

Labour's International Role

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IN times like these, it is difficult indeed to write of the role of any group in international affairs, even in national affairs. Events pile one upon the other at such a pace that an article is hardly off the press before the situation which gave it pertinence is altered beyond recognition.

Yet, as Wilfred Eggleston reminded us recently, certain truths, certain principles never change and anyone, whose appreciation and understanding of history reaches far enough back, will be able to discern those truths, those principles unscarred, unaltered by the tumult and the terror of to-day. It is well, for certainly there are few who understand current history and fewer still who appreciate it.

It is our purpose, then, to refer to those truths and principles which are of particular importance to the world of labour and how, in adhering to them, the workers in this and other free nations have shown that a militant faith in democracy must inevitably bring it triumphantly through any conflict with communism.

I

FOR the second time in a little less than five years a second world labour organization was founded at a conference in the London County Council Hall at Westminster. The new organization—The International Confederation of Free Trade Unions—came into being at the conference held in London from November 28 to Dec-

ember 9, 1949. When the first organization was established—the World Federation of Trade Unions—the world was still in the throes of the greatest war known to mankind, but, notwithstanding that fact, delegates from the four corners of the universe had assembled to build a new international workers' organization to help secure the peace which was to follow the conflict and to have an effective instrument to work towards the improvement of the standards of living of all people everywhere, regardless of race, colour, circumstance or persuasion.

The workers fully believed that they had borne the brunt of the war effort and also believed that the return to a peacetime economy would be accompanied by social progress commensurate with the new and higher levels of production which they had helped to achieve. Many promises had been made to the workers, many sacrifices had been demanded of them, time and time again they were told that this was their war and that they were fighting for freedom and democracy, that no one would have dared believe that peace could be achieved without them, or especially to their detriment. The workers were confident—and their confidence and optimism were reflected in the by-laws of the World Federation of Trade Unions which were adopted at the conference in London in 1945. But disillusionment was soon to follow.

As soon as the new World Federation of Trade Unions was established, an insidious ideology, as despotic as Nazism and

Fascism, went to work, with the result that the workers' faith in the World Federation of Trade Unions vanished into thin air less than four years after its creation. It became abundantly clear in that short time that the W.F.T.U. was serving as a propaganda instrument for an ideology which, in view of its totalitarian character, could never be accepted by the free peoples of the Western democracies. Having fought side by side for six years in defence of their liberties those Western democracies could not bargain them away for ends which were repugnant to their political and social concepts.

Peace was one of the fundamental objectives of the World Federation. No one to-day can doubt that peace is as unsettled as in the darkest days before 1939. Indeed the threat to peace emanates from that sixth part of the globe behind the iron curtain where the political regimes show the greatest resemblance to those scourges which were thought to have disappeared with Hitlerism and Fascism. While the W.F.T.U. proclaimed the principle of freedom and complete democracy within the constituent unions, the workers' organizations in the U.S.S.R. and the countries behind the iron curtain were limited to carrying out orders issued by the political powers. In those countries the defence weapon of the workers is no longer the strike, it is "Stakhanovism" and that false emulation which can only exalt the strong at the expense of the weak. This was the social policy which the representatives of the captive unions behind the iron curtain sought to impose on the W.F.T.U. Their reactions to the Marshall Plan dispelled the remaining illusions of those, who, in a supreme effort to maintain unity, still sought some extenuating interpretation of the Communist manoeuvres within the W.F.T.U.

Because the European Recovery Program frustrated their efforts to create trouble in the Western democracies, the Communists rallied behind the Moscow ukase and endeavoured to drag the W.F.T.U. after them. The W.F.T.U. which was launched in 1945 with such great hopes and aspirations came to its end less than four years later as a result

of the policy dictated by Moscow to be followed by the peoples' democracies behind the iron curtain.

