

The Labour-Socialist Road
to
Serfdom

by

ERIC D. BUTLER



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Introduction.

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This booklet is designed to outline briefly the manner in which the Australian Labor Party—it is really a Labour-Socialist Party—in its attempt to attain its socialisation objective, has consistently brought forward legislation for overcoming the major barrier to complete Socialism in Australia: the written Federal Constitution. It is hoped that the information provided in this booklet will prove of value to all anti-totalitarian campaigners.

The basic feature of Socialism is the centralisation of all power—political, economic and financial—into one set of hands. Socialism in practice means the centrally Planned State. But the centrally Planned State cannot be operated unless the planners compel all individuals to subordinate their policies to the central policy. This necessitates coercion of the individual: Manpower Control.

The more central planning a community accepts, the less liberties and rights the individual has. The fundamental issue confronting the Australian people today is whether they are prepared to accept the centrally Planned State and Manpower Control, or whether they will fight for the decentralisation of all power in order that the individual may, in voluntary association with his fellows, gain genuine independence. This issue must be made clear to all electors.

A brief examination of the Labour-Socialists' legislative programme over the past seven years leaves no doubt that, unless halted, Labour-Socialism will eventually destroy the Federal Constitution and create the Monopoly State in Australia.

If the Labour-Socialists are to be defeated, it is essential that all sections of the community take their place in an overall campaign designed to show there is a common totalitarian policy being advanced by all major legislation. Bank Nationalisation, National Health Schemes must be thoroughly exposed as means to an end—the complete centrally planned economy—rather than as ends in themselves. This does not mean that every section immediately threatened by nationalisation should not make its own special contribution—the public expects this. But if the Labour-Socialists are to be defeated, the overall campaign must deal with fundamental principles and show how those principles are being violated. Every individual in the community—particularly the wage-earner—must be clearly shown how complete socialisation in practice will affect him as an individual. Thorough exposure of the totalitarian policy underlying all Labour-Socialist legislation is urgently required.

THE PROTECTION OF THE FEDERAL CONSTITUTION

The major barrier to complete centralised planning in Australia is the Federal Constitution. It is essential that this point be clarified, as many people have, in dealing with bank nationalisation, claimed that even the British Socialist Government has not nationalised the banking system. But in Great Britain, the totalitarian objective can be approached without first nationalising the Banks: being no written Constitution or effective check upon the powers of the British Government, it can nationalise the means of production and distribution directly by legislation. As will be seen later, bank nationalisation in Australia seeks by centralised control of credit issue to by-pass the Federal Constitution and thus enable the Federal Government to control production.

In stressing the value of the Federal Constitution, the following extract from the Official Case for "NO" at the 1937 Referendum, which the Labor Party, then in Opposition, is of great importance:

"Whittling away democracy: once again democracy is attacked. There is never a bold, frontal attack. That would alarm us, and we should unhesitatingly resist. But little by little, control over the things that matter is stolen from the people. By delegating to unrepresentative, irresponsible authorities the reality of power, our 'elected persons' evade responsibility. Here . . . upon the pretext of an emergency, is another attempt to whittle away our self-government . . . Protect the freedom which the Constitution guarantees. Defend the 'Seamless Garment' of Australian unity: Resist every attack upon Democracy. VOTE NO."

This is an excellent description of the very technique the Labour-Socialists have been using. They have consistently tried to abolish "the freedom which the Constitution guarantees" ever since 1940. It is essential to comment on each of the steps taken.

THE 1944 REFERENDUM

Using "the pretext of an emergency"—the war—Dr. Evatt and his associates tried hard prior to the 1944 Referendum to get vast powers transferred to the Federal Government by the States without a Referendum of the people. These powers were only to be "temporary," but so was Uniform Taxation, which the Labour-Socialists now assert is to be permanent. Uniform Taxation is, of course, a major blow at State rights, and brief examination of some of the statements by Labour-Socialist leaders and of the economic planners, provides clear evidence of the totalitarian policy being pursued.

On February 11, 1944, Dr. Evatt said at Canberra: "I want the House to consider these powers irrespective of the possible abuses . . ." Also " . . . full employment cannot possibly be achieved unless some authority is empowered to determine how employment is to be expanded." Here was the open suggestion of permanent manpower control, made much clearer in the following statement at the Canberra Political Summer School in January, 1944: "What are Manpower Regulations but a system which—imperfectly, I know—attempts to ensure that everybody in this country shall be usefully employed . . . There has been a nearer approach to a well-ordered society in respect of employment during this war and the last than in any of the years between the wars."

Several of the economic "advisers" assisting Dr. Evatt in his campaign for centralised power also made their views clear on the necessity for manpower controls.

Dr. H. C. Coombs, now Governor of the Commonwealth Bank, said at the Planning for Service Conference at the Melbourne University on June 11, 1944: "People could not expect complete freedom after the war . . . It would be necessary for some individual to be given the right to say what was best for the community."

Dr. Lloyd Ross, at one time a member of the Communist Party, was reported in the Sydney "Morning Herald" of May 12, 1944, "Manpower control, rather than the threat of dismissal, should be used after the war to secure industrial discipline . . . There can be no successful system of full employment if workers believe they can stop

work whenever they like." Although a Public Servant, Dr. Lloyd Ross campaigned publicly in favour of bank nationalisation. Being a "temporary" public servant, he is apparently not governed by the usual public service regulations.

Addressing the Trades Union Conference in Melbourne in June, 1944, Mr. Chifley, then Treasurer in the Curtin Government, outlined his views on centralised planning and said: "It might be as well to be realistic about this great programme, as it might happen that when provision is made for these works they might not be a form of employment acceptable to some people. We are not going to develop this country if every man thinks he has to see the Town Hall clock every day and hold the hand of his wife every night." This clearly indicated Mr. Chifley's totalitarian outlook.

It is also instructive to recall an article of Mr. Chifley's in the Melbourne "Age" of December 1, 1943, in which he said: "After the war . . . we must have heavy tax rates. We shall need more direct and positive controls."

After the 1944 Referendum had been defeated, Dr. Evatt made the significant statement that it was only "a temporary setback." Professor Copland, at that time travelling in the U.S.A., was reported as saying that "another day would come." These and similar statements were clear evidence that the basic totalitarian policy was to be furthered by other methods.



BY-PASSING THE CONSTITUTION via INTERNATIONAL AGREEMENTS

Although Uniform Taxation has been used as an effective instrument in by-passing the Federal Constitution as a protector of State rights, Dr. Evatt and his associates have looked for other instruments of destruction.

