

Subscriptions: 25 French Francs (or equivalent) for 6 issues of the bulletin and two pamphlets (about 100 pages). All correspondence and payments to: Echanges et mouvement, A. van Ammelrooy, Eikbosserweg 87, 1213 RT Hilversum, Holland. For more information see separate leaflet.

ABOUT ECHANGES

This year there have been problems that forced us to change the way in which the Echanges-bulletins and pamphlets are produced and to create one central address in Holland for all correspondence, payments and publishing initiatives. Of course, everybody can still contact directly comrades in the countries of western Europe.

We made a list that specifies what has been changed and which publications are still available. If you want us to send this list to somebody, just let us know.

We raised the subscription price to 25 F.F. not only because of rising postal tariffs, but also because we think that we shall be able to offer our subscribers 6 bulletins and two small books or pamphlets per year.

To make our bookkeeping less complicated, all subscriptions will, from next year on, start on January 1st. All existing subscriptions will have to be renewed on ultimately 31 March 1982, except those renewed in the second half of this year. If you don't pay, we shall assume that you don't want the bulletin anymore. We shall do everything we can to make the bulletin better and we invite everyone who lost faith to start afresh, like we did.

The two pamphlets that will be distributed as part of the subscription are:

- a report on the international get-together in Osnabrück, Easter 1981, with discussions about Poland, China, East-Germany
- an improved version of the brochure on Poland, "Face aux ouvriers". The new edition has been already translated in Dutch, we would welcome any help for the translation in English. The French edition is ready.

Because of the translation work, the french and english editions will not always be distributed at the same time or in the same order.

Two new brochures are almost ready and they will be published also in 1982:

- a french translation of a Dutch brochure called "Qu'est ce que le socialisme?" (What is socialism?) with a text to stimulate discussion on this subject
- a text on struggles in Great Britain since 1979.

We also have certain texts, which could be translated in french or english, but we would like to know first how our subscribers feel about them. Below we have listed them, together with a brief look at the contents and at the publishing problems. We invite everybody to write whether he/she would be interested in this or that publication/translation, together with, if possible, suggestions for the translating and printing work that has to be done then.

TEXTS THAT COULD BE PRINTED OR TRANSLATED:

- Workers Insurrection in East Germany, June 1953, by Cajo Brendel, for a reprint in French and a new edition in English (translation in progress)

- Portugal, five years on, short pamphlet publ. by Combate/Contra a corrente. The present situation in Portugal, a french translation publ. in IDB no.5. With some other articles, this would give a pamphlet on Portugal with few problems of translation.

- Vers et pour l'abolition du travail et la création de l'individu social, by A.Ajax, text in french on the discussion begun with the pamphlet The refusal of work and a text written by Christian "Du prolétaire individu à l'individu prolétaire". This text was written for the Easter meeting in Paris, 1980. Both french texts will form a criticism and a contribution to the discussion about 'socialism' (see above). Both texts will have to be translated in English.

- Various texts on the Fiat struggles, for the past years collected by german comrades and a pamphlet of the group Collegamenti that is already translated in french. The whole lot could give, on the one hand, a lot of information on struggles, on the other hand, it would be a criticism of 'operaism'.

- texts on the USSR: Peasant Commune and Revolution in Russia, The Obschina, pamphlet in English translated from Pier Paolo Paggio - introduction to his book "Commune Contadina et rivoluzione in Russia" (Jaca Book, Milan 1978). It contains a new theoretical view of the Russian system and a criticism of the various theories about the Russian revolution. Need to be translated in French. The Health Crisis in the USSR, by Nick Eberstadt, study in English referring to a book publ. in the USA "A review of Rising Infant Mortality in the USSR in the 1970s by C. Davis and M. Feshbach, US bureau of Census, 1980. This long text shows how the contradictions and the blockage of the system cause a progressive degradation of health mainly in infant mortality. Can be translated and published in french as part of a study on the USSR. A new approach of the soviet economic model: the second economy, this is an article of Gerard Duchêne in French publ. in Courrier des pays de l'Est, no.244, oct. 1980, on how the 'non-socialist economy' works inside the russian system.

- texts on the USA: two pamphlets of John Zerzan, Promise of the 80's and Industrialization and Domestication, already published in English. If distributed by Echanges, they have to be translated in French. These are texts on the problems already studied by Zerzan on the attitudes in front of Capital and its crisis in the States. Various materials on the strike of the air traffic controllers and on Reagan politics. (in English, could be used for a study on the USA.

