rural industries. Figures for other States would be even lower.

New South Wales Yearly Available Income	Incomes per Farmers	Head in £ Dependent Groups	Permanent Employees
1928-9	670	149	186
1929-30	387	140	180
1930-31	251	124	161
1931-32	298	119	154
1932-33	350	114	144
1933-34	509	112	142
1934-35	358	114	139
1935-36	536	118	141
1936-37	740	124	146
1937-38	592	131	154
1938-39	368	131	154
1939-40	640	131	157
1940-41	545	135	161
1941-42	629	146	176

Column (2) includes permanent employees, payments to sharefarmers and allowances to working relatives.

Wages of the rural sections have been low, much lower than industrial wages. The value of output per rural worker generally falls below the output per factory worker. However, on the whole the difference is not so great in Australia over the last fifteen years. The difference has been £330 as compared with £362 for a factory worker. The relatively small difference between labor productivity in rural and secondary industries is a feature of Australian economy which is in marked contrast to the position in other countries, e.g. U.S.A.

CONCLUSIONS

FARMERS' INCOMES on the average are higher than one would expect. However, this is the average and does not give a picture of true income, for there are rich and poor farmers. A few farmers receive very high returns while many farmers remain poor. Farmers' incomes fluctuate violently from year to year, especially the available income which takes full stock of changes in the gross income. The rates of the best to the worst year from 1928-29 to present was ¼ to 1 for gross value but the rates for available income was 3 to 1.

THE VOLUME OF PRODUCTION has increased considerably over the last thirty years, but farmers' available income has not increased. Farmers' available income in 1941-42 was not as high as in 1928-29. Production grew most rapidly in the early depression when prices were falling. Costs due to marketing, raw materials, feed and seed, take some time to adjust themselves to the prevailing price levels. During early depression costs remained high and did not fall till 1931-32. When prices rose again, costs remained low for some

time and did not rise till later. Incomes and costs vary for different industries.

The pastoral industry is wealthier and more stable than other sections. Average incomes are higher and costs are lower. Over a period of thirteen years the average incomes per person permanently working in industry have been:

Dairying	£233
Agriculture	£214
Pastoral	£580

In both agriculture and dairying, £300 per person per year marks the upper limit and during the depression it was below £200. In the pastoral industry, however, £700 is the upper limit and during the depression the average was still over £400.

LANDLESS WORKERS are much worse off than the farmers. Generally speaking, this group includes permanent working employees, relatives and sharefarmers. Over fourteen years from 1928-29 to 1941-42 the estimated income of this group averaged £128 (£2/9/- a week) compared with the farmer's average available income of £491. Even in the best years, remuneration for this group did not exceed £3 per week and in the worst years fell to just over £2.

INTEREST CHARGES are a great factor in lowering living standards of the countryside. Rates will have to be lowered before living conditions can be improved. Interest absorbed from rural incomes has remained constant in spite of boom and depression. For instance, in New South Wales interest payments and crown revenue collection have been between £8½ and £9 million each year.

EXPLOITATION OF RURAL WORKERS.—The figures given in the papers published by New South Wales Department of Agriculture are only averages and do not give any information of the class differences between farmers. However, it is quite evident that, although rural industries produce great wealth, much of this goes to merchant capitalists, manufacturers of farm machinery and materials, bank interest, etc. Again it is evident that those who labor in producing this great wealth receive very little, especially relatives working without wages. It may be argued that these relatives would share in the farmers' property and social amenities. But how many farmers really own their own properties or have any amenities?

Rural workers on lower incomes are worse off than other sections of the Australian community except perhaps the unemployed. This exploited section must be drawn into progressive organisation so that the struggle against capitalism can be strengthened and the rural workers protected.

HARD FACTS ABOUT EDUCATION

H. ROSS, B.A.

TO say that civilisation is in ruins because of the accumulated greed and folly of mankind over the last decades of the industrial age and that its rehabilitation depends on education, would be to repeat a truism that has been dimmed into our ears with pathetic regularity since the beginning of the war. There is something craven and hypocritical in this lip service to education; it sounds suspiciously like the moral snobbery of a reformed rake testifying on a street corner, or the despairing lament of a Cardinal Wolsey in eclipse. "Had I but served my God with half the zeal —"

The sudden revelation of the power of popular education in a totalitarian State was accompanied, however, by a slight feeling of uneasiness, a feeling that there must be something wrong with education in the democracies, since the mass of the people had been so smugly complacent while assisting, directly or indirectly, in the nurture of this State. There was no escaping the disturbing thought that the shoddy diplomacy of pre-war years, the "peace in our time" mentality of the electors, and the ease with which they became stooges of the sensational propaganda of a press always hunting witches in the wrong places, were the food on which Nazism flourished. This thought, which kept on intruding itself into all-out self-satisfied contemplation of the perfection of life in a democracy, had to be silenced somehow as it only troubled the mind.