Speaking at Canberra on November 24, 1944—that is, only a few months after his "temporary setback" at the Referendum—Dr. Evatt made it clear that he thought that the External Powers granted to the Federal Government could be used indirectly to by-pass the Constitution: "What

I have said to this House is that should there be an international agreement to which Australia was a party, on subjects such as labour conditions and the like, it might become the duty of the Executive Government to ratify the agreement, and that in such an event, in my opinion it would be within the power of this Parliament to carry out the agreement throughout Australia." In other words, Dr. Evatt believes it possible to get centralised control of manpower in Australia via International Agreements.

Bearing this in mind, it is interesting to note that next year (1945) Dr. Evatt pressed vigorously at the first United Nations Conference (held at San Francisco, U.S.A.) for the inclusion of Article 55 of Clause 9, which says that the United Nations shall promote "... full employment, and condition of economic and social progress and development."

The Melbourne "Argus" of June 16, 1945, reported Dr. Evatt as saying at San Francisco: "It is, of course, quite clear that every international agreement we make places an obligation upon Australia to fill it. For this reason it may well be that in certain circumstances the existing external affairs power can be used by the Commonwealth Parliament for the purpose of carrying into effect in Australia the precise terms of the international agreement."

The framers of the Federal Constitution certainly never visualised that a Dr. Evatt would one day arrive to try and use the External Powers of the Federal Constitution to destroy the very spirit of the Constitution.

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SOCIALIST ADVANCE BY THE 1945 BANKING LEGISLATION

The passing of Labour-Socialists' 1945 Banking Legislation was a most important step in the campaign to create the centralised State. It was the forerunner to Bank Nationalisation in 1947.

The ultimate intention of the 1945 Banking Legislation can be best understood by examining some of the considered views of the principal economic "advisers" to the Government—those who played an important role in drafting the legislation. Dr. Coombs said at the Australian Institute of Political Science School early in 1944 that

"What I said was that in the post-war world more decisions would be made by public authorities as to the allocation of resources than has been the case in the past."

Professor Copland said at the above Political Science School: "To promote mobility of resources it will be necessary to ensure that credit supplies are available where and when they are needed, **IN ACCORDANCE WITH THE GENERAL POLICY OF DEVELOPMENT DECIDED UPON**, and the judgment of the central banking authorities as to the demands of equilibrium in the economic structure." The Government, i.e., the economic planners, will, of course, decide the "general policy of development."

Centralised control of credit issue will permit them to do this. Professor Copland, in an address to the Canberra branch of the Economic Society on April 4, 1949 (reported in Melbourne "Age" on April 5), developed this theme and frankly suggested planned control of production by "selective granting of credit by banks."

Clause 27 of the Banking Bill, passed in 1945, made it quite clear that control of production was desired—

"(1) When the Commonwealth Bank is satisfied that it is necessary or expedient to do so in the public interest, the Commonwealth Bank may determine the policy in relation to the Banks to be followed by Banks, and each Bank shall follow the policy so determined.

"(2) Without limiting the generality of the last preceding sub-section, the Commonwealth Bank may give directions **AS TO THE CLASSES OF PURPOSES FOR WHICH ADVANCES MAY OR MAY NOT BE MADE BY BANKS AND EACH BANK SHALL COMPLY WITH ANY DIRECTION GIVEN.**"

(My emphasis)

In other words, this Banking Legislation was designed to overcome the Constitutional barriers to the Labour-Socialists' objective of complete socialisation of the means of production, distribution and exchange.

Clause 40 of the 1945 Banking Bill provides that all banks must record in schedule form: statements of loans, advances and industry in which borrowers are engaged. Here is further evidence of the planners' intention of having a detailed grip upon all industry.

BANK NATIONALISATION

Attacks upon local, decentralised Government, are a feature of all Socialist and Communist propaganda. The completely centralised State demands the abolition of all local sovereignty. The introduction of Bank Nationalisation in 1947 followed upon the Federal Government's failure to show that it had the constitutional power to compel local governing bodies to do their banking with the Commonwealth Bank.

It is essential that Bank Nationalisation be consistently attacked as part of the Socialist objective of the centrally planned economy—and particularly here in Australia, as a direct assault upon the Constitution.

Mr. J. T. Lang, M.H.R., went right to the core of the matter in the following statement in his paper, "Century," of August 22, 1947: "Before he (Mr. Chifley) can enforce industrial conscription in peace-time, he must have absolute control of banking. By that means he hopes to obtain the economic powers that he had been denied by the people through referendum . . . There is one big question that must be answered. Who is going to control the Commonwealth Bank? That is the core of the problem. Experience of war-time control has demonstrated the danger of totalitarianism emerging in this country. Whoever controls the Bank will be the real dictator of this country." In view of Mr. Lang's reputation, he could hardly be classed as a biased supporter of the private trading banks! Time and time again he developed the above theme—that a Government Monopoly of Financial Credit would enable the Government and the planners to dictate production, and through production, employment.

It is worth recalling that during the Canberra debates on Bank Nationalisation, Mr. Lang sought to have an amendment carried permitting what he termed Co-operative Banks to be established. This was ruled out by the Labour-Socialists, who made it clear that they were opposed to any banking institution of any description operating—that a complete Government Monopoly was required. The fact that Dr. Coombs is now Governor of the Commonwealth Bank and would, if Bank Nationalisation became an accomplished fact be, as Mr. Lang said, "the real dictator of this country," should be stressed.

COMMUNISTS AND BANK NATIONALISATION

While it does more harm than good to say that Mr. Chifley and his associates are Communists because they introduce such measures as Bank Nationalisation, it is essential that it be made clear to all electors how the Communists regard all centralisation of power as a step which will help make their task easier. Concentrated power is easier to capture than decentralised power.

Centralised control of credit in the hands of the State has always been keenly advocated by the Communists. When Karl Marx and Engels issued the famous Communist Manifesto in 1848, they included as point No. 5, "The centralisation of credit for the needs of the state by the establishment of a state bank with state capital and an exclusive monopoly."

In the Melbourne Communist "Guardian" of September 5, 1947, under the heading, "What Lenin said on the Nationalisation of Banks," the following extracts from a Lenin pamphlet, "The Threatening Catastrophe and How to Fight it," are quoted:

"Banks are known to represent centres of modern economic life: they are the nerve centres of the entire capitalist system of national economy. To speak of 'regulation of economic life,' while evading the question of nationalisation of the banks means either to exhibit utter ignorance or to deceive the plain people by high-sounding promises with the premeditated intention of not carrying these promises out.

"To control and regulate the delivery of foodstuffs and the production and distribution of products generally without controlling or regulating banking operations is an absurdity. It is like hunting after kopecks that cross your way accidentally, while closing your eyes to millions of roubles.

"Modern banks have become so intimately and indissolubly connected with trade (in grain and everything else) and industry that without 'laying hands' on the banks it is absolutely impossible to do anything serious, anything 'revolutionary democratic.'