- various texts on the workers struggle in Germany under the nazism based on the research of Tim Mason. Some are translated in English and French, but they have to be taken in a synthesis and completed with more recent studies.

- a criticism written on The German Model written by a german comrade for the 1980 Easter meeting, partly translated in french but not at all in English.

- two texts, one in English (partly translated in french) on the struggles between the popular autonomous organisations and the government in the Chile of Allende just before the coup; the other one on Chile is in French and is a report of a discussion with a chilean refugee on the same problems and giving some economical views on the take-over by the military regime.

- texts on the crisis: Pannekoeks Theory of the collaps of capitalism (text translated from Rätekorrespondenz no.1, 1934), which is a criticism of the positions of Rosa Luxemburg and of Grossmann on the crisis of capital. Paul Mattick and the crisis of the world economy, a text by Peter Rachleff and Economic and class struggle by Ron Rothbart, two articles from Red Eye. Both could make a pamphlet on the crisis. French translation needed. We have two other older texts in English, Phases in the evolution of capitalist crises, by Joyce Kolko, and Crisis, historical forms of their appearance and recuperation, from Contra a corrente.

Various texts:

- Consideration and organisation, already in french and english but never published. Some criticism on the french and english edition of the Refusal of work were never published. This work need to be improved after discussion and considering the development of the crisis.

- two texts on Japan, one (in french) on labour and organization by a witness who travelled all around Japan. The other one in two parts: the Japanese working class and the Japanese bourgeoisie (in English) publ. in the bulletin of concerned Asian Scholars, 1979.

- combines in Great Britain and plans for alternative employment and alternative product plans, esp. at Lucas Aerospace. We could make a brochure to start discussion on workers plans (to prevent unemployment) in general. The main theme would be the way in which workers react to rationalisation and automation, new technology in the form of robots and Computer Aided Design and Computer Aided Manufacturing.

INTERNATIONAL ECHANGES MEETING

A new one could be organised at Easter 1982, the place is not yet fixed. Two comrades have proposals for themes, of course, others can be suggested and everybody can give his/her opinion on the below mentioned proposals:

- The disappearing State, using as exemple the actual situation in France (nationalisations) and for comparison a capitalist country of eastern Europe.

- The capitalist strategy and its freedom to act in the actual situation, a discussion based on examples in the motorcar industry in

Italy (Fiat), France (Renault), Great Britain (leyland) and the USA (General Motors).

- What do the imperialisms of today really control? Russia and Poland, the USA and Iran: the imperialisms create their own concurrents and export class struggle to the dominated countries. Are the economic relationships in favour of the dominated countries?

PUBLICATIONS

This item will appear only from time to time and will try to give informations as accurate as possible (which is not an agreement) to allow direct contacts between people interested.

* from Hong Kong: Undercurrent no.2, may 1981, address: 5 Mid Garage, Holly Road, Hong Kong. "Happy Valley" (in English), a text on the democratic movement and four modernizations, & on the social movements of Hong Kong.

* from the USA (everything in English)

- Two pamphlets written by Sam Dolgoff, A critique of marxism and the relevance of anarchism, publ. in Sol of Liberty, PO Box 7056, Powderhorn Sta mpls mn 55407.

- Against the current, 45 West 10th Street, 2G New York NY 10011, presents itself as follows: We see that the development, the efficiency and the ideological quality of the magazine will depend on the emergence of a political revolutionary organisation. We see the grouping of revolutionary elements as a part of a process. a process in which 'Against the current' hopes to play a role". We have in these words the clue to read with the required knowledge these articles well documented on some struggles in the USA (transit strike in New York, hotels in San Francisco) and on the present politics of Reagan.

- Process world, 55 Sutter Street, app.829, San Francisco Ca 94104, published to establish a network for discussion, information and communication that would be relevant to the lives of people employed in offices." Two very interesting issues on the new technologies and the consequences for office workers.

- Charlatan Stew, PO Box 31461, Wallingford Station, Seattle, Wa 98103; distributes various brochures like "Origin and function of the Party Form".

- Synthesis, a newsletter for 'social ecology', PO box 1858, San Pedro Ca 90733, USA. This issue explain why the former League for Economic Democracy became the League for Ecological Democracy.

