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MEMBERSHIP FORM

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2. To foster the cultural and economic life of Wales.
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PLAID CYMRU

THE WELSH COAL INDUSTRY

Memorandum submitted to the
Executive Committee of the
Welsh Nationalist Party by

Dr. D. J. DAVIES and H. P. RICHARDS

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HAYES

The

Welsh Coal Industry

Foreword

In this memorandum, drawn up at the request of the Welsh Nationalist Party Conference by two members of the Executive Committee, a tentative policy has been outlined for the Welsh coal industry which will, in Peter Drucker's words, "**prevent centralised bureaucratic despotism by building a genuine local self-government in the industrial sphere.**" Drucker points out that the impending collapse of the capitalist order has already been paralleled in the history of humanity, e.g., by the collapse of the mediaeval feudal order. That collapse caused temporary panic and chaos, but the new order was already latent in the old, and "**appeared as if from nowhere**" when the old order fell; and so it will be again in our own day.

The Welsh Party believes that the co-operative order is already latent in our present fast-disintegrating capitalist society; and that co-operation, and the administrative decentralisation which the pioneers of the T.V.A. have found to be "**the only means of reconciling planning with democracy,**" mark the true way of advance for the future, rather than any centralised totalitarian form of Socialism.

It is true that in a co-operative community, co-operation should be **fundamental**, rather than **absolute**, which implies that **every** economic activity need not necessarily be organised on co-operative lines. But it is a mistake to think that co-operation is suitable only for small industries. In large-scale industries like coal-mining, it has a particular value as a means of securing that decentralisation of responsibility and initiative which alone makes possible a genuine control by the workers and the discovery of a society within industry where freedom and equality prevail.

J. L. Hodson recently wrote :

"We have not observed in the Government's passionate activities any striving after making workers in the industries, nationalised or to-be-nationalised, real co-partners in the enterprises, with a share in running the show, and a share in the increased profits (if that is the word) if and when those profits are made. Men are not likely to be content merely to change one boss for another. Seeing a new flag at the mast-head won't be enough. The Coal Board or Transport Board, unless they themselves watch out, may be found to have no more soul than the private owner, and conceivably even less."

It is our belief that the Welsh Party's co-operative policy offers the miners an alternative, which will give them a real, and not merely a nominal, share in the control of everything pertaining to their industry.

It must be emphasised, however, that, as is pointed out, the co-operative system is not something which can be imposed on the miners from above, but something which they must develop for themselves and adapt to their own needs and conditions. This implies that it is of necessity a long-term policy, and not something which could come into full force immediately upon the attainment of self-government for Wales.

But, as is shown in the memorandum, in the interim period a Welsh Government could do much to prepare the way for its ultimate adoption through education and through giving the workers the largest possible measure of control in the industry under a Welsh Coal Board, e.g., by the issue of "labour shares" as in New Zealand.

Even now it is not too soon to begin to prepare the way through study and discussion for the era of full workers' co-operative ownership and control. It is hoped that the Party will follow up the publication of this preliminary outline by publishing some thorough and well-documented researches by competent writers into the principles of co-operation, its part in Welsh life in the past and present, and its practice in other countries, with particular reference to experiments in the co-operative organisation of large-scale industries.

The facts thus revealed would show that the organisation of the Welsh coal industry on co-operative lines is not such a fantastic project as it might appear at first sight to those unacquainted with the experience of other countries. Meantime, it is hoped that this memorandum will serve to stimulate thought and discussion on the subject, and particularly among those most immediately concerned—the Welsh coal miners.

(Dr.) D. J. DAVIES, M.A., PH.D. (ECON.).

H. P. RICHARDS, B.Sc., M.I.Min.E.

THE WELSH COAL INDUSTRY

THE policy of Plaid Cymru with regard to the Welsh coal industry is based on the principle which governs its attitude to every aspect of social and economic life—namely, that the individual worker should have the maximum degree of freedom and responsibility in his work, so that he may attain to his full human development and be the tool neither of capitalists nor of the State, and that this freedom should be combined with the greatest possible measure of co-operation in matters of common interest.

In the past, this principle has been flouted by two factors which have dominated the history of the Welsh coal industry:—irresponsible control by individual profit-seeking capitalists and irresponsible control by an alien power-politics State.

The policy of the Welsh Party seeks to remedy the evils resulting from these factors, which have brought the industry to the brink of ruin, and to substitute a workable system which will place control fairly and squarely where it ought to be—in the hands of the Welsh workers and of the Welsh people.

The Position up to now

For close upon a century, coal-mining has dominated the economic life of Wales; and, so far as natural resources are concerned, there is no reason why it should not continue to do so for centuries to come.

The Regional Survey of the Ministry of Fuel and Power (1946) estimates the present reserves of coal in the South Wales coalfield at 9,000 million tons in seams more than 2 feet thick, and 3,000 million tons in seams of less than 2 feet. These estimates amount to less than half those made by the Royal Commission on Coal Supplies in 1905. Undoubtedly there has been a great wastage of coal during the working of seams, and some of this wastage unfortunately still continues owing to faulty methods of working and planning.

In the North Wales coalfield the estimated reserves have been reduced from the 1905 Royal Commission's figure of 1,320 million tons to the figure of 800 million tons given by the 1946 Regional Survey of the Ministry of Fuel and Power.

Assuming similar annual outputs to those of, say, 1939, the life of the Welsh coalfields, in accordance with the latest estimates of reserves, will be between 200 and 300 years..

The quality of Welsh coal is high, the bituminous and steam coals of the eastern portion of the South Wales coalfield, and the anthracite coals of the western portion, having won a world-wide reputation.