"But perhaps this operation of the state 'laying hands' on the banks is some sort of very difficult and complicated matter? There is usually an attempt to frighten the

Philistines by such a picture—the effort is made, of course, by the capitalists and their defenders because it is to their advantage.

“In reality, nationalisation of the banks, without taking away from any owner a single kopeck, presents absolutely no difficulties, either technical or cultural, and is being thwarted **EXCLUSIVELY** by the interests of filthy greed on the part of an insignificant handful of the rich. If nationalisation of the banks is so often confused with confiscation of private property, the dissemination of this confusion of terms is to be blamed on the capitalist press, to whose interest it is to deceive the public.

“Ownership of the capital which is manipulated by the banks, and which is concentrated in the banks, is attested by printed and written certificates, called stocks, bonds, notes, promissory notes, etc. None of these certificates is lost or changed when the banks are nationalised, i.e., when all the banks are fused into one State bank. Whoever had 15 roubles in a savings bank account remains the owner of the 15 roubles after the nationalisation of the banks, and whoever had 15 millions will still have 15 millions in the form of stocks, bonds, promissory notes, commercial paper and the like, even after the nationalisation of the banks.

“Then what is the significance of the nationalisation of the Banks?

“Only when the banks are nationalised is it possible to reach a stage where the State knows whither and how, from where and at what times millions and billions are flowing. And only control over the banks, over the centre, over the backbone and main mechanism of capitalist circulation, would allow, not in words but in deeds, the organisation of control over the whole economic life, over the production and distribution of the most essential products, the organisation of that ‘regulation of economic life’ which otherwise is inevitably doomed to remain a ministerial phrase to fool the plain people.

“Only control over bank operations, provided they are merged into one State Bank, will allow simultaneously with other measures which can easily be put into effect, the actual levying of an income tax without concealment of property and income, while at present the income tax is to a very large degree a fiction.”

Mr. Chifley and other socialists make it clear that Bank Nationalisation is essential for a "planned economy." In his text book, "Foundations of Leninism," Stalin writes: "... we are conducting a planned economy."

There is no doubt that even granting them the very best of intentions, Mr. Chifley and Co. are advancing along a road which can only lead to the totalitarian State.

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GOVERNMENT CONTROL OF GENERAL FINANCIAL POLICY

In exposing the real policy behind Bank Nationalisation, it is necessary that the point be made perfectly clear that this exposure is not what the Labour-Socialists might term "negative." It must be pointed out that while it is agreed that the Federal Government is responsible for the general credit policy of the community, it already has more than adequate power to discharge its legitimate functions. The Federal Government, through the Commonwealth Bank, now controls the total volume of credit which can be made available to the community. Professor Melville, a Government economist, who was called as a favourable witness for the Government during the Bank Nationalisation case before the High Court, clearly outlined how the Commonwealth (i.e., Government) Bank controls the general credit policies of the trading banks. What more power over credit policy does the Federal Government desire? And, of course, they also have the power to control interest rates.

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SERFDOM VIA THE SOCIAL SERVICE STATE

The exploitation of the Social Service idea to sap the independence of the individual and to help bring him under centralised control has always been a major aspect of Socialist technique. The Labour-Socialists are at present stressing the importance of their National Health and "Free" Medicine Schemes.

As Gallup Poll figures show that approximately 58 per cent. of the electors support the Federal Government on their National Health Scheme, it is not surprising that the Labour-Socialists are going to try and keep this issue well before the electors right up until the Federal Elections.

It is therefore urgently necessary that the policy underlying all aspects of the Government's Social Service Scheme should be exposed and opposed. Any section of the community which expresses little interest in the fate of other sections should realise that the Labour-Socialists are following Hitler's technique, "Conquer one by one and impose terms little by little." ("Mein Kampf.") The underlying reason for the attack upon the doctors is the same as that for the attack upon the banks, the press, the shipping companies, etc.: centralised control of all the policies of the individual.

As a starting point for a study of the Labour-Socialists tactics in using so-called Social Service ideas to further their totalitarian objective, here is a statement made by one of the Federal Government's principal planners, Professor Giblin: "Supposing there is a factory starting up or expanding which requires 1000 men, but there are only 500 men who have volunteered for employment there.. What kind of pressure is going to be brought to bear to take employment? You must try persuasion and inducement first, but at a certain point there must come a time when somebody must decide what is a suitable job for a man to do and he must do it. So in the last resort, we shall require a power to direct labour to certain things with the penalty of being unemployed without receiving unemployment benefits on refusal."

"We shall require a power to direct Labour . . ." There is a clear enunciation of the totalitarians' objective. The above views were expressed in 1943. Early in 1944 the Labour Government introduced its Unemployment and Sickness Benefit Act, which made provisions for a step in the direction desired by Professor Giblin.

Clause 45 of this Act reads: "If, in the opinion of the Director-General [who, under the Act, can delegate his powers to thousands of officials] any claimant or beneficiary should (a) undergo a course of training in any occupation, (b) submit himself for examination at any medical, psychological or other like institution, (c) receive any medical or any other treatment, (d) undergo any course of training

for the improvement of his physical or mental capacities, or (e) DO ANY WORK REQUIRED OF HIM, the Director-General may direct that payment of benefit to that person shall be subject to the condition that he shall comply with the requirements of the Director-General in respect of any such matter."

(My emphasis).

The so-called benefits are, of course, paid out of money already contributed by the individual. But before he can get some of it back he must be prepared to submit to manpower control. This is not a genuine insurance scheme against unemployment; it is another part of the general totalitarian pattern. The Unemployment and Sickness Benefit Act was actually upon the Statute Book in 1944, when at the Referendum Labour-Socialists were dramatically signing pledges that they were opposed to economic conscription.

The next major move in attempting to use the plea of Social Services to conscript the individual was the Pharmaceutical Benefits Act. This Act purported to exercise controls over pharmaceutical chemists and doctors, the sale of drugs and the conduct of their customers and patients. However, this Act was challenged before the High Court, which ruled against the Federal Government.

This temporary defeat was quickly seized upon as an excuse for a Referendum allegedly to make certain that the Federal Government had constitutional power to continue its existing Social Services. But the real objective was clear. The fact that the proposed amendment to the Constitution included the phrase, "but not so as to authorise any form of civil conscription," indicated that the planners realised that they must allay the people's fears on the question of manpower control.

Prior to the 1946 Referendum, the eminent Constitutional lawyer, Mr. F. Villeneuve Smith, K.C., was asked the following question: "Would the proposed Social Service Amendment add to the power of the Federal Government to legislate against the freedom of action of the individual and in what way?"

