

It is now apparent—declared the *Observer* in its editorial on 'Priorities' last Sunday—that Britain is moving into the most serious economic crisis for a decade. A Conservative speaker in the Commons, Sir Cyril Osborne, went further and predicted that "a widening trade gap and the growing loss of confidence in sterling were leading us to the gravest economic crisis since 1931". For the *Observer* what makes the situation "especially threatening is the coincidence of three quite different and powerful pressures appearing at the same time". These are

first of all the flight of foreign capital out of London. Secondly, there is the extraordinary and depressing failure of British exporters to take advantage of the expansion of world trade. Thirdly there is the sharp drop in the

## Financial Crisis

### IN THE MIDST OF AFFLUENCE!

income that Britain derives from trade in the so-called "invisible items"—shipping, investment income, and Government services.

It is as plain as a pikesaff that the so-called crisis is financial and not economic. Indeed the measures which

the government appears to be proposing to take are purely financial ones. The new powers it has voted itself under the Finance Bill to impose special taxes on specified goods will, it is said, "curb home demand". In effect it will not only do this but

also represents an internal devaluation of the currency without devaluing it in relation to other currencies. One assumes that what the government hopes to achieve by these measures is to stimulate exports, if necessary by subsidising competitive prices with the special taxes, and at the same time not having to pay higher prices for imports, which, of course, would be the case if sterling were to be devalued. Apparently the struggle to maintain the pound sterling is not only Mr. Selwyn Lloyd's concern. According to the *Observer*

For the first time since the war there is an agreement among foreign central banks, with the Germans playing the major part, to protect sterling from being submerged by a sudden wave of speculation.

We do not profess to know the answer, though we are sure that the reason has little to do with any generous feelings that the bankers and industrialists might have for the living standards of the British worker! It is more likely that a devaluation of sterling would inevitably lead to other countries following suit, with the German mark emerging as the "European dollar" and Western Germany being expected to pay the lion's share in the "defence" programme of the West. It all sounds fantastic, especially when one recalls the solemn promise by the war-time politicians that for at least 50 years Germany would have to be occupied and unarmed.

★

BUT is the capitalist system anything if not absurd? Here we are in 1961 producing more useless and useful goods and services per head than mankind has ever produced, yet every few months there is some kind of "economic" crisis somewhere in the world.

When governments warn both workers and industrialists that they should be producing more, or more economically, such appeals only have meaning if one can accept the, to our minds, crazy concept that useless industries or services can ever be economical. To say that the advertising industry (£400m. a year) is efficient to the extent that it stimu-

Continued on page 3

## GENERAL SALAN'S LONDON REPRESENTATIVES

(From a Correspondent)

FRENCH business acquaintances in London were surprised to find in their letter box last week a duplicated letter from the "O.A.S. Algeria Française" London Section addressed to "French men and women of London" in which they quote from a leaflet distributed in Alger and Oran which declares that after a waiting period of many weeks "which may have been upsetting to you", "the hour has struck". Their army of the Maquis is ready to strike. Consisting of "our loyal legionnaires, our proud Paras" and supported by a great part of the allegedly loyal regiments, it represents "a huge, almost invincible force". Most of the police and the C.R.S. have placed themselves under the orders of Generals Salan and Jouhaud. "Within the next ten days the events you have been waiting for will take place, etc." This is followed by news items from Algeria and France, and finally:

LONDON: The O.A.S.-London asks you to pass on this communication to your friends. To inform the person who has passed it on to you the number of people you have approached. The corresponding number of the next tract will be passed on to you. We ask you for neither name nor address. There are already nearly a thousand of us; we do not know each other and yet all our tracts reach their destination. It is our strength and our safety. French Women and French Men. THE REGIME IS LOST! HAVE NOTHING TO DO WITH THIS PERJURED GOVERNMENT! ANGER IS RUMBLING FROM DUNKERQUE TO TAMANRASSET! THERE WILL BE NO PITY SHOWN FOR THE TRAITORS! O.A.S. LONDON. THE O.A.S. STRIKES WHO IT WISHES, WHERE IT WISHES, WHEN IT WISHES!

All very much cloak and dagger, but an interesting document all the same. No address is given naturally. How our acquaintances are expected to let the O.A.S. know how many leaflets they will require next time is difficult to know. We have suggested that they leave a note in the milk bottle.