Thus the blame for all the pre-war ineptitude and mental and moral torpidity was placed on education: the schools and the teachers had not done their job. All manner of vague-minded reformers set out immediately to expound, with self-righteous conviction, just what ought to be taught and how, and their nebulous, untried hypotheses are still being advanced with all the weight of established theories, for education has always been the patch where every goose could have a scratch. But educational innovations must always be tested in the properly-equipped laboratory of the classroom, by fully qualified, well-trained educational workers, the teachers, and the effect on future generations of their application to practical pedagogy watched carefully for purposes of modification and extension. And only under a system which is interested in the real mental and physical growth of the people's children, will full scope be given to these innovations.

The passing of the Public Instruction Act, the Public Schools Act and later on the Bursary Endowment Act exhausted educational zeal in this State; after them people and Parliaments forgot the schools, and left educationists to carry on the task of State education on a lamentably inade-

quate education vote. The results have been badly-ventilated, badly-equipped, badly-lit classrooms, over-large classes, playgrounds that resemble the exercise yard of a prison and toilet, dining and recreational facilities for staff and pupils that would have made a factory owner liable under the Factories Act. If the people of this Commonwealth allow this state of things to continue it will be useless to run around in frantic impotency wondering what is wrong with education when World War 3 begins.

The people must not shelve this task any longer; they must have a long-range plan for educational reform, and must see that it is implemented. And this implementation implies a ceaseless barrage against the indifference of the men who make the laws and hold the purse-strings of the nation; when education is made an election issue, then and only then will it come into its own and become the focal point of regeneration. We must produce men and women who can subordinate self-interest in order to strive for an ideal, who are fearless and mentally honest and who are humanitarian in the broad sense, but we won't get them unless we do something about it.

The Teachers' Federation, the Parents and Citizens' Federation and the Australian Council of Trade Unions have a joint platform. This platform envisages the school as a Community Centre, the pivot of child and adult life in the district, where aesthetic, academic and athletic pursuits can be fostered in the workroom, the laboratory, the library and the playing fields by specially trained enthusiasts in each branch. These schools must be surrounded by broad acres with space for gymnasias, swimming pools, rest rooms, drying and changing rooms, and above all trees and lawns and gardens. Existing accommodation must be reorganised and buildings erected in accordance with modern educational standards on suitable sites away from the centre of the city and equipped with audio-visual and radio facilities.

Classes must be reduced to thirty and the school leaving age raised to sixteen, with proper supervision for all types and levels of intelligence by means of adequate classroom space, equipment, staffing and vocational guidance. Radical changes in curricula and the examination system and the methods of training teachers will be needed to meet the demands of the improved order, these to include exchange of lecturers, teachers and inspectors within Australia and overseas.

The plan provides for complete free medical and dental inspection of each child twice a year throughout the State, and free treatment where necessary, and for free milk and suitable mid-day

meals. Education is to be free at all stages from pre-school training to the university, including the provision of allowances on a liberal scale for students in all forms of post-primary and tertiary educational institutions, and free travelling facilities for children attending State schools. Educational facilities for continued adult education — civic, cultural and vocational — are to be extended to include provision for free library systems and daylight training of apprentices.

The originators of this platform of educational reform insist that education must come prominently within the province of the Commonwealth Government, and have provided in the plan for the establishment of a Commonwealth Board of Education on which the Australian Teachers' Federation and the Parents and Citizens' Federations shall have direct representation, and which shall be directly responsible to a Federal Cabinet Minister, the Commonwealth Government to make annual

appropriations for Australian education. Under such control, the Commonwealth Board of Education shall act as a co-ordinating and liberalising authority and a check upon the local education authorities, which shall be State Governments, which shall directly control the educational activities of their respective States, the Commonwealth Board of Education to exercise supervision over the education provided by the various States. The Federal and State Governments are called upon to allocate a sum of not less than £25,000,000 for the purposes of carrying into effect the educational platform as set down above.

These are the hard facts of education, the facts that cannot be overlooked if we are to give to airy nothing local habitation and a name and make of education the effective weapon it should be in the advancement of the Australian people to a real and great democracy.

TRIESTE : YUGOSLAVIA NEEDS THIS PORT

FRANK PITCAIRN

(From "Daily Worker," London)

LOOK at the map and you will see the territory in which Trieste stands bisected by a line — the Morgan Line. That line is as arbitrary as it looks on the map.

It was the line drawn by Field-Marshal Alexander's Chief of Staff at the beginning of June, when the British and Americans insisted that the Yugoslav forces which had liberated Trieste from the Italian Fascists should withdraw to the eastward of that line. Probably nobody at the time supposed the line could be accepted as a permanency.