* from Great Britain (all in English)

- International Research and Information Service, c/o Cienfuegos Press, Box Lidice, Sanday, Orkney KW17 2BL, United Kingdom. Texts on the activities of neo-nazis in the UK.

- London Workers Bulletin, c/o II Leyden Street, London E1, UK. Tries to encourage communication between workers of all crafts. Nrs 10 + 11 on grass root activities of all kinds in the UK.

- Solidarity for Social Revolution, still going strong. Adress: 123 Lathom Rd, London E6.

- To Libertarians (Sept.1980) - The International Friends - appeal to support fifty libertarians who are imprisoned

- Head and Hand, a new magazine with long book reviews, with information also on campaigns, groups etc. Reviews of books on marxism, labour, feminism, ecology etc. Available from: Full time distribution, 27 Clerkenwell Close, London EC 1 R OAT.

* from Italy: Communismo dei consigli, from: Tiziano Galante, Valdentro 32, 45026 Landinara Rovigo, Italia. Series of theses on war and revolution, real workers autonomy, capitalism & communism.

* from Denmark: Council communism (in engl.) Theses on council communism nowadays, by Anders Crüger, Frederiksgade 18-2, 5000 Odense C, Denmark.

* from Canada: Disease, from: Black Rat, PO Box 1817, Bancroft, Ontario (in engl.) a bulletin like Echanges but with other themes.

* from France:

International Discussion Bulletin (Bulletin discussion international) (in french and engl.). An initiative of various group to discuss autonomous proletarian struggles. Issues in english from Solidarity, c/o APP, 163 King Street, Aberdeen Scotland, Great Britain; in french from PIC, c/o Librairie Parallèles, 47 rue St.Honoré, Paris 75001.

- the group PIC, which published Jeune Taupe has split and in the nrs. 34,35,36 of Jeune Taupe you can read why. The dissidents have formed their own group called Volonté Communiste and publish a new bulletin Revolution Sociale, address: B.P.30316, 75767 Paris Cedex 16.

- texts distributed by Liaison Dangereuse, address B.P. 30, 75961 Paris Cedex 20 (all french)

= Grève sauvage à Fleetwood

= Notes sur l'Italie, on terrorism, Fiat and the aearthquake

= Grève sauvage sur un chantier EDF dans les Alpes

= Pourquoi nous quittons la CGT, workers of Usinor in Dunkerque explain why they organised their own union in their factory. From: Syndicat de lutte des Travailleurs, Centre Social, Place de l'Europe 59760, Grande Sythe, France

= Chomeurs, conclusions of a meeting organised by the Comité des chômeurs de Limoges, ARC, BP 20, Limoges 87001, France

- Travailleurs Unis pour la Lutte (TUL, 35 Rue Ambroise Paré, 53000 Laval, France) have made up the balance of their actions in a brochure called "L'affaire Lionel et deux ans de lutte à Mayenne", centered on the defense of a young militant, victim of a police action. The group would like to get contacts with other groups dealing with the same kind of activities and themes.

- Union Proletaire (U.P., Librairie l'Herbe Rouge, Ibis, Rue d'Alésia, 75014, please use two envelopes), this group publishes a

bulletin, whose nr. 2 contains a.o. an article on the measures taken against immigrant workers in France.

- Iztok (26 Rue Piat, 75020 Paris, France) publishes a brochure on Poland in Bulgarian.

- A criticism on state socialism in english from Cienfuegos Press, address below.

- Interimaires, bulletin of a comité of interimaires, write to the Echanges postbox in Paris for contacts.

Root and Branch & Paul Mattick

In no. 25 of Echanges, we talked about the death of Paul Mattick. Root and Branch, who are inspired by his thoughts, wishes to publish a special on Mattick. It will contain a biography, an article of Mattick and other texts on his libertarian socialist project. Because of the costs of such a special, Root & Branch asks for financial help.

The following article was published in the Financial Times, June 29, 1981. Author is Alan Friedman.

HOW A MULTINATIONAL TRIES TO SOLVE ITS

PRODUCTIVITY PUZZLE

"WE USED to keep this a secret, but I don't see the point anymore." With these words Bill Henry—chairman of Coats Patons until a week ago—revealed the textile group's comparisons of labour costs in 30 countries. These figures, kept under wraps for several decades, illustrate graphically the special problems of manufacturing in the UK.