Mr. Smith gave his views as follows: "The proposed amendment would add immensely to the power of the Federal Parliament to legislate so as to limit the freedom of the individual.

"It is impossible to enumerate all the ways in which this might happen, but it may be said that the Federal Parliament would on the accession of the proposed power have as complete a dominion over the individual affected by the power as any Parliament of a unitary system of Government, subject only to the vague and cloudy proviso forbidding 'civil conscription,' with which I deal below.

"Subject to whatever may be found to be the meaning of the words, 'but not so as to authorise any form of civil conscription,' this power would authorise the Federal Parliament to seize complete authority over the legislative area of each of the specified subjects to the exclusion of the State Parliaments, and impose such conditions and restrictions upon the medical and dental professions as to make them indistinguishable in anything but name, from nationalised professions, i.e., virtually servants of 'The State.'

"For example, it could compulsorily acquire all hospitals or dental clinics, and doctors and dentists desiring the professional use of them, might be required to conform to any conditions prescribed, whether as to remuneration, e.g., by a fixed salary, or as to method of employment, e.g., by rotation. It is to be noticed that there is no limitation upon the words 'provision of.' This commits to the Federal Parliament the whole choice of how 'the provision' is to be made, subject to the veto of 'civil conscription.'

"The phrase, 'but not so as to authorise any form of civil conscription,' is too nebulous and uncertain to show by how much or how little the full plenary power is abridged.

"I presume 'civil' is intended to distinguish the kind of conscription it qualifies from the military kind, just as it was used originally with the word 'service' to distinguish the servants of the old East India Company from that Company's naval and military branches. 'Conscription' in its relevant sense and its ordinary and natural significance—and it has no other, it is not a term of art—means compulsory enlistment for service.

"If this is the right meaning to assign to it, in its context in the proposed power, its office will be to except from its content the power compulsorily to enrol men and women to render particular services under pain of disobedience to the law.

"But it will not cover cases where Parliament, in the exercise of the new power, establishes conditions of the various services such as may indirectly, or by economic pressure, compel the acceptance of such conditions. This was what was being attempted in the abortive Pharmaceutical Benefits Act, in which superficially and literally chemists had the ostensible right to register or not as they pleased, but as to which Latham, C. J., said (*supra* at p. 444): '... it is obvious that the result of the operation of the Act might be that chemists would in practice be compelled to apply for approval or to lose a great deal of their business.'

"I am of the opinion, therefore, that the proviso against civil conscription is of very doubtful efficacy and is susceptible of easy but quite effective evasion."

The Labour-Socialists agree with the above opinion, because their 1948 National Health Bill, based upon the powers obtained at the 1946 Referendum, is designed to pave the way for direct Government control of doctors, chemists, dentists and patients.

In passing it is also well to recall that, by holding the 1946 Referendum at the same time as the Federal Elections, the Labour-Socialists nearly obtained the powers sought over agriculture and employment. Only a vigorous Vote NO campaign in South Australia, which had voted "YES" at the 1944 Referendum, resulted in a small majority for "NO" in South Australia, thus ensuring that the Government did not have a majority of States voting "YES." (A majority of electors did vote "YES.")

Undoubtedly the large YES vote for the Social Service Amendment was the result of the Government's fear campaign, which said that all Social Services were in jeopardy unless the Amendment were carried. But Section 96 of the Federal Constitution enables the Federal Government power to "grant financial assistance to any State on such terms and conditions as the (Federal) Parliament thinks fit." By this device the Federal Government could have, if necessary, worked in co-operation with the States. But this was not desired; absolute control was the real objective.

There is no doubt that the 1948 National Health Bill, like the abortive Pharmaceutical Benefits Act before it, is designed to gradually eliminate private Doctors and to make them servants, not of the individual, but of the State.

In introducing the National Health Scheme late in 1948, the Minister for Health and Social Services (Senator McKenna) frankly outlined the totalitarian feature of the Bill: "The Bill is an enabling measure, in which may be seen only the broad outline of a proposed national health service, the details of the service and its administration being left to progressive development which will be implemented by regulations." (Federal Hansard, No. 30, p. 3372). What a time the bureaucrats would have with such enormous powers!

The following article of mine, which appeared in the Melbourne "Argus" of February 28, 1949, will prove useful in assessing where "Free" Medicine and the National Health Scheme generally will lead to unless challenged.

"The Labour-Socialists' new assault upon the medical profession is not merely designed to destroy the independence of the doctors and to make them servants of the State; it seeks to further the major Socialist objective of subordinating completely the policies of all individuals to a group of central planners. People who allow themselves to be used, as the Labour-Socialists so blatantly suggest, to bring pressure to bear upon the doctors, and thus compel them to enter the Government's National Health Service, will be merely forging the chains for their own enslavement.

"It is unfortunate that far too little attention has been paid to the totalitarian features of the National Health Bill introduced by Senator McKenna on November 24 of last year.

"This Bill may yet prove to be one of the greatest tactical victories obtained by the Socialist Monopolists—unless electors awake to the grave menace confronting them. The National Health Scheme is based upon the principle enunciated by Hitler: That people who will not submit to a complete totalitarian plan for society will not resist its gradual cumulative application.

"In examining the National Health Bill, it is essential to recall that it is based upon the constitutional power given to the Commonwealth as a result of the Social Services amendment to the Federal Constitution, carried at the 1946 Referendum. Although Mr. Menzies and other non-Socialists advocating a YES vote on the Social Services amendment at that Referendum apparently did not realise

what they were doing, there is little doubt that the Socialist planners were looking well ahead and knew what they were about. Every step taken to further the ever-growing process of government by regulations framed by officials, takes the community further towards complete totalitarianism.

"This delegation of Parliamentary authority means that all matters connected with health can, without public debate in Parliament, be dealt with by the officials to whom the Minister for Health delegates his functions. The National Health Scheme can thus be altered at will by mere regulating.

"As the Bill grants enormous powers to officials, even the power to manufacture, its inherent dangers are obvious. Once the scheme is well established, the groundwork has been laid for further attacks upon the medical profession and the liberties of the individual.

"It is hoped that electors will be bribed by the anticipation of a 50 per cent. reduction in their medical fees if the scheme operates; that they will overlook the fact that the Government will merely be using some of their taxes to finance the scheme.

"If the Government overcomes the obstacles to the introduction of the National Health Scheme, it can already be seen what will happen then. The next step will be to limit the work of individual doctors. Senator McKenna has already announced that the Director-General of the scheme is to have the power to draw up lists of 'specialists.' It is then contemplated to limit the payment of fees by the Government for certain classes of work, to be progressively defined by regulations, to certain 'approved' doctors. This would gradually narrow the field for general practice.