It did, however, serve to expose in the crudest fashion the designs of powerful reactionary elements in Britain and the United States. It was their intention — and it is still their lingering hope — so to divide this Yugoslav peninsula as to deprive Yugoslavia of its greatest port, and to make of that port a kind of economic "bridgehead" against the new Yugoslav State and, indeed, against the whole community of new democratic States in the Balkans and Central Europe.

For to begin with, Trieste is potentially one of the greatest ports of the whole Mediterranean. It stands at the southern end of trans-European trade routes which have served the Continent for centuries. And it is a key factor in the whole economic development of the Balkan countries and of Central Europe, too.

Just because of its crucial position, Trieste has been a bone of international contention since long before the first World War.

It was a vital part of the whole machinery of Austro-Hungarian imperialism. And when the Austro-Hungarian Empire was knocked to pieces,



instead of Trieste falling, as it should have done to the "Succession State" of Yugoslavia, Italian diplomacy and Italian blackmail secured its transference instead to Italy.

Nobody could seriously pretend that this division of the great port from its natural "hinterland" was economically sound or politically just. Trieste was the bribe with which, in the secret Treaty of London of 1915, the Western Allies induced the Italian

Government of the day to betray her former ally Austria, and enter the war against the Central Powers.

Furthermore, with the growth of Italian imperialism under Mussolini, Trieste became something more than a political and economic monstrosity. It became, in addition, one of the "springboards" for Italian imperialist aggression — first political and then military — against the Balkan countries.

Around the question of the "true nationality" of the City of Trieste a storm of propagandist controversy has raged for years.

Even Italian propagandists have hardly been able to conceal the fact that not merely the whole surrounding territory of Trieste, but the suburbs of the city itself are predominantly Slovene.

They have, however, made great play with the predominance of the Italian language in the central city and in the port.

The argument is not a strong one. For, on the one hand, Italian was for generations the common language — the *lingua franca* — of the Central Mediterranean and Adriatic ports. On the other hand, under Italian rule, the whole city was subjected to a furious Fascist process of "Italianisation" — conducted with the precise object of being able to demonstrate to the world the "truly Italian" character of the city.

Therefore, although nobody denies the presence of a considerable genuinely Italian population in the city, it is entirely mistaken to assume that every Italian-speaking person can be classed as a "true Italian." There is a large section which is merely Italian-speaking because for so long Italian has been the language of business there, and — under Fascist rule — was virtually a necessity for anyone engaged in trade or professional life in Trieste. It is only in the extreme west of the Iстриan peninsula that communities are found which can be unequivocally described as predominantly Italian.

It is partly because the "ethnic" or "racial" arguments are known to be too weak to stand serious examination that there has been so much recent

emphasis on "internationalisation" as the "solution" of the Trieste problem.

If Yugoslavia cannot be deprived of Trieste on other grounds then, it has been supposed, a vague appeal to internationalisation might be the best way of opening, for the British and American capitalists, and for their Italian subsidiaries, a sort of political entrance to the Balkans.

The real and dangerous character of those proposals has been steadily exposed by the Yugoslavs. In fact, by maintaining the separation of the great port from its national hinterland, "internationalisation" would perpetuate all the evils produced by that separation during the period of Italian rule. The effect upon the economic development of the Balkans and of Central Europe would be severe.

Secondly, to "internationalise" Trieste in the sense suggested would provide non-Yugoslav interests with a perilous stronghold on the economic life of the young, democratic Yugoslav State. Indeed, some of the advocates of internationalisation have hardly troubled to conceal their intentions and objectives in this respect.

Naturally, if "internationalisation" is meant in a quite different sense there is a respectable field in which it can be applied. There is certainly something to be said for the establishment at the earliest date of an international agreement regarding the conditions under which ships and traders of all nations would be enabled to benefit from the facilities of the port.

The Yugoslav Government has itself suggested that free customs zones might be established in the port, and once Yugoslav sovereignty is assured it is clear that, if only in their own interests, the Yugoslavs will be willing, and indeed anxious, to ensure the maximum development of trade through Trieste. If that can be achieved by means of a general international convention regulating the conditions of traffic there, so much the better. But to pretend that the flow of trade in Trieste can be "liberated" by once again cutting off the port from its natural communications is both dishonest and absurd.

A PROGRAMME FOR DIVORCE REFORM

(Prepared on behalf of the Women's Committee)

THAT the present state of the English law of divorce and separation is not satisfactory can hardly be doubted. The law is full of inconsistencies, anomalies and inequalities amounting almost to absurdities." This opinion was expressed in 1906 by Sir Gorell Barnes, President of the Divorce Jurisdiction in England. The same general statement applies to the divorce law in N.S.W. at the present time, and it is the purpose of this article to point out the more important directions in which reforms are required.