Henry, who spent 47 years with Coats, may be the first chairman of a major UK manufacturing group to have made public his company's calculations on the question of relative labour costs around the world.

Coats started comparing relative labour costs in the 1930s when the group first installed an American system of standard costing. And it is undoubtedly in a better position than most UK companies to make such comparisons.

As a genuine multinational corporation, based in Glasgow and active on all of the world's continents, it has a wealth of experience in jostling with exchange rates, inflation and various cultural attitudes. Group turnover last year was £989m and more than 90 per cent of group trading profits of £66.4m came from overseas.

The company manufactures its thread products in a similar manner in 30 countries. Its factories are designed to be most efficient when running on a treble-shift basis. The company operates on this basis because it finds that the use of a treble-shift production system provides the best opportunity to keep costs down and gives the flexibility needed to react to changes in demand. Thus, for example, it may be more cost-effective to have short-time working on a treble-shift basis than it is to switch to manufacturing the same quantity of product in one or two shifts.

But while the group's managers have proved adept at making complex decisions on manufacturing in Brazil and India, the business at home has been less successful. UK profits

have been squeezed for a variety of reasons, many of them endemic to the depressed fibre and thread sector. But labour costs and productivity have proved formidable obstacles.

Last year Coats made an effective UK profit (after deducting property disposals and interest charges) of just £3m on a UK turnover of £251m and assets employed of £145.3m. This is a return on capital of just 2 per cent, reflecting both the woes of the textile business and the high costs of labour.

Last year the company made 3,000 UK workers redundant. This year the group expects to reduce its UK workforce by a further 1,000. Within three years, according to Coats, the UK workforce could be down from its present level of around 20,000 to around 15,000.

Strikes

The group uses its international comparisons to determine both the size of its workforce and investments. Relative costs suggest, says Coats, that the UK is only 65 per cent as efficient as West Germany on the basis of factors such as automation, strikes, indirect labour costs and technical conditions.

The UK's effective costs of labour is 29 per cent higher than that of West German industrial concerns. This is despite the fact that in purely financial terms, as at April 21, Coats' German labour costs were 33 per cent above its UK operations on a single shift basis and 15 per cent above the UK on a treble shift basis.

In arriving at these shift work comparisons, Coats uses a complicated method of calculating relative labour costs. The figures represent a cocktail of factors such as exchange rates, base wages in different countries and charges on labour such as national insurance payments and taxes.

But there is also an unquantifiable variable, which the

Company refers to as "social attitudes." Why is it easier to install labour-saving machinery and make West German workers redundant than it is to do the same thing in the UK? Henry says one of the reasons is the co-operative nature of two-tier boards in West German companies.

Another reason, however, is less easy to explain: "It works because they are German." The importance of social attitudes around the world cannot be understated, says Henry. In the U.S., for example, a new recruit expects to work "unsociable hours" in a three-shift factory.

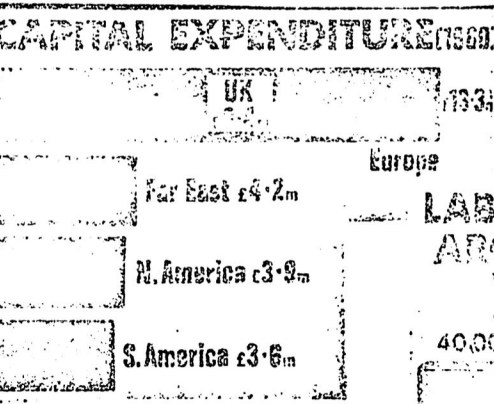
The problem at home, he maintains, is that Britons have never faced up to making a critical choice between the high material standards of West Germany or the U.S. and the vague concept of "quality of life."

This concept involves not working unsociable hours and often preferring leisure to financial reward. Henry believes that if British workers prefer this "quality of life" they should not complain when they discover that Britain is a highly civilised country with a low standard of living.

Returning to the question of relative labour costs, Henry feels that exchange rates are the most important factor used in calculating the Coats table. The table is revised once a month on the basis of shifting exchange rates. A crucial matter, regardless of the base wage factor, is the repatriation of earnings from abroad.