"A further step in the same direction could be taken by the mere formulating of a regulation deciding to pay, say 80 per cent. of the scheduled fee, thus permitting the doctor to recover only 20 per cent. from the patient. By these and other steps private practices could and would be eliminated, and doctors made more and more dependent upon the Government for their incomes. Virtual nationalisation of the medical system would be achieved by indirect methods.

"The general public must not be tricked into believing that the fate of the medical profession is no concern of theirs. Hitler's National Health Service was one of the

most effective instruments he had for controlling the individual German. The complete Monopoly State necessitates that the individual shall have no avenue of escape from the dictates of the central planners. Under the fully planned society, individuals must not be permitted to interfere with the central plan by producing private doctors' certificates, stating they are not well enough for work prescribed by the planners. In such a totalitarian society as the Socialists contemplate, doctors would obviously be required by regulation to carry out examinations concerning fitness for certain occupations. There would be an increase in non-medical work by the keeping of records and the making of reports.

"All this is no fantasy. It is urgently necessary that sufficient people realise in time that the proposed National Health Scheme is another thin edge of the wedge for which the Socialist monopolists are striving desperately to find a crevice in the democratic structure. All those who prize the little freedom they still possess should inform their doctors, by letter, telegram, or telephone that they desire them to stand firm against the latest Canberra assault.

"Federal non-Labour members would also assist considerably if they would make a definite statement that, if elected at the next elections, they will immediately destroy the National Health Scheme completely. It is possible to ensure that every individual has access to the best medical services while at the same time preserving the freedom of both doctors and patients."

Apart from exposing the totalitarian policy behind the National Health Scheme, it is necessary to point out that if the Government is genuinely desirous of distributing to the taxpayers some benefits (medicine, reduced medical fees, etc.) in exchange for taxation already paid, this can be easily done without controlling doctor or patient. People could pay their medical bills as they do now, and those desiring to do so make application to the Government for what would be a subsidy. The Maternity Bonus is paid direct to the individual without any Government control. An approach to the subject along the above lines always forces the Labour-Socialists to reveal their policy of control.

THE 1948 PRICES REFERENDUM

The Prices Referendum last year was another example of attempted exploitation of people's fears. Under the plea that its power over Price Control might be challenged in the High Court, the Federal Government sought an amendment to the Constitution giving it permanent power to control prices. It was hoped that rising prices, mainly the result of the economic and financial policies pursued by the Canberra planners would stampede the electors into granting the powers sought. This power was to control "Rents and Prices (including charges)." Now the wording of this proposed amendment was significant. No. 6 of the famous 14 points sought by Dr. Evatt at the 1944 Referendum dealt with Price Control. The Federal Government then desired to control "Profiteering and prices (but not including prices or rents charged by State or semi-governmental or local governing bodies)."

In the powers sought at the Prices Referendum, there was no reference to State and local governing bodies being exempt from Canberra control. State and local governing bodies would, therefore, in the event of a "YES" vote, have been directly controlled per medium of the prices the Canberra planners permitted them to charge.

Speaking at Canberra on November 27, 1947, Mr. J. T. Lang, Independent Labour, went right to the heart of the issue as follows: "Any Government intent on introducing economic conscription could do so under cover of the prices administration. In England, the Attlee Government resorted to issuing conscription notices under a direction of labour regulation. But a Government with absolute control over prices administration would have no necessity to conscript industry. It could apply all the pressure required against particular industries by reducing prices."

When defeated at the Prices Referendum, the Federal Government immediately announced that it was going to pass Price Control to the States. Now, the most successful aspect of Price Control was the Price-Subsidy mechanism. This mechanism was used with comparative success in most English-speaking countries during the war years. The basic idea was that by stabilising the prices of certain basic items in the economy, an overall increase in prices could be minimised. In a modern community with series production, an increase in the price of a basic item can be considerably multiplied by the time it reaches the consumer. For

example, by stabilising those items upon which the Basic Wage is adjusted, it helped prevent wage costs from increasing, which in turn prevented other costs from increasing and multiplying.

Mr. Chifley was well aware of the value of the Price Subsidy mechanism, as instanced by the following statement made as Treasurer on June 24, 1943: "Two main advantages accrue from this method of price control. In the first place, subsidies will permit the stabilisation of retail prices generally, and this will be reflected in a new stability in the Commonwealth 'C' series index which measures retail prices and by which wages are adjusted."

After the Prices Referendum defeat which, incidentally, did not prevent the Federal Government from continuing with Price Control, Mr. Chifley apparently lost interest in stability.

When he passed Price Control to the States without giving them the finance to continue Price Subsidies, he was deliberately and wilfully increasing prices—undoubtedly for the purpose of attempting to discredit the States and make political capital for the Federal Elections.



MISUSING THE DEFENCE POWER TO BY-PASS THE FEDERAL CONSTITUTION

Electors must be informed of the manner in which the Labour-Socialists have been exploring the possibilities of destroying State rights by misusing the Defence Power.

The Supply and Development Bill 1948 is of vital importance from the Socialists' point of view. It was introduced by Mr. Chifley on April 14, 1948, with very few explanations and with the briefest possible replies to criticism, and with all the assurances regarding the intentions of the Government, with which electors become familiar in connection with Bank Nationalisation and other Socialist legislation.

The Supply and Development Act of 1939, which was intended to apply for the duration of the war only, is amended by this bill to permit the continued application of the Government's powers in peace-time, and to extend them to a degree that is alarming.

One of the most significant amendments to the Act is.

the substitution of the words "war materiel" for the word "munitions." "Materiel" is a French word which covers everything needed in modern warfare except personnel. The amendment therefore gives the Commonwealth Government power to concern itself with practically everything turned out by modern industry. "Materiel" is defined in the bill as meaning "armaments, weapons (including long range weapons), ammunition, engines, magazines, aircraft, vehicles, merchant ships, and other marine craft, equipment, supplies, baggage and other things needed in war, and includes any goods, components, parts, accessories, or plant necessary for, or incidental to, the testing, development, production or supply of any of these things."

In case the definition is not adequate to the Government's purposes, the Act of 1939 is amended to permit the Governor-General from time to time to—

- "(a) Add to or vary the matters to be administered by the department; and
- "(b) Determine the extent to which, or the conditions upon which, any matter may be administered by the department."

Section 5 of the principal act opened with the words, "The matters to be administered by the department shall be matters relating . . ." and then continued with a list of those matters. In the bill of 1948 the word "include" has been substituted for "b," leaving no limit at all to the matters in which the department can concern itself.

As a result of this legislation, the Government has the power to establish, maintain, and operate, or arrange for the establishment, maintenance and operation of undertakings for or in relation to the provision or supply of war "materiel." "War" is defined in the bill as "any invasion or apprehended invasion of, or attack or apprehended attack on, the Commonwealth or any Territory of the Commonwealth by any enemy or armed force." That definition is so wide as to permit the government, by utilisation of the powers elsewhere in the Bill, to establish factories at any time, under the present disturbed state of world affairs.