Any proposal to facilitate divorce immediately

arouses protests from religious sources. Yet there can be no doubt that, subject to proper safeguards, divorce by mutual consent will eventually be recognised. Where the marriage relationship has completely broken down, where conciliation has failed, and where satisfactory arrangements have been made for the care of the children, it is absurd relationship against the wishes of the parties most affected. The attempt to do so inevitably results either in the use of one of the deceptions or subterfuges which are commonly practised as methods

of evading the law, or in separation without divorce. New Zealand recognises as a ground for divorce the fact that the parties have been separated for three years. This is a step in the right direction, but a much shorter period than three years, especially if there has been a genuine attempt to effect a reconciliation, would be adequate to insure that a divorce is not too hastily sought.

Domicile

Under British law jurisdiction in divorce depends on domicile, which means the state or country considered to be the person's permanent home. A domicile is acquired at birth and is retained until, in the case of a man or unmarried woman, a new domicile is acquired by living in another country with the intention of remaining there permanently. A married woman takes the domicile of her husband even though she may never have been to that country; and she retains his domicile while the marriage lasts even though they separate.

The type of difficulty that most frequently arises is that a woman domiciled in N.S.W. marries a man domiciled in a foreign country, who, although he may have lived here for years as an employee or representative of a foreign firm, always intends to return eventually to his own country. If he subsequently deserts her or commits any other matrimonial offence she cannot get a divorce here. Theoretically, of course, neither could he, if the wife were at fault. But as the domicile of both depends on the husband's future intentions, and as these are known only to himself, the difficulty is not likely to be of much practical importance if he is the petitioner.

Cases of the foregoing type arose so frequently during the war that a special Federal Act was passed to deal with them. However, the act only has a temporary operation, and there are also other difficulties not covered by it. The most satisfactory solution would be to regard a married woman as having a domicile independently of her husband, at all events for the purpose of divorce proceedings. A provision to this effect has already been enacted in New Zealand.

Incurable Insanity

Incurable insanity should be recognised as a ground for divorce in N.S.W., as it is in the other States and in England. The period of insanity required to justify a petition in divorce is usually five years out of the six years preceding the petition. There is no particular reason to adhere to this period, however, if independent medical evidence satisfies the court in less than five years that there is no reasonable prospect of recovery. If it is the wife who is insane her right to reasonable alimony for her support should be preserved.

As the other states recognise insanity as a ground for divorce, the husband of an insane wife will eventually be able to get relief if he moves to another state and intends to remain there permanently. This course is not open to the wife of an insane husband domiciled in N.S.W.

Judicial Separation

This form of relief should be abolished. It is a survival from the days when matrimonial causes were dealt with by the ecclesiastical courts, which did not grant dissolution of marriage. The decree had the effect of putting the wife in the same position as to rights of property and contract as if she were unmarried. As she now has such rights there is no object in retaining the anomalous status of being neither married nor unmarried. Usually judicial separation rather than divorce is only asked for where the petitioner is actuated by malice, although there are some petitioners who claim that their religious scruples justify them in adopting this vindictive course.

Judicial separation has been adversely commented on by divorce judges on many occasions, and as far back as the reign of Queen Elizabeth a Royal Commission recommended that a right of divorce should be granted and judicial separation abolished as productive of great abuses and scandal in the married state. The grounds upon which judicial separation and divorce can be granted are the same apart from some relatively unimportant exceptions.

Damages

The right to recover damages from a co-respondent should be abolished. It was pointed out in a leading English case that the right to recover damages in respect of a wife's adultery goes back to the time when she was regarded by the common law as the husband's property. "The benefits of her fortune went to him at common law upon marriage. His power of personal control was great. Even her earnings could be seized by him. She was viewed as a child, and was therefore subject to physical punishment at his hands, provided it was moderate in extent." The damages included not only her value in money to the husband, but also compensation for his wounded feelings and injured pride. Presumably the wife is not supposed to have similar feelings regarding her husband, as she cannot recover damages from the woman with whom he commits adultery. The present position is not consistent with the equal status of husband and wife.

Enforcement of Orders

At present the payment of money due under a decree of the divorce court is enforceable by a writ of attachment for the imprisonment of the person liable. This applies to alimony, damages and costs. Damages should be abolished altogether, and in any case neither damages nor costs should be enforceable by imprisonment. Under the present social system, where a destitute wife with young children to support is not adequately provided for by the state, it may be necessary to retain this remedy for non-payment of alimony. It should only be available, however, as a last resort. If the law as to garnisheeing wages or salary were simplified it would not often be necessary to make use of the more drastic threat of imprisonment.

THE NEW BULGARIA

G. M. DIMITROV

(From his speech in the Bulgarian National Assembly on December 26, 1945, which expresses the meaning of the new democracies arising in Easter Europe.)