OUT of these ashes men of vision and of goodwill sought to build anew. Fortunately, it was still possible to take up the principles and laws of the W.F.T.U. which were created in 1945, and apply them wherever the ways of democracy remained open to trade union activity. This thought was in the minds of the leaders of the free trade unions in all the Western democracies. It took definite shape at the preliminary conference in Geneva, Switzerland, in June, 1949, at which time plans were formulated for the holding of the constituent conference in London. Out of that constituent conference was born the International Confederation of Free Trade Unions, embracing the free trade union movements of all continents. The conference was attended by 261 delegates from 53 countries who represented more than 48,000,000 workers organized in 59 national trade union centres and 28 other national trade union organizations.

The constitution of the Confederation was approved unanimously. In broad outline the constitution proclaimed "the right of individuals to social justice, to work and choice of employment, to security of that employment and of their persons, to mutual protection of their interests through forming and joining trade unions which shall be free bargaining instruments and which derive their authority from their members, and to democratic means of changing their government." In the preamble the Confederation has declared that "it will champion the cause of human freedom, oppose and combat totalitarianism and aggression in any form, and it pledges solidarity with and support to all working people deprived of their rights as workers and human beings by oppressive régimes."

One of the most important features of the constitution is the Article dealing with the establishment of effective regional machinery. It complies with that old axiom "If you want anything done well, for it yourself." Article VII reads as follows:

"With a view to giving special attention to problems affecting the workers in special areas or regions, and in order to seek to further the aims and objects of the Confederation, regional machinery shall be established for such continents or areas as may be determined by the Congress or General Council."

Prompt action was taken by the first constituent congress of the Confederation to implement this section of the constitution.

II

THE public declaration of intentions and objectives which was unanimously adopted by the Confederation on December 8, 1949, and issued as the manifesto of the new International, is a challenge to freedom-loving workers all over the world for action not only to defend those rights which they have already won, but by a positive philosophy and a whole-hearted co-operative effort within the framework of the new organization to build a new and better world for all people everywhere.

There is not room, of course, to quote it all here, but the paragraphs which follow are germane to this discussion.

"We, of the International Confederation of Free Trade Unions representing the productive forces of society, the workers by hand and brain, declare our deep and abiding confidence in the future of mankind. At this midpoint of the 20th century, science and technology have reached a stage of development, which if fully exploited, should guarantee an adequate and expanding standard of living for all the peoples of the world. Granted the achievement of an enduring peace, to which we pledge all our efforts, and the working together in harmony of free men and women in a free society, the goal of abundance is within our reach. It is not enough to solve the problems of producing an adequate supply of goods and services; we must also resolutely attack the problem of distributing them within nations and among nations.

"Beyond reconstruction lie still more important tasks and responsibilities. These we must fulfill, both within our individual countries, and in the international field by co-operation among countries on a basis of mutual respect and confidence.

"Within the free and industrialized nations of the world, we must move to give a solid foundation to the political democracy which we in great measure enjoy, in the form of an economic democracy we have yet fully to achieve. The organization of economic life has lagged behind the tremendous progress of industrial techniques, so that even in advanced countries millions of people remain in needless poverty and insecurity. Our aim is an economy of full employment, full production and full distribution.

"We recognize as the most urgent initial action immediate constructive steps towards the economic integration and peace unification of Western Europe, including the incorporation of Germany in the European community.

"The industrially advanced nations have the duty of helping forward those great areas of the world, and their millions of inhabitants, which have not been materially affected by the industrial revolution. Many of these nations do not as yet enjoy political freedom or national independence. Some languish under old-fashioned dictatorships, others under modern totalitarianism. Many are colonies of the advanced countries, enjoying various degrees of self-determination, but still falling short of their natural goal of independence. This is a matter of economic as well as political independence and it is essential that, for example, no restrictions be placed upon these countries in the processing of the commodities they produce. We pledge our full help to those millions of our fellow workers who do not yet enjoy the status of complete freedom.

"We acknowledge that in these areas, economic progress is of the highest order of urgency. We welcome recent proposals for technical assistance to underdeveloped countries, and all other measures directed to the same end. These, we insist, must be developed in a spirit of mutual co-operation, not in the spirit of imperialism.

Capital investment in these areas is essential, but it must be capital investment conforming to proper regulations protecting the interests of the people, and particularly the rights of the workers in the resulting enterprises. It must come also, not as a substitute but as a supplement to the efforts of the people themselves in solving their own political and economic problems.

