

PLANNED PRODUCTION

Means, Methods and Results

Sir Stafford Cripps, now raised to supreme direction in his new post as Minister of Economic Affairs, addressed a joint meeting of trade unionists and industrialists in London on September 12th. Having emphasised the urgent need for increased exports, a mass of statistics supporting his case, he set forth what the Government proposed to do about it. The following are some of the more significant passages to which our readers can easily supply their own appropriate comment.

Sir STAFFORD CRIPPS said :

The Board of Trade is responsible for the organisation and direction of exports through the various production departments which deal with particular industries. The export programme is administered through the Department of Overseas Trade and under it is the Commercial Relations and Treaty Department interested in the bilateral agreements that will have to be made.

At the Board a guiding committee for the export drive has been formed, representative of all the production departments, the Treasury, the Foreign Office, and the Commonwealth Relations and Colonial Offices, and the Planning Secretariat; with sub-committees dealing with more detailed matters.

There shall be the closest association and integration of the whole team of administrators, managers and workers. For various industries development councils are to be set up. There must be the fullest consultation between workers and managements by joint production committees and works committees; and if the formation of those committees lags, steps will be taken to enforce their constitution. There will be fresh opportunities for useful work in the regions through the boards and regional staffs. The number of export officers will be increased.

There is no proposal to introduce industrial conscription unless it is proved there is no other way out. The Control of Engagements Order has been introduced and in certain circumstances direction may be used to implement it. The question of unproductive labour will be tackled so as to make it available for first-line production.

An extensive and careful enquiry has been made into all the main industries to see what export task can be realistically placed upon them, with due regard to the existing difficulties in selling goods abroad.

It is extremely difficult to say what goods will be most saleable in the next twelve months. But if there is to be any plan at all, as, of course, there must be, "we must make the best guess we can." Flexibility must be retained to switch over from one export to another as the actual demands in foreign markets are ascertained or as those demands change.

The production of exports must be distributed among the various industries of the country. Materials, labour and capacity will be needed. Where from? By cutting down in some other sector. A substantial part of the additional exports must take the form of capital goods. This means a substantial postponement of the flow of new machinery to our own industries.

Many who have hitherto devoted themselves to the home market exclusively or almost exclusively will have to seek foreign markets energetically. Where industries find themselves unable to sell their export quota abroad, such goods cannot be allowed to be diverted to the home market. If new and appropriate foreign markets cannot be found,

the labour and materials will have to be withdrawn from that particular form of production.

The export task must be performed and part of that task is the correct direction of exports. It is desired to impose as little compulsion as possible, but the possibility of compulsion must remain in the background.

The manufacture of new types of goods may have to be embarked upon to provide the supplies particularly desired by foreign markets. Private enterprise will be encouraged to undertake the extensions or these new manufactures. Failing a willing response, the Government will have to undertake them, entailing the cessation of some less useful type of production.

In the present situation controls are absolutely essential. They should be made as economic as possible for those who have to operate under them. Practical and concrete suggestions as to how the operation of controls might be improved without losing their effectiveness will be gladly considered.

We must see that as much as possible of our extra exports go to hard-currency countries; avoid selling a lot of our exports in inconvertible currencies; make best use of resources in negotiations with other countries; direct our exports to those countries from which our major supplies are drawn. We must make sure that the components and manufactured parts required in the make-up of exported goods are not used up in home manufactures; concentrate on saleability; use every device of efficiency to reduce costs; have modern and up-to-date design; exercise economy in materials, in paint and in packages; tighten up the organisation with regard to salvage [and other directives and disciplines for the manufacturers and exporters now under the tutelage of the State].

Temporarily the home market will have to suffer many shortages in many things.

Increased pressure upon production for export will tend to put an even higher premium upon black market activities. It will be even more profitable to be dishonest and we must all of us be on our guard to stop such activities and to take the responsibility of reporting them if they come to our knowledge. Only managements and workers can effectively police this kind of activity. The great body of genuine and honest producers must join in stamping out this conduct which might, if it were allowed to extend, gravely embarrass the accomplishment of the planned increase in exports. *"I do beg that everyone will review their own ideas on this matter of black markets and will decide that they must not only abstain themselves from dealings on those markets, but help by giving information as to the persons who continue to deal in them."*

LABOUR UNDER COMPULSION

UNDER the Dictatorship Act of August 11th, 1947, legislatively entitled the "Supplies and Services (Transitional Powers) Act," Mr. George Isaacs, the Minister of Labour, has issued the new Control of Engagements Order, which takes effect on and from October 6th.

In a public statement, reported in the *Manchester Guardian* of September 19th, Mr. Isaacs explained the general scope of the Order. It has the approval of the Trades Union Council and the British Employers' Confederation. It throws a searchlight on what is involved in industrial conscription.

At present only those who are likely to become unemployed are likely to be directed, Mr. Isaacs making

it clear that although full powers to direct people to jobs exist, the Government does not yet intend to order anyone to leave a job he is already in; but if more extensive direction is found necessary the Government will not hesitate to use it.

With certain exceptions, the Order affects all men between 18 and 50 and all women between 18 and 40 who become unemployed. The exceptions include women with children under 15; professional, administrative, managerial and executive workers; part-time workers whose jobs do not involve more than 30 hours' work a week; men and women released from the Forces while they are on paid leave; and registered disabled workers.