It is necessary to express profound gratitude to all men, women, youth and girls who carried on heroic struggle for two decades for the overthrow of the fascist dictatorship, to valiant partisans and the Bulgarian Patriotic Army who secured victory for the people's uprising on September 9, 1944. This date opened a new era for Bulgaria—the era of democracy, the era of the Fatherland Front.

The new State power is a true people's power. Its foremost tasks consist in defending the rights and freedom of our people, in ensuring work, bread and clothing for all, in creating the necessary conditions for development of our national economy on a democratic basis. The creation of necessary conditions for the conclusion of a lasting peace is also just as important a task.

It is clear that the Royalist-Fascist Bulgaria is divided from the new Bulgaria of the Fatherland Front by a deep abyss.

Since September 9, 1944, basic alterations have taken place in our country's social and economic life. Other national factors predominate in our State. Our country is moving along a new road, one, but a truly people's democracy. The two public creative strata in our country—the workers and peasants—represent the strong bulwark of our democracy. There can be no room for reactionary and fascist elements in the Government's rule.

The Fatherland Front, which has been in power for only 16 months, has established order in the country, restored the people's rights and their freedom, saved the country from economic catastrophe and inflation, saving the Bulgarian leva from devaluation.

The elections of November 18, 1945, were conducted in complete order. Our political history has never known such free elections. By a tremendous majority the Bulgarian people approved the cause of September 9.

It is essential to continue with our country's further democratic development in the economic, social and cultural-political spheres, as well as in that of international relations.

For this end it is necessary to convoke the Great National Assembly in order to alter the existing Constitution in accordance with the newly-created sets of circumstances in our country.

Doubtless it is simultaneously essential to abolish the institution of Royalty which has always been a rallying centre of reaction. The Coburg dynasty's policy, as is well known, corresponded to the interests of German imperialism.

All anti-fascist forces within the Fatherland Front must be still further mobilised. These forces

are the only public power able to defend our State's destiny.

It is necessary to carry out such an economic policy as will attract our patriotic industrialists to the cause of raising up our national economy; an economic policy which will further the development of the State and co-operative sectors in our economy; an economic policy which will lead to the speediest improvement of the working people's material situation and which will serve as an impetus for individual initiative.

Exceptional attention must be paid to a planned system in our national economy. The State must not only play the role of controller and regulator, but must also further develop its economic functions. All large enterprises which have nationwide importance, and the administration of which is beyond the capacity of private merchants and industrialists, must pass into the hands of the State.

The State must render assistance to our hard-working peasants. But particular attention must be paid to the development of working co-operation in tilling the soil.

Political education of the broad masses and of the young generation must be carried out.

It is essential to purge the State apparatus, to eliminate unnecessary posts, to wage a determined struggle against bureaucracy.

The Bulgaria of the Fatherland Front is in need of engineers, technicians, doctors, agronomists and other specialists. It is the task of our universities to train such cadres, and to educate in them a democratic spirit and the will of men who are devoted to their people.

The new People's Army must serve the interests of the people and the people only. It must become a faithful guard for the freedom and independence of our Motherland.

The Fatherland Front is carrying out a foreign policy corresponding to the Bulgarian people's interests. The Fatherland Front does not adhere to the foreign policy carried out by Great Bulgarian chauvinists towards Macedonia—this eternal bone of contention in the Balkans. The Fatherland Front unit of the Federative Yugoslav People's Republic. Relations between Fatherland Front Bulgaria and the new Yugoslavia are most cordial and fraternal. As to the Soviet Union, the Fatherland Front Government is carrying out a policy of eternal friendship with its liberator. The Fatherland Front Government aspires in its foreign policy to attain friendly relations with all freedom-loving democratic nations.

REPLY TO A READER

[Comrade B.M., of Melbourne, suggests that space should be allowed in the "Communist Review" for answering questions from readers arising from previous articles. We shall be pleased to answer any such questions.—Editor.]

Dear Comrade B.M.,

We are very pleased to reply to the query you raise.

The question arises from Stalin's statement on the Party and non-Party bloc at the Soviet elections last February.

"The Communist Party does not march alone in the election struggle. It goes to the elections in a bloc with the non-Party people. In past times the Communists treated non-Party people and being non-Party with a certain distrust. This was due to the fact that the non-Party banner not infrequently was used as a cover by various bourgeois groups which found it to their disadvantage to appear before the electors without a mask.

"Thus it was in the past. But now we are living in different times. Non-Party people are now separated from the bourgeoisie by a barrier called the Soviet social system. The same barrier has united non-Party people with Communists in one common team of Soviet citizens. Living in a common team, they struggled together to enhance the might of our country, they fought and shed blood together at the fronts in the name of the freedom and greatness of our country, they were forging and forged together victory over the enemies of our country. The only difference between them is that some belong to the Party while others do not. But this is a formal difference. What is important is that both are working for the same common cause. Therefore, the bloc of Communists and non-Party people is a natural and vital thing." (C.R., April, p. 104).