In the House of Representatives on 5th May, Mr. Dedman volunteered the information, "that if the Government set up in peace-time a factory to produce certain kinds of equipment needed by the Army in war-time, and, in order to keep the machinery in a state of proper repair so that it

should be usable in war-time, used that factory for the manufacture of some peace-time article, the High Court, in my opinion, would decide that that was a valid use of the defence power."

Senator Morrow stated in the Senate on 6th May, that: "Today, even household articles are embraced by the word 'materiel,' for almost everything that is produced today is connected with war. Therefore the Government should have the right to produce all those requirements."

Under its new powers in this bill, the Commonwealth Government has power to engage in the manufacture of almost any commodity at any time, and will have the advantage over its competitors of being able to operate at a loss, at the expense of the taxpayer. Quite a plausible case will be presented to the taxpayer to justify the losses as essential to the maintenance and development of the country's defences.

Incidentally, the bill gives the Government power to conduct inquiries into the costs of its competitors in the production of materials, and to limit their prices and profits.

Early this year, the Labour-Socialists announced, as a defence measure, the creation of a gigantic production area in the Australian Alps. As the whole scheme, costing £166 million, is not to be completed for 25 years (and there will be no production for another 8 years), it is difficult to see where Defence comes in. The following penetrating article from the Sydney "Bulletin" of February 23, 1949, provides much food for thought:

"The method of control of the scheme has not been decided upon, but something 'national' in basis, like the Tennessee Valley in the United States, appeals to Federal Ministers. Despite the fact that Mr. McGirr is still determined that his State shall be the 'chief constructing authority,' subject to further discussion with Mr. Chifley, the S.M. 'Herald' learned at the week-end that the Federal Government will proceed with the scheme as an urgent defence priority whether the N.S.W. Government agrees to the Commonwealth Construction Commission or not. The Commonwealth Commission will 'undertake all the work.' And there have been bare and unobtrusive mentions of the use of the Supply and Development Act which was brought forward as a 'defence' measure last year.

"It was here pointed out when that prickly and loaded piece of legislation was brought down that it was not a genuine defence measure; that it was virtually a bill to allow the Canberra Government to socialise the country in peace-time under the pretext that it was acting to provide defence, which the majority of the trade-unions which form the corpus of the Australian Labor Party have no intention of allowing it to implement.

"In this case what the Government obviously intends to do is to take over a large area of southern New South Wales, develop it along totalitarian lines on the vague pretext that in eight to 25 years, it will provide the machinery for the defence of the Pacific. Operating under the Act, if it is allowed to proceed, it can conceal costs of the enterprise, conceal even the names of those involved in it, give contracts without calling for tenders, decide who shall live in the area and who shall not, require any information which it needs from any inhabitant, censor all correspondence on the ground of security, give priority to labour and material for the area—and, in the present state of supplies for building and manpower, it will be forced to do so to carry out the project this side of the new century.

"In fact, the Government has the means to create a totalitarian enclave ruled from Canberra, provided the States and the public do not succeed in guarding their interests and rights and establishing now a definition of where 'defence' actually begins within the meaning of the Supply and Development Act, and where the rights of sovereign States and inhabitants of a region end.

"There might not be so much suspicion of this scheme if it were not put forward by a Government in whose background there is the bank-nationalisation programme, T.A.A., the Commonwealth shipping scheme, the Broadcasting Control Board, the gross inflation of the civil service, the internment of the civil service, the internment of innocent Australia-Firsters, the unusual preferences to Metropolitan Cement companies, submission to Communist policy and flagrant inaction in the face of 'political' strikes designed to interfere with defence efficiency, with the working of the British system of government and the continuance of free enterprise. This Ministry has even put Communist Central Committee members on the boards which govern vital industries.

"The scheme might be taken at more like its face if it were not sponsored by a Government which at this very moment has allowed a crisis to develop in Newcastle, obviously the result of a wicked scheme of Communist sabotage applied on the flimsiest of pretexts, to endanger the operations of the Broken Hill Proprietary, upon which the whole of the immediate basic defence production of Australia depends. And preparations for 'push-button' warfare would sound more assuring if there were any indication that the Government was doing something now to train and equip even a solid nucleus of fighting forces.

"Nobody will oppose hydro-electric development of large and suitable regions of Australia. But the development should be regional and the control as localised as possible. One of the arguments for the creation of a new State in the south-western corner of New South Wales has been the neglect of that area and the need for local people to control it, so that they can enforce the use of their resources.

"Canberra's Snowy River 'defence plan' looks very much like another wedge of the Socialist offensive—a substitute, perhaps, for the uniform-rail gauge 'full employment' provider, and a means of carrying out 'labour's' socialisation platform directly against the spirit and intention of the Constitution by subterfuge and by a deliberate misuse of the defence powers."

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THE THREAT OF MANPOWER CONTROL

There is now adequate evidence to prove beyond all argument that the centrally planned economy, irrespective of the label applied to it, cannot be run without manpower control. The Socialists are therefore urging that the nation be organised permanently as it was during war-time. As seen earlier, Dr. Evatt and Co. have no doubts on this issue. In war-time a planned economy is essential, but so is manpower control.

As the Fabian Socialists have been the fountain-head of Socialism in English-speaking countries, the following statement by George Bernard Shaw, one of the founders of the Fabian Society, is of particular interest. When Shaw

was asked how Socialism worked in practice, he said: "Compulsory labour, with death as the final penalty, is the keystone of Socialism." (vide English "Labour Monthly," October, 1921).

The historian, Elie Halévy, writing about one of the founders of the Fabian Socialist London School of Economics, the famous Sidney Webb (Lord Passfield) has commented: "I can still hear Sidney Webb explaining to me that the future belonged to the great administrative nations, where the officials govern and the police keep order." Just like Soviet Russia!

Although the results of National Socialism in Germany, Marxian Socialism in Russia, and Guild Socialism in Italy are well known, the example of Socialism in practice in Great Britain provides all the evidence necessary to show how manpower control is essential once the central planners start their planning.

No sooner had the British Socialists been elected to office in 1945 than they rushed through the "Supplies and Services (Transitional Powers) Bill," which gave them enormous powers, as great as those only granted on a yearly basis during the war years, for five years. The powers enabled Government by regulation to be carried on and intensified. Regulation 58A, concerning an Order in Council, dated December 20, 1945, stated: "The Minister of Labour or any National Service Officer may direct any person in Great Britain to perform such services in the United Kingdom as may be specified . . ." The regulation stated further that the Minister or a National Health Officer could determine the "remuneration and terms of service." Penalties: Imprisonment for two years or fine of £500. Mr. Ness Edwards, Parliamentary Secretary of Labour, said in 1946: "Miners between the ages of 18 and 50 . . . will from September 1 next, not be free to take employment outside the industry" (mining). Here was the shape of things to come! Coalminers found that nationalisation in practice was very much different from nationalisation in theory.