## THE OLD CRISIS TECHNIQUE

THE old crisis technique, as distinct from the actual waging of war, is a political weapon which many people besides anarchists are beginning to rumble.

It is a technique used by all governments, usually for a variety of internal reasons. One is to excite the population against an outside source—"the enemy"—in order to divert its attention from domestic issues, the handling of which may have made the government very unpopular; another may be wholly economic and, for example, can justify an armament build-up thus helping to solve unemployment problems within a particular country.

The continual political crises and the fear of atomic war, with which people today are faced, may also have a variety of responses. Two very different population reactions are evident, one is apathy the other is the desire to stand up to the outside instigator of "the crisis", and fight.

Either mood may suit a government depending on the circumstances, but both are liable to get out of hand, as the "war frenzy" seems to in the United States at the moment.

According to *Time* newsmagazine this is the summer of discontent in

the U.S.A., for underneath the sun-tanned surface people are uneasy and discontented about the position of the United States in the cold war.

The President for his part is apprehensive (or was) about the nation, and feels that the people are generally not prepared for the showdown—"the country must get ready for the psychological shock (over Berlin)". They must be ready to make sacrifices "and take the risks required by the cold war".

*Time's* team of correspondents across the U.S. counters the President's fears with the view that the American people are "more than ready . . . to take whatever action is necessary in the struggle against Communism". It quotes the following samples of public opinion, which we think many Americans may well hold because for one thing they have no idea what a war would really involve—complacent in their belief in the superior might of America:—

A *Denver Post* survey disclosed that seven out of ten Coloradans favour war over retreat. Of 32 Atlantans questioned, only one admitted willingness to give up Berlin rather than fight. "Sure it's a dangerous world and nobody wants war," said a North Hollywood businesswoman. "But if we kick in our chips over Berlin, we might as well kick in the whole pot. The effort has to be made somewhere, risk or no risk, and it might as well be over Berlin." To show weakness in Berlin, said Miami Hotel Executive Carl H. Ransom Jr., is only "to give way to something that eventually will eat you up. You lose a little here and a little there, and you wake up and you're lost." Said Wilkie Hanson, a New Jersey businessman: "If we get out of one place we'll have to fight them somewhere else . . ." "We'll stand up on our hind legs in Berlin." Said Bob Maxwell, who conducts a Detroit radio poll: "People think we've been backing off too long."

These are only a few of the quotes which *Time* proudly refers to as the "fiery spirit" of the U.S. people, wherein lies the President's great opportunity—which he must seize unhesitatingly.

President Kennedy should be congratulating himself on the public response to his plea for "sacrifice and risk". Instead we find that Washington is now uneasy about "the growing war frenzy throughout America"!

State Department officials carefully worked up the crisis over Berlin which, according to reports in British newspapers, has now been

put into reverse. An *Express* correspondent writes last Friday that:

... this morning selected American newspapers appeared with stories that said, in effect, "What's all the fuss about?"

Berlin is a political issue between East and West which appears annually. Like the question of disarmament it could have been settled a long time ago if, as they claim, both sides want to end the "cold war".

The re-opening of the Berlin issue at this time when the new administration in Washington had—in the words of political commentators—"suffered a set-back" over events in Cuba, conveniently created a situation critical enough to draw attention from events in Cuba.

It seems that the President's advisors over-did the crisis theme. He will now have to re-interpret the meaning of sacrifice and risk and drag the American people back from the brink.

But if calm has now settled over Washington, in the nature of politics it must lift again and give way to yet another crisis.

## SPAIN 1936 Public Meeting

Public meeting to commemorate the Spanish workers' social revolutionary struggle against fascism and to express solidarity with the Spanish people.

Sunday July 16th at 6.30 p.m.

Speakers:

Speakers for the (CNT)  
S. GURUCHARRI Spanish Youth (FIL)  
L. BAILEY (FAS)  
PHILIP SANSON (LAG)  
KEN HAWKES (SWF)

Chairman: TOM BROWN

Film: "FURY OVER SPAIN"  
DENISON HOUSE.

VAUXHALL BRIDGE ROAD, S.W.1.  
(3 minutes from Victoria Station)

Sponsors: Spanish National Confederation of Labour (CNT), Jewish "Free Voice of Labour Group" (FAS), London Anarchist Group (LAG), Syndicalist Workers' Federation (SWF).



I SAID WE COULD DESTROY IMPERIALISM!