"What does Com. Stalin mean by 'formal difference' you ask, 'merely a membership card'?"

"Could not the whole socialist conscious Soviet people TOGETHER AS ONE TEAM push forward, be the advance TEAM, guard, towards Communism?"

The Party and non-party bloc was also established in the previous, the 1937 elections so no fundamental change between 1937-46 is indicated. Again Zhdanov in his speech on the amendment to the rules of the C.P.S.U. (B) (1939) says:

"A numerous body of non-Party Bolsheviks has grown up around the Party, consisting of advanced workers, peasants and intellectuals, active and conscious fighters in the cause of the Party and vehicles of its policy among the masses."

This also points to the great changes that took place before 1939, when the MAJOR differences between the Party and non-Party people were undoubtedly disappearing. This was already

expressed in the new Soviet Constitution of 1936 as well as the Bloc and the amendments to the Party rules. Although this process was facilitated in the years of the Patriotic War (1941-45), it would be wrong to conclude that there is now no difference between the Party and the non-Party masses. The Communist Party as long as it exists remains the most advanced section of the working-class. At all times, however, it has "to link itself with, to keep in close touch with, and to a certain extent if you like to merge with the broadest masses of the toilers" (Lenin). While achieving this it raises more and more workers to its level.

Stalin in the speech under discussion outlines "the plans for the work of the Communist Party in the near future" showing that the Party still has a very real function. So well have the Bolsheviks carried out their tasks that the Party is now intimately bound to the masses, inseparable from them, based on an ocean of advanced Soviet people.

Stalin does not, I think, envisage a change in the near future, because the necessary new economic developments "will require three new Five-Year Plans if not more."

We must not assume, however, even then, that the Party would go out of existence. In the "Foundations of Leninism" Stalin says "The Party is the instrument of the Dictatorship of the Proletariat . . . from this it follows that when . . . the dictatorship of the proletariat dies out, the Party will also die out."

The Soviet State today is the dictatorship of the working-class (a new kind of working-class) and this idea is still valid.

Stalin emphasises in a number of his speeches that while capitalist encirclement exists the Soviet State will have to strengthen its apparatus of defence against external enemies, (see "Some Questions of Theory, Answer to Cde. Ivanov," etc.

There can be no question but that while powerful imperialist states remain the working-class state is not free either from the threat of attack, or of the operations of enemy agents.

We must see that these conditions presuppose a powerful Bolshevik Party able to fulfil all its tasks in welding the unity of the socialist people behind the economy and the armed forces of the Soviet State. Not only this, but Stalin also counts on the support of the progressive people outside the Soviet Union.

"I do not know whether Mr. Churchill and his friends will succeed in organising after the 2nd World War a new military campaign against Eastern Europe, but if they succeed in doing so—WHICH

IS HARDLY PROBABLE, BECAUSE MILLIONS OF SIMPLE FOLK STAND ON GUARD IN THE CAUSE OF PEACE—(my emphasis, S.M.) one can say with certainty, that they will be beaten just as they were beaten when they previously

intervened in Russia 26 years ago." (Stalin, 14,3,46.)

We hope that these remarks will clarify the matter for you, and congratulate you on your interest which we value highly.

BOOK REVIEW

S. MOSTON

History of the Australian Labor Movement.
(E. W. Campbell)

MR. E. W. CAMPBELL has, by interpreting Australian experience in the light of Marxism, i.e., of Dialectical Materialism, again carried out a most useful task for progressive people in this country. The author of the *Historical Background of the World Labor Movement*, and co-author of *The Story of Government Enterprise* has written another work that will fulfil the high expectations of his readers, created deservedly by their previous acquaintance.

The main paths followed by the Australian Labor Movement from its origin in the 1850's to the present day are clearly revealed, and many stages of the journey which were forgotten or only vaguely recalled are sharply defined by Mr. Campbell, reminding us of many important lessons for our struggle today.

This is the first time the real significance of our historic landmarks, as the Eureka Stockade, the struggles of the 1890's, the formation of the Australian Labor Party and others, has been clarified.

The work demonstrates, from beginning to end, that the progressive traditions of our country are built on struggle. Without the Eureka rebellion, the land monopolists and colonial bureaucrats in the Victorian Government would have remained very loth to grant concessions to popular feeling; the eight-hour day, employers' recognition of the unions, legality of the Communist Party, and many other achievements were obtained not through compromise and legalism, but through struggle by the masses of the workers; and so with every step forward in Trade Union and political democracy.

William Lane, the Utopian Socialist who led a band of visionaries to his "New Australia" colony in Paraguay, is now almost a legendary figure to Australian workers. It is, therefore, very refreshing to learn the actual role and significance of Lane as the organiser of the Australian Labor Federation, one of the most important developments in our Labor Movement before the 1890's. Mr. Campbell is able to discard sentiment and explain the real strength and weakness of William Lane.