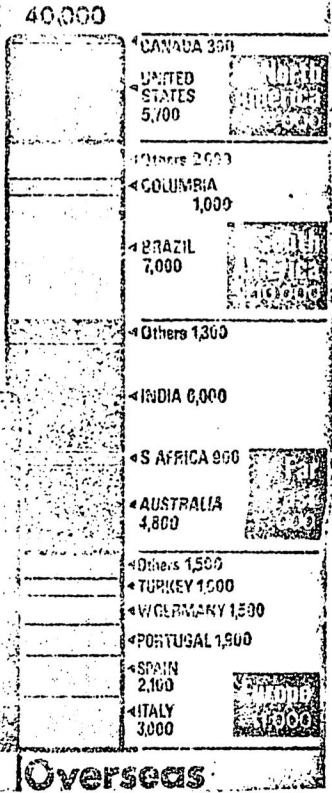
Last year Coats reckons its profits would have been £12.2m higher had it not been for adverse exchange translation. This year the group might gain £5m to £6m because of the weaker pound. In calculating its investment decisions, exchange rates are usually a factor as base wage costs.

Coats says that since 1977 it has forfeited a total of £53m



Total £25m

LABOUR FORCE AROUND THE WORLD



UK Overseas

Country	Index	1979	1980	Year Shift	
				Total Cost £/HR	Index
UK	100	3.401	100	3.401	100
Italy	122	3.490	110	4.042	121
West Germany	113	3.494	113	3.913	115
France	104	3.354	112	3.613	109
USA	117	3.134	99	3.157	96
Portugal	40	1.177	37	1.799	42
Colombia	24	1.121	35	1.234	36
Brazil	31	1.007	32	1.265	31
Spain	22	0.620	19	0.637	19
India	13	0.345	11	0.416	11
Philippines	10	0.276	9	0.282	8
Indonesia	6	0.169	5	0.168	5

Coats Patons calculates its international labour cost comparisons once a month (these above left) as at April 21 for use as a benchmark at foot in making investment and cost-benefit decisions. The table used as the basis of this index (100) and the relative figures are calculated on the basis of base wage rates in different countries, divided on labour such as national insurance and other taxes to latest exchange rates.

because of adverse exchange rates. Among the worst problems has been the relationship between the Brazilian Cruzeiro and sterling. At one stage in 1979 Brazil devalued its currency by 30 per cent. With a steadily depreciating Cruzeiro, Brazil does not look like the most attractive place from which to repatriate profits. But it is one of the jewels in the Coats crown. Labour cost is one reason. Brazilian labour, as at April 21, cost only 31 per cent as much as UK labour (see table). Coats has a dominant market share in Brazilian threads and is thus able to achieve a treble shift operation which is profitable enough to bear the exchange rate nightmare.

Another part of the labour cost cocktail is the base wage. In India the cost of labour at April 21 was 13 per cent that of UK labour.

Does this mean that Coats will pay increasing attention to the development of foreign manufacturing platforms in the Far East? Yes, say both Henry and Charles Wallace, the finance director.

Greenfield

Wallace is the Coats director who must put the labour comparisons and investment recommendations into practice. He agrees that in terms of labour cost and productivity, the UK is at a disadvantage. There is overcapacity in the UK and on the Continent in the textile business. Therefore, says Wallace, Coats will expand in Latin America and the Far East, possibly adding 1,000 workers to the operations in these areas over the next three years. At home, the group is con-

centrating on the development of "greenfield" ventures outside of the mainstream business. According to Coats, this is because it can be more cost-effective to do this than to re-shape old textile manufacturing enterprises. In considering its UK strategy, the social aspect is very significant, adds Wallace. In fact, he notes, the management must share along with the trade unions some of the blame for the level of productivity. "Sometimes the management doesn't tell the workforce what the score is. There is not enough hard talk in this country."

Coats, however, claims that it is lacking of a hard talk. The future will include a re-orientation of the workforce, the group says. Wallace adds that the UK/developing world operations in the next three years and an emphasis on new ventures of home. As a percentage of average

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group profits, the overseas ventures can be expected to remain in excess of 90 per cent. In line with this, Henry and Wallace will set to review the UK workforce of 20,000 and increase the overseas staff of 40,000.

As Henry explains, "You either do something about the situation or you disappear." Coats is certainly trying to do something, and its management are making full use of the statistics on relative labour costs in their planning. Henry executives admit that despite a frequent updating of variables such as exchange rates, they can be very misleading. It is, however, a very difficult task. The group's management has not done well in the past few years and it is not clear if they can do better than in the past.