"Nothing in the field of international co-operation should, we insist, infringe in any way on the right of the people of every country freely and democratically to determine the character of their political economic, and social institutions.

"We recognize that in some few countries the needs of the population may be so great in relation to available resources that no reasonable amount of national or international effort can provide them, where they are, with an adequate standard of living. In such cases the voluntary migration of workers should be encouraged and facilitated with adequate safeguards both for themselves and for the workers of the countries to which they migrate.

"All these efforts demand for their success that the democratic world shall live in peace and security. Experience has demonstrated that only through democracy can the real spiritual and material needs of the peoples be met. By every means at our disposal we shall carry the message to the peoples imprisoned in totalitarian slave states, as well as to the workers in democratic countries whose liberty these tyrannies menace.

"We have outlined our economic and social demands. Their practical implementation will go far to spread freedom, justice, peace and human well-being to all the corners of the earth. But we remember that rights and privileges involve responsibilities and that as the former are extended so the responsibilities increase also. We are moving into a new world in which Labour cannot be content to deal only with wages, hours and conditions of work, but must have an increasing voice in the determination of economic policies. Workers must therefore continually seek to prepare themselves to assume greater responsibilities of this kind. Work-

ers must recognize, too, that their trade unions, in serving the interests of their members first and foremost must have regard to the well-being of the whole community. In this way the forces of labour will be a mighty weapon in the fight for the great ideals which have ever led humanity to higher and nobler living.

"When we recall the bitter years of unemployment, disillusionment and frustration which a whole generation of men and women experienced between the wars, we declare that the wrongs done to that generation, the hardships under which it and its predecessors laboured, and the problems which it handed on are a challenge to us all. Therefore we send this clarion call to all freedom-loving workers to dedicate themselves to the tasks which our program presents."

PROBABLY the most significant development in international labour affairs manifested in the conference, particularly so far as the workers on the North American continent were concerned, was the high degree of collaboration and co-operation shown by the representatives of dual central labour bodies from several countries. It was encouraging to see the representatives of the C.I.O. and the A.F. of L. from the United States working together, and it was equally pleasing to find the representatives of the Canadian Congress of Labour and the Trades and Labor Congress of Canada co-operating wholeheartedly with one another for the common good of all. From India, where there are such marked organizational differences, it was gratifying to witness the degree of co-operation between the representatives of the Indian National Trades Union Congress with 1,320,000 members, and Hind Mazdoor Sabha with 668,000 members.

The same spirit of co-operation was evident between the representatives of the Central Labour Organization in France and Italy and the representatives of the Christian Trade Unions from those countries. This development augurs well for the future and it is hoped that it will continue until the competing organizations find it possible to merge into one central labour organization in each country and

thereby make their strength and bargaining power felt more effectively in the interests of the working people, and their nations as a whole, and in the defence of the democratic principles which are held so dearly by freedom-loving people everywhere

All that was in 1949. Just a little more than a year ago, and yet already, under Article VII to which I referred earlier, three regional offices have been opened up—Geneva, New York, Singapore—and, in the near future, two more will be opened in Asia.

III

ONLY when we visualize the scale and the scope of the I.C.F.T.U.'s program and ambitions can we also realize the impossibility of attempting to examine and assess the progress that has been made in all parts of the world since the organization was set up. Over two million more workers alone, for instance, have joined its ranks.

But let us examine what has been done in Asia. Tremendous, government-sponsored schemes already are afoot to pour capital and equipment into those areas of Asia not yet free in an effort to at once atone for the white man's errors in the past and halt the spread of Communism in the future. Working on a budget that is miniscule by comparison, the I.C.F.T.U. has done a great deal to implement the rich promise of its manifesto and in so doing has broken trail for the government schemes to follow.

Recently, the I.C.F.T.U. published a lengthy report in which it detailed the findings of a survey made by an I.C.F.T.U. delegation of conditions in Asia's under-developed countries, together with what, in its considered opinion, had to be done if these unfortunate people were ever going to be shown the way out of the impasse in which they currently find themselves.