On February 29, 1946, Sir Stafford Cripps admitted that "No country in the world, so far as I know, has yet succeeded in carrying through a planned economy without compulsion of labour." But this knowledge did not prevent Sir Stafford and his associates from pushing ahead with their planned economy. The result has been inevitable.

In the debate on the Economic Survey for 1947, in March, 1947, when the fuel crisis resulting from Socialist planning was at its worst, Cripps said: "We are attempting to make a success of democratic planning and, save for emergency measures such as are necessitated by war, or may be necessitated by some economic crisis, we have decided not to employ, as a normal matter, methods of direction or compulsion of manpower outside the necessities of defence." Already there was doubt creeping in.

By August 7th, 1947, Cripps was saying: "It has been decided to stop, by negative control, further people from going into the less necessary industries. If, at some future date, further and more stringent measures become necessary, we can then consider the question of the direction of labour, but my Rt. Hon. friend the Prime Minister said it was only in a marginal case connected with the negative control that power might possibly be used under existing circumstances, not as a general proposition."

On September 12th, 1947, Cripps said: "We do not propose to introduce industrial conscription unless it is proved there is no other way out."

But a few weeks later the Minister for Labour, Mr. Isaacs, was saying: "If a more extensive direction were found necessary, the Government would not hesitate to use it."

By November, 1947, the British Socialists had openly proclaimed themselves in favour of manpower control in peace-time with the passing of the "Control of Engagement Order." Only five members of the Labour Party fought the Bill. On November 3rd, 1947, 252 Socialists, who, at the 1945 Elections had promised freedom to the working man, voted for his enslavement.

One of the five Labour members who protested, Mr. Raymond Blackburn, said: "Under this Bill the Government can do anything it likes to any person in this nation except throw him into prison." Later in a newspaper article Mr. Blackburn said he would never have presented himself as a Labour candidate if he had realised that the Socialists would introduce manpower control.

The veteran Socialist member, Mr. Rhys Davies, denounced the Bill in the following forthright terms: "To those who say I am embarrassing the Government by this motion, and trying to bring it down, I say it is far better for a government to meet its doom than for individual freedom to perish from the British Isles . . . A pair of hand-

cuffs are not easier to wear because they shine with a Socialist solution . . . ”

The “British” Communist Party were strongly in favour of manpower control; also “moderate” Trade Union leaders. On July 15, 1947, Mr. Arthur Deakin, well-known British Trade Union leader, said: “I am prepared to say now that we must of necessity accept a limited direction of labour.”

Colm Brogan, writing in the English “Tablet” of November, 1948, commented: “When a young man can be denied a promising opportunity as a professional footballer because the Coal Board refuses to allow him to leave his job, he is not being treated as a free and responsible adult; and the Socialist M.P.’s who are calling attention to the servile state of the professional player might consider the more deeply servile condition of the miner. This year, squads of policemen drove out in the country in cars and went dodging behind hedges in an attempt to catch miners who were out shopping when they should have been mining. . . . It is vain for Mr. Gaitskell to tell the miners that they ought to be grateful for conditions that should satisfy any man, when he still relies on compulsion to keep men in the job which he claims to be highly attractive and rewarding.”

All English newspapers containing advertisements for labour now carry the following statement: “None of the vacancies in these columns relates to a man between the ages of 18 and 50 inclusive, unless he or she is excepted from the provisions of the Control of Engagement Order, 1947, or the vacancy is for employment excepted from the provisions of that order.”

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CANBERRA versus STATE RIGHTS

There is no doubt that the Canberra Labour-Socialists are determined to destroy the States. Uniform Taxation is a major instrument of destruction. The creation of the Joint Coal Board was a clever technique for by-passing the Federal Constitution and for giving the Federal Government direct control of coal supplies. This is an indirect method of starting towards the nationalisation objective. Federal control of all coal would enable tremendous pressure to be brought to bear against the States.

Speaking at Canberra on March 27, 1946, Mr. A. Cal-

well, M.H.R., put the Labour-Socialist viewpoint concerning the States, as follows: "I do not believe in the maintenance of the present States; the policy of the Australian Labor Party is that complete power should be vested in the Commonwealth Parliament . . . We do not believe in the sovereignty of the States."

During the 1944 Referendum Debates at Canberra, Labour Member Brennan frankly admitted Labour's objective: "... sooner or later, through the process of taxation and other processes that are available to this Commonwealth Parliament, alteration of the Constitution will be forced upon the people whether they are willing or not. The tendency will be to so strain the powers that the Commonwealth possesses as to make local government, as at present employed, impossible."

Speaking as President of the Federal Labor Party of N.S.W. back on June 15, 1934, Mr. Chifley said: "State Parliaments as at present functioning are an impediment to progress, and the sooner they are swept away the better." Mr. Chifley has supported every policy likely to further this objective.

It is true that the Labour-Socialists make a pretence of supporting local government by saying that, although they want to abolish the States, they favour what is termed Regional Councils. But these proposed Councils are to be merely administrative organisations for implementing the centralised policies of the Canberra Government. It is decentralisation of policy, not of administration, that is essential. Only genuine local government, government close to and more responsive to the people's needs, provides this. It is essential that this point be made clear.

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SOCIALISM NO ALTERNATIVE TO COMMUNISM

One of the greatest dangers confronting all democratic countries is a careful fostering of the idea that there is some fundamental distinction between Communism and Socialism. Labour-Socialists, both in Great Britain and Australia, have in recent times been verbally attacking the Communists and claiming that they alone can save the community from the threat of Communism. It is, of course, assumed that Soviet Russia is a Communist State.

It is essential for all students of the totalitarian menace to be quite clear that Russia is not a Communist State; it is a Socialist State. U.S.S.R. means the Union of Soviet Socialist Republics. Except as a term and a hope, Communism does not exist in any country today. It is true that Stalin, in his book, *Leninism* (1926), wrote a great deal about Communism and Communist parties, but in dealing with their theory he always used the term Socialism. Two of the chapters of *Leninism* are termed: "The Future of Socialism in the Soviet Union," and "The Fight for the Realisation of Socialism."

In *Leninism* Stalin asks the question, "What is Socialism?" and answers as follows: "It is a stage on the way from a society dominated by the dictatorship of the proletariat to a society wherein the State will have ceased to exist . . . a Communist society." But so far from the State ceasing to exist in Russia, it has progressively become more powerful and more repressive. Socialism in practice has not led to the classless society termed Communism, but to the growth of new and more privileged classes.