All persons subject to the Order who are seeking work must report to their local labour exchange. If they are directed to a given job and they fail to obey the Order they are liable to be punished, on summary conviction, by a fine of £100 or three months' imprisonment, or both.

The directed workers—

Will be given a "reasonable time" in which to decide about accepting directed jobs; but if a man is "saucy" and says, "I'm not going to be directed," the notice of direction may be served more rapidly; may be required to submit to a medical examination; may have to accept essential work in other than his normal occupation;

has no guarantee that the new job will give the same rate of pay as the job he previously held. Wages will be at the standard rate already in force for whatever job he goes to;

can appeal against being directed by bringing his case before a local appeal board, these boards consisting of an employers' representative, a trade union representative and an official chairman;

must be accepted by the employer and cannot be dismissed except on grounds of "serious misconduct," the worker having the right of appeal before the regional appeal board.

Coal miners and agricultural workers are in a special class. They remain covered by the war-time Control of Engagements Order. They are forbidden from seeking work in other trades. They are able to change their jobs within their industry but must not go outside it. Voluntary workers entering those industries are subject to the same rules, but a directed man must stay where he is sent.

Employers will have to notify to labour exchanges all vacancies in respect of workers subject to the Order and will not be able to engage them except through the labour exchange. They will be forbidden to advertise vacancies unless they relate to grades of staff not covered by the Order.

Officials of the Labour Ministry will keep a close watch to see that employers do not designate staff as "managerial or administrative" to enable them to evade the Order. "The Ministry of Labour," Mr. Isaacs said, "has its own ways of finding out whether a managerial job is genuinely one or not."

QUESTIONS FOR CONTROLLERS

By Professor Maurice Belton, King's College, London, in the DAILY TELEGRAPH, September 12th.

The 19th century was the age of individualism and *laissez-faire*. The 20th century finds us in the grip of "controls." Private enterprise now yields place to State supervision and our basic industries are being subjected to "nationalisation" in the interests of the community. The State thus adds to its natural functions the additional burdens of public trading and invades

commerce on the grand scale. With what results? The gradual loss of the rights and liberties of His Majesty's subjects.

Many of us are thus left bewildered, and seeking a return to fundamental issues:—

(1) Is not this invasion of the rights of property cutting at the root of our freedom and making a mockery of democracy?

(2) Is not "democratic planning" a contradiction in terms?

(3) Is not a "controlled economy" a long step on the road to serfdom and its issue at the journey's end—totalitarianism?

(4) Is not State "direction" of both capital and labour, of both the products of industry and the producers, of both the means and of the men, a threat to human rights, a blow at our traditional British way of life, and a menace to the spirit of a freedom-loving people?

(5) Have we so little faith in our British genius for improvisation that we fear to give a freer rein to individual initiative and enterprise?

(6) Is it, in short, not conceivable that our forefathers knew the value of natural laws and impersonal forces as a potent means of bringing men to their senses?

INVITATION TO INFORMERS

To the Editor, LAND & LIBERTY.

SIR,—One of the most important parts of Sir Stafford Cripps' recent broadcast seems to have been overlooked. I refer to his request that everyone should review their ideas of black markets. He indicated that such a review should lead to Sir Stafford's own conclusion. As reported in the *Manchester Guardian*, he continued: "Take the responsibility of reporting them (black market operators) if they come to our knowledge."

This last recommendation is in conformity with the teaching of the Hitler youth by German National Socialism to spy and inform against even their parents. It is interesting to observe this milestone on the road to serfdom forecast by Prof. Hayek and emphasised by Mr. Churchill in his 1945 election broadcast. Police enforcers are now to be assisted by informers. Earlier Sir Stafford inferred that total conscription of labour would only be resorted to as a last resource. Mark the threat.

Honesty, which Sir Stafford requests is a conception arising from "Thou shalt not steal." Is theft involved in market transactions where both sides are satisfied and no force is used? Perhaps "Honesty" to the planner means conforming to his plan. Does Sir Stafford desire us to review even the moral concepts on which our civilisation has grown? Sir Stafford continues: "Black markets only exist because ordinary people are prepared to deal in them. Do away with the customers and the markets will dry up."

Surely this is the cause and character of ALL markets. The market only becomes black when Authority is endeavouring to take away the freedom of the individual to buy and sell. When the planner has blackened the honest free market he calls it black and desires to abolish it altogether. It is the resistance of the "ordinary" man and the "customer" to the theft of his birthright to trade freely which is black to the planner. It is the legislation and restriction of the planner which make the ordinary man treat the law with contempt.

These are the conclusions of my review.

Sir Stafford has appealed to Almighty God and to morals. I now beg in return that he will review his own ideas in this matter of the use of force to restrict the freedom of his fellow men.

Is it honest to take away their birthright of freedom to trade?

Is it honest to coerce them to comply with his "devices and desires" which many of them honestly consider harmful to the country they love?

Is it honest to manipulate one of the standards of measurement—money? See *Amos* 8, 5.

Is it honest to assume that he was created an extraordinary man to coerce and order his ordinary fellow citizens?

Yours, etc.,

WILFRID HARRISON.