It is obvious that so deeply rooted evils as those of under-employment, low productivity of labour, and low living standards in under-developed countries

cannot be eradicated from one day to the other, by a magic formula as it were. But that does not mean that nothing can be done to improve conditions gradually or that, in view of the staggering magnitude of the problems, nothing that could be done would be worthwhile doing. Systematic and forceful concerted action, both on a national and international plane, supported and prodded by trade union action, can do much to pave the way of economic and social progress in the under-developed countries.

In the field of direct trade union action the most important condition for progress is the development of the trade unions themselves. Economic and social conditions of workers cannot be expected to improve materially as long as they are unable to fight for their improvement. It is true that in many of the under-developed countries there has recently been a rapid development of trade unions of industrial workers. But the Report to the Executive Board of the I.C.F.T.U. Delegation to Asia and the Far East which emphasized this progress at the same time gave an account of the great difficulties which the trade union movement in these regions still has to face, in the first place because of the lack of experience and training, illiteracy among the workers, and the lack of trade union organizations in rural areas.

A huge task thus remains to be performed. The organization of trade unions of agricultural workers will have to be undertaken. Special attention will have to be given to the organization of professional and clerical workers, who can be expected to be helpful in educating the illiterate and the poorly educated. The I.C.F.T.U. will have to lend its assistance in this work, with the co-operation both of its own regional organizations and of trade union centres of metropolitan countries.

Trade unions can develop and perform their functions properly only if they are freed from the paternalistic shackles of governmental regulation of their activities and of collective bargaining to which they are subject in many under-developed countries. Freedom of and education in

collective bargaining belong to the essential prerequisites for the social rise of the workers and for the improvement in their economic conditions.

IV

ANOTHER field of action in which trade unions are most directly interested is the fight for the building up of adequate social systems in under-developed countries. There again miracles cannot be hoped for. A perfect social security system from the cradle to the grave, after the model of the social security laws in the economically and socially most advanced countries, cannot be created over-night in countries in which a modern working class is but slowly emerging and the margin of the national income which can be spent for social security is still extremely slim. But progress can be achieved by systematic, well planned and concerted action in which the trade unions, both nationally and internationally, will have to play their part.

However, while it is absolutely necessary to press for social protection and for progressive labour legislation in under-developed countries, it must be realized that the fundamental problem with which these areas are faced is that of economic development. Economic conditions of workers cannot be basically improved as long as the pressure of a fast-growing, under-employed or unproductively employed population is not met by the development of the economic resources of these regions. The employment problem of under-developed countries, as well as the problem of the living standards of their people, is basically a development problem.

Development is always a complex and complicated process. The problem of the economic development of under-developed countries cannot be solved simply by pouring millions upon millions of dollars and pounds into them. If this were done in an unplanned, haphazard way or by private interests which have nothing else but their profits in mind, much more harm than good might result. The misery of the under-developed countries is too crass for

them to afford the luxury of an unplanned development. Careful long-range planning of economic development is of prime importance to avoid waste, exploitation of labour, unproductive use and misdirection of capital funds.

The planning of economic development must concentrate on three problems: that of finding sufficient domestic and international capital funds; that of using these funds in the proper way for the proper projects; and that of educating and training the workers and specialists needed to man and use the new tools supplied by the additional capital funds. For all these tremendous tasks determined and concerted action on a national and international plane is necessary and the active co-operation of the national and international trade union organizations indispensable. It is particularly imperative that wherever in under-developed countries free trade unions have been organized, they be given the opportunity to participate fully in working out, carrying out and controlling economic development programs.

THE chief principles upon which trade unions must insist in order to insure that economic development will go hand in hand with social development can be stated as follows:

1. Economic development plans should concentrate on such projects which in the long range will contribute most to the rise in productivity, regardless of their immediate profitability.
2. Under this aspect the development of the transportation system (railroads, roads, waterways, harbours, etc.) is of primary importance.
3. It should be realized, however, that investments designed to improve housing, health services, and educational institutions also constitute an indispensable contribution to the rise in the productivity of labour.
4. In view of the predominantly agricultural character of the under-developed countries and of the grave repercussions on employment and on living standards of the low productivity of agricultural labour

in under-developed countries, agricultural development plans should have a central place in general development programs.