The fact that Russia is not a Communist State, but a Socialist State, is of tremendous importance. If Russia were a Communist State, Socialists could argue that its main characteristics, such as forced labour, the one-party system, censorship, the secret police, etc., had no relationship to Socialism. But these characteristics are those of a Socialist State, and indicate what complete Socialism means.

In the English Left Wing journal, the "New Statesman and Nation," of March 20, 1948, the English Socialist M.P., Mr. R. Crossman, wrote:

"Three weeks ago Czechoslovakia was a country with civil liberties and Parliamentary institutions. Today that is no longer true. When I said this to a young Communist, he replied: 'But it's such a small price to pay for a great leap forward to Socialism.'"

This Communist's revealing reply means that a much more comprehensive Socialism can only be achieved by the destruction of individual liberties and Parliamentary institutions.

While it may be argued that Socialists in British countries do not seek power by violence, it would be fatal folly to believe that Socialist leaders are averse to destroying by a policy of gradualness Parliamentary institutions and

constitutional safeguards in order to reach the Socialist objective. Here are just a few samples of the evidence showing that many Socialist leaders are conscious totalitarians:

Sir Stafford Cripps, at present termed the "economic dictator" in Socialist Great Britain, wrote in his book, "Where Stands Socialism Today?": "It is now possible for an individual to challenge in the Courts the use of any particular power so exercised by a Minister as being outside the sphere determined by Parliament. This inconvenience must be removed."

That great prophet of Socialism in English-speaking countries, Professor Harold Laski, of the London School of Economics, and former Chairman of the British Labour Party, wrote in "Labour and The Constitution": "The necessity and value of delegated legislation . . . and its extension is inevitable if the process of socialisation is not to be wrecked by the normal methods of obstruction which existing parliamentary procedure sanctions." Here is a clear admission of what should be obvious to every thinking person; that as more and more Socialist planning is implemented, the all-powerful officials necessary for the actual planning must be given authority to make their own regulations and to proceed without having to consult Parliament. The inevitable result of this procedure must be to destroy completely the sovereignty of Parliament.

The next step would then be to suggest that Parliament be "reformed" to meet the new situation, and eventually Parliament could be abolished. Speaking to the Oxford University Fabian Society in 1944, the famous English Socialist, Mr. G. D. H. Cole, said: "I do not like the Parliamentary system, and the sooner it is overthrown the better I shall be pleased."

At the 1921 Australian Labor Party Conference, the establishment of an elective Supreme Economic Council eventually to supersede Parliament was discussed. In 1931 a Conference of Trade Unions and A.L.P. Branches approved of the statement that "the necessity for a non-Parliamentary form of Government is inevitable."

It would be very wrong to say that every Socialist is consciously working to create totalitarianism and the destruction of responsible Parliamentary Government. But the sincere idealists who believe they are working for "democratic socialism" are furthering policies which by their very nature must lead to totalitarianism. As more

and more totalitarianism is required, the sincere idealists either have to become more ruthless in their outlook or give way to men who have no scruples about using power to control every member of the community. Every effort must be made to show moderate Labour-Socialists that, so far from being an alternative to what the Communists advocate, Socialism as they understand it is merely the forerunner to a much more comprehensive Socialism termed Communism.

Speaking at the Easter Conference of the Australian Labor Party in 1948, Mr. W. Lewis, of the Australian Federated Union of Locomotive Enginemen, said, in opposing the ostracising of the Communists by the Labor Party: "The A.L.P. objective is socialisation of the means of production, distribution and exchange. The Communist Party's objective is the same." (Vide Melbourne "Sun," March 29, 1948.)

Labor Party supporters who contend that they are fighting the Communists while still advocating Socialism should note carefully the following statement in Lance Sharkey's "An Outline History of the Australian Communist Party": "... the growing influence of the Communist Party brought about the adoption of the socialisation objective of the A.L.P."

The Socialists and Communists merely use different roads to the same objective. After seeing Stalin late in 1946, Professor Laski said that Socialism in English-speaking countries was merely another road to the same objective being sought by Stalin.

The Canadian Socialist journal, "People's Weekly," in November, 1946, published the following: "Joseph Stalin, Prime Minister of the U.S.S.R. . . . in a two-hour conversation in the Kremlin, told Morgan Phillips there were two roads to Socialism—the Russian way and the British way." The "British way" to the Monopoly State was devised to meet the obstacle recognised by Karl Marx when he said that the British would never make their own revolution.

A degree of Socialism inevitably leads to more and more Socialism. Centralised planning creates so many problems that there is an excuse for still more planning. All Labour supporters will have to face the question of how they can support some Socialism without finishing with the results of complete Socialism—mis-called Communism—as it operates in Russia. There can be no compromise. Mr.

John Hladun, a former Canadian Communist who had been specially trained in Moscow, dealt with this issue in a series of articles, "They Taught Me Treason," published in his paper, "The Worker," of January 26, 1948: "In a Socialist economy, one control tends to cause another, until, as a logical result, the state controls and finally owns everything. Out and out socialism cannot help developing into Communism . . . Socialism is a dangerous experiment—a forerunner of Communism." By "Communism" Hladun means, of course, the complete Socialism operating in Russia and Russian-dominated countries.

If Labour-Socialism is a barrier to "Communism," why do the Communists support all Socialist legislation? Simply because they know that once a policy of centralisation is given momentum, it can be much more easily increased.

Last year (1948) the British Labour Party, which claims to be fighting Communism, issued a commemorative edition of the Communist Manifesto (1848) by Marx and Engels. When Mr. Attlee was called upon to reconcile this action with his alleged opposition to the Communists, he suggested that the Russian Communists were in error because they had departed from principles of the Manifesto! Comment here would be superfluous. Tyranny can be introduced via the ballot box and the perversion of the Parliamentary system just as effectively as it can be introduced by direct violence. An individual can have his property taken from him at the point of the bayonet, or a political party with a temporary majority in Parliament can achieve the same objective by nationalising all property. What is the difference? The term "democratic Socialism" is self-contradictory. One of the basic features of democracy is responsible government and limitations upon governmental powers by constitutional safeguards. The introduction of "democratic Socialism" necessitates, as Laski and other Socialist authorities have pointed out, the delegation of the Parliamentary authority to officials who can govern by regulations and decrees, and the destruction of all constitutional safeguards.

Labour-Socialism is not a genuine alternative to Communist-Socialism; it leads to the same final result: the complete Monopoly State. The Labor Party cannot claim that it is fighting the Communists so long as it retains the Communist objective of Socialisation.