"To William Lane belongs the credit for launching the first serious attempt in Australia to effect this combination (i.e., process of combining of socialism with the mass Labor movement). . . Lane's socialism was much more

utopian than scientific. . . The objective conditions prevailing in Australia at the time Lane commenced his activities tended to reinforce rather than to help overcome his utopian views." (*History of the Australian Labor Movement*, pps. 20-21.)

More important than the analysis of William Lane is the investigation of the formation and history of the Australian Labor Party. The defeat of the unions in the great struggles of 1890-91 taught the advanced workers the weakness of purely trade union organisation and led to the formation of the A.L.P.

A whole chapter in the work is devoted to the bourgeois liberal character of the Australian Labor Party. Undoubtedly, this will prove to be one of the most valuable sections of an extremely useful work. The real character of the Labor Party, from its original programmatic weakness to its compromising and hesitant policy of the present day, is shown in a most objective, unprejudiced manner. In spite of its trade union basis, the A.L.P. came under the leadership of the petit-bourgeoisie and so earned the description of Lenin, "a liberal bourgeois party."

The experience of compulsory arbitration for a time strengthened the influence of the Labor Party in the trade union movement. Through a policy of class collaboration, of legalism, the capitalist class more firmly welded its shackles on the minds and bodies of the workers. Anyone interested in the dangers of compulsory arbitration and the story of the basic wage will find a wealth of useful material here.

The conflicts that periodically break out within the Labor Party are mostly a direct result of the underlying differences between the workers, who constitute the bulk of its support, and the compromising middle-class outlook that many of its leaders, unfortunately, impose on the party.

The experiences of World War I not only showed the futility of reformism (the A.L.P.) but also gave Australian workers the experience of anarcho-syndicalist bankruptcy. This trend was represented by the Industrial Workers of the World (I.W.W.). The I.W.W. failed to understand the role of the State or the real character of political struggle, it rejected all parliamentary activity under any condition and its organisational structure was unsound. All these shortcomings arose from its extremely narrow approach to Marxist theory, and inevitably led to the decay of the I.W.W., in spite of some good work in the trade unions and against

the conscription plans of the imperialist war mongers.

A new, decisive stage in the Australian Labor Movement was opened with the formation of the Communist Party (October, 1920). Even those of us who are familiar with Mr. Sharkey's *Outline History of the Communist Party* will still find a considerable amount of fresh information about a vital period and struggles in our Party's history. The Party's early struggles for unity, and theoretical clarity, the story of the A.L.P.'s socialisation objective, the decision by the 1923 Easter Conference of the A.L.P. to accept Communist affiliation and the subsequent sabotage by Lang and Loughlin, are but a few of the features which are explained more fully than was possible in the brief earlier work.

To many young students of Australian Labor history, the experience of the Militant Minority movement will be something new, but very interesting. This organisation undoubtedly facilitated the turn towards militant trade unionism that is now manifested.

The lessons of the struggle against opportunism (in particular liquidationism) in the Party are greatly clarified by the added detail in the work under review.

The Party fought energetically and heroically throughout the crisis years. The Premiers' Plan which sought to impose the burden on the workers was determinedly opposed and some important concessions were gained. Labor Governments in the Federal, Victorian, N.S.W., South Australian and Tasmanian parliaments savagely carried out the capitalist plans with the result that "there were more workers sent to prison for political offences under the Lang Labor government than at any time in the past history of New South Wales.

Labor Governments in other states acted in the same brutal manner towards the workers." The N.S.W. Government achieved this distinction while J. T. Lang was Premier and was putting up a pretence at opposition to the Premiers' Plan.

With the easing of the crisis and the resort by the imperialists to Fascist methods of government, "Working-class unity against Fascism and War" became the main slogan of the Communist Parties. The Party fought against reaction at home and abroad, arousing struggle around the immediate economic and political interests of the workers.

The Communist Party was the only political party in this country consistently opposed to the policy of appeasement that culminated in Munich and World War II. From 1939-41 the Party sought to prevent the spread of the war and to change the character of the reactionary governments waging it.

Mr. Campbell gives a valuable summary of the attacks on the democratic rights of the workers through the Communist Party, culminating in the *Menzies* ban, June 1940.

The Party continued its struggles to maintain the wages, conditions and liberties of the workers throughout the war years.

A new chapter has now opened in the history of the Australian working-class and progressive people, a chapter of renewed struggle against reaction and the war mongers. The peace-loving folk cannot win this struggle without a careful study of the past, and an understanding of its lesson. Mr. E. W. Campbell's new work, the *History of the Australian Labor Movement*, reveals these lessons in a way that makes their understanding as a "guide to action" easier.