5. In spite of the priority which should be given to general and agricultural development projects, it should be recognized that the need to improve living standards quickly is so pressing that the development of certain basic consumer industries should not be neglected.

6. With the rise in living standards the working population will have to do its share, by way of savings and social security contributions, in furnishing the capital funds needed for the further development of these areas; their income at present, however, is too low to allow for any margin for savings—voluntary or compulsory. Domestic capital formation is indispensable for economic development; but it must be organized for the time being by mobilizing idle funds in the hands of the wealthy and by taxing away that part of their income that otherwise would be used for luxury consumption.

7. There is general agreement that for a long time to come domestic capital formation will be insufficient to cope with the tremendous development problems in under-developed countries and that, therefore, a huge and stable influx of foreign capital is of the essence. However, any determined step that would lead from the theoretical recognition of this need to its practical realization remains still to be taken. It is true that the leading industrial countries, in the first place the United States and Great Britain, have begun to act more systematically than heretofore on meeting development needs in under-developed countries, the United States through E.C.A. funds, Point Four legislation, Export-Import Bank funds and direct financial assistance to some under-developed countries; Great Britain and other Commonwealth countries through the Colonial Development Corporation, through joint Commonwealth financing plans, etc. It is also true that the United Nations has increasingly paid attention to the financing of development plans for under-developed countries, in addition to technical assistance. No international ac-

tion has as yet been begun which would actually secure "an expanded and more stable flow of foreign capital investment" into the under-developed regions of the world.

Such action should be based on the following principles:

1. The investment of international capital funds in under-developed countries must not interfere with their political and economic independence; but these countries must be expected to do their share in the development of legal and administrative conditions indispensable for economic progress, by encouraging prerequisites for economic development, such as free trade unions, free collective bargaining, and a system of social security.

2. The international investments should in principle flow from public funds. If private foreign investments are admitted by under-developed countries, it must be done under full preservation of their sovereignty, especially in the fields of social policy and taxation, and with the necessary safeguards for the workers employed in enterprises in which foreign capital is invested.

AN outline of a concrete program for international action in this field has been submitted by the I.C.F.T.U. secretariat to the U. N. Emergency Committee, as part of the report "For Full Employment, Economic Development and Social Progress". The report makes the following recommendations:

"An international plan for the economic and social development of the under-developed countries should be adopted by all free countries. This agreement between economically advanced and under-developed countries should centre upon a long-range program of technical and financial assistance to the under-developed countries. The economically advanced countries should commit themselves in this agreement to make certain payments to a joint loan fund, administered by an international authority; the payments should be made at regular intervals for an extended period and their amounts should be determined for each of the lending countries

according to its ability to make foreign investments and according to its previous activities in this field. Total payments of all advanced countries should be comparable, in the first stages of the plan, to those of the Marshall Plan, but should be on a continuously increasing scale. The international authority should give long-term loans at nominal interest rates to under-developed countries, on the basis of development programs; the authority should induce the borrowing countries to co-ordinate their development projects as far as possible. The authority should create an efficient machinery for distributing the joint fund and for rendering technical assistance to under-developed countries; but it may also use the services of the or-

ganizations which have already been created for these and similar purposes."

To cope with the gigantic problem of breaking the grip of misery and deprivation on the under-developed regions of the world and pave the way to their economic and social development is a severe and arduous task which will try the strength of the under-developed countries themselves and of the free world outside of them for many years to come. The free trade unions will have to be in the forefront of this fight. It will be their job to press for earnest and sustained action both in the under-developed countries themselves and in the economically advanced countries whose co-operation is indispensable for its success.

The disillusioned Soviet wit who said twenty-five years ago that the inevitable development of history was not toward the victory of the proletariat but towards the victory of the secretariat spoke prophetically. This is the new class whose members have yet to see the whole of which their work is a part. Their blinders are a menace to the functioning of modern industrial society, and for their enlightenment we have only the feeble devices of publicity of that magic abracadabra of modern management, the "organization chart."

PETER F. DRUCKER,
in "The New Society".