HISTORY OF THE AUSTRALIAN LABOR MOVEMENT by E. W. Campbell, 3/- Published by Current Book Distributors.

ARE THINGS WHAT THEY SEEM ?

PROFESSOR J. B. S. HALDANE, F.R.S.

DURING a discussion arising from my article on the late Sir Arthur Eddington a comrade remarked that things are not what they seem. There is, of course, some truth in this statement; but I believe it would be a good deal truer to say that things are what they seem and a great deal more as well.

Everyone knows that one can be deceived by appearances. One reason why, even in these days of personal rationing, smash-and-grab thieves do not raid the windows of sweet shops is that the objects in them which look like chocolates are often dummies made of sealing wax. Our ears can deceive us, as when we take a rattling window for a distant bomb, our tongues when we take saccharine for sugar, and so on.

Some writers in physics suggest that we are being deceived in this kind of way all the time. What we take for a solid iron bar, they say, is

not solid at all, but consists almost wholly of empty space, of which only a very tiny fraction is occupied by rapidly moving particles, mostly electrons. They very often go on to say that if two such utterly contradictory accounts of the same thing can be given, this proves that we can know nothing at all about matter. It is important to be able to meet this argument.

We only know about things through our senses. These senses include not only sight, hearing, touch, smell and taste, with minor senses such as that of temperature, but the very important muscular sense. This tells us, for example, that it is harder to lift a chair than a feather; and a great deal of our knowledge of matter comes through it.

Each sense gives us a different kind of information about matter. What kind of information it will give depends on the structure of the sense organ.

Thus our ears respond to vibrations in the air with frequencies from about 30 to 30,000 per second, and each frequency gives its own sensation. Our eyes respond to electromagnetic vibrations with frequencies of 15 to 30 thousand million per second. We do not feel these as vibrations, but as tones or colours. At first sight this seems to prove that our senses deceive us. We see a vibrating string, and hear a steady musical note. How can both senses give us correct information? In the nineteenth century there was no answer.

In the twentieth physicists, notably Planck and Einstein, found that radiant energy was taken up and given out by matter, not continuously, but in packets called quanta, whose size is proportional to the frequency of the vibration.

So long as it is travelling, light behaves as a train of electro-magnetic waves; but it is emitted and absorbed as units called photons, and those of violet light are twice as big as those of red light. As the Soviet physicist Frenkel pointed out, the same is true for sound.

Physicists who have no knowledge of dialectics are troubled by this contradiction in the properties of matter. But the contradiction is not really a new one. It is already there when we see a piano string vibrating and hear a steady note. It is as intelligible that energy packets of different sizes should have different properties as that pennies should differ from half-pennies, though of course we do not yet know why they have the particular qualities which we perceive.

We can only perceive one octave of electromagnetic vibrations directly. The wavelength of the reddest light we can see is only twice that of the deepest violet.

We have to use apparatus to translate the others into forms of energy which our senses can pick up. For example, we translate X-rays, which have a higher vibration frequency, into light, with a fluorescent screen or a photographic plate. We translate radio waves with a lower frequency than visible light into sound with a radio-receiving set, or into light with the apparatus used by bombers for bombing through cloud. If we had a more complete set of sense organs we should perceive X-rays and radio waves directly, and they would give us sensations of a kind which, of course, we cannot imagine.

Other animals certainly perceive things which we cannot. For example, bees can distinguish colours in the ultraviolet, and bats guide themselves by using sound waves too short for us to hear, which are reflected from objects around them like the light from a car's headlamps.

Probably no animal has a much bigger range of senses than ourselves. For example, dogs can distinguish more smells than men, but are colour-blind. But if we had all the senses of other animals, we should perceive directly a great many things and processes which we only know indirectly through special apparatus. In fact, we only appreciate a tiny fraction of the qualities which there must be in the world.

Physicists learn about the existence of radio waves as a blind man, by doing experiments in which the heating effect of light was used, could discover that something came from the sun which was reflected by a polished surface and concentrated by a lens. But, of course, they do not know what quality they would find in these waves if they perceived them directly.

A baby gradually learns to fit its various sensations together. They tell it a rather contradictory story. There are things that one can see but not touch like the sun or an image in a mirror. There are others that one can feel but not see, like the heat in a hot plate. Adults take these contradictions for granted, and build up a picture of the world which works fairly well.

But further study shows new contradictions. Eddington did not believe in the reality of solid objects because, when investigated by physicists, they turned out to consist mainly of empty space of which only a tiny fraction was occupied by rapidly moving particles. If he had possessed an ultra-microscopic eye with which he had perceived these particles ever since he was a baby, this contradiction would have affected him less. The universe is certainly queer. There are doubtless more things in it than are dreamt of in any philosophy. But that does not mean that it is not real, or that the scientific account of it is not true as far as it goes, and is not in fact the nearest approach to truth which we can make at the present time.

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