In the closing years of the 19th and the opening years of the 20th century, these Welsh coal reserves were being exploited with feverish intensity. In 1882 the output of the South Wales coalfield had been 22,817,378 tons, or 14.6% of the total British output; by 1913 it had risen

to 56,830,072 tons, or 19.7% of the total British output. In that year, 1913, the total Welsh coal output, including that of the North Wales coalfield, was 60,514,774 tons, which meant that Wales was producing more than a fifth of all the coal produced in Britain.

Very significant in view of the later history of the industry is the fact that the great bulk of Welsh coal was produced for export. Of 56,830,072 tons produced in South Wales in 1913, for instance, some 36,000,000 tons (or 38% of the total British coal exports) were exported. This meant that South Wales was more dependent on the export market than any other part of Britain, and that the employment of three out of every five miners in South Wales depended wholly on the export trade.

In 1913, the Welsh coal industry reached its peak; its story since then is a story of rapidly accelerating decline.

By 1937, Welsh coal output had fallen by nearly 30 per cent. to 43,023,577 tons, and the number employed in the industry had fallen by over 41% from the 1913 figure of 249,082 to 146,172.

By 1944, the total Welsh coal output had fallen still further to 27,012,241 tons, and employment (excluding open-cast workings) was down to 121,096 (of whom 8,759 were employed in the North Wales coalfield).

The number employed in the Welsh coal industry has thus been reduced by more than half within a single generation. Yet even with this staggering reduction, the industry still remains the chief source of employment in Wales; and its continuing importance as a key factor in Welsh economic life can be gauged by a comparison with other countries such as Eire (where the coal-mining industry in 1945 produced only 210,859 tons and employed only 1,772 workers) and Denmark (which has no coal mines at all).

Among the principal causes of this catastrophic decline have been the two World Wars, which completely dislocated the whole basis of the Welsh coal industry, and revealed the grave dangers resulting from excessive dependence on the export trade. Under war-time conditions Wales was unable to furnish normal supplies to her overseas markets, and the foreign countries which had formerly bought her coal were driven to develop substitutes of their own (e.g., hydro-electricity) instead.

There were also technical developments tending to reduce employment in the Welsh coal industry, e.g., increased mechanisation, and the substitution of oil for coal by the navies of the world. The burden of royalties in South Wales has also been exceptionally heavy, being 5.37d. per ton greater than the figure for Britain as a whole.

Over and above all these handicaps, the industry has suffered severely from the direct results of English Government policies adopted without any regard for the welfare of Wales, e.g., the return to the Gold Standard in 1925, the reparations deliveries of German coal which ousted Welsh coal from its Continental markets, the tariff war with Ireland, the "sanctions" against Italy, the discriminatory taxation imposed on coal-burning steam-wagons in road transport, and the Trade Agreements favouring English coalfields at the expense of Wales. The adverse effects of these Government policies are categorically stressed in the Report of the Welsh Reconstruction Advisory Council (1944)—an impartial fact-finding body which none could suspect of any "Welsh Nationalist" bias. Some measure of the influence of these policies may be found in the fact that between 1913 and 1938 South Wales coal exports fell by 21.87% as against a fall of only 9.27% for British coal exports as a whole. It must be remembered, too, that the two World Wars which have had such disastrous effects on the Welsh coal industry were themselves the logical outcome of the English Government's imperialist policy and its clash with rival imperialisms.

Throughout the past century of hectic growth and headlong decline, the Welsh miner has had no say whatever in the control and general policy of his industry, though through Trade Union organisation and many bitter struggles he has from time to time achieved some improvements in wages and working conditions. Prior to 1914, apart from a minimum of legal restrictions, control was entirely in the hands of individual capitalists. During the first World War, the industry was taken over by the Government, and though during the inter-war period it reverted to its former owners, the tendency has been to impose on it an increasing measure of Government control—a tendency intensified during the second World War.

During the inter-war period, too, there was a rapid growth of "combines" in the Welsh coal industry. By 1937, 75% of the South Wales coal output was being produced by four large companies, and since then there have been further mergers, bringing control of coal-mines, banks, and steel-works together into the hands of an ever-diminishing number of "gentlemen sitting in London" (to quote a phrase used by Mr. Ernest Eevin in the days before he, too, had found a seat in London governing circles). Thus by 1939 centralisation of ownership and management had become much more concentrated in South Wales than in any other coalfield in Great Britain; but at the same time wages and profits were lower here than in other British coalfields, so those who claim that increased centralisation means increased benefits for the workers will find no support for their theories in the experience of South Wales.

During the inter-war depression, thousands of skilled Welsh miners were thrown upon the scrap-heap and forced to seek employment elsewhere; and after the outbreak of war in 1939 thousands of young Welsh miners were called up for the Forces or transferred to English coalfields. The coal industry in Wales was thus drained of its man-power, and the last few years have witnessed a complete reversal of the inter-war position, so that now the demand for Welsh coal and for Welsh miners far exceeds the supply. Disease and accidents, too, have been taking their toll; and things have come to such a pass that in the *Western Mail* of August 14th, 1946, Mr. Arthur Horner was quoted as saying:

"Such is the wastage of man-power in South Wales pits through the ravages of silicosis and pneumoconiosis that disabled men are coming out of the mines at the rate of 100 a week. If nothing is done to improve matters, available man-power will be exhausted in twelve years and the coal-mining industry will be finished."

Complaints are constantly heard that recruits are not coming forward to repair the wastage of man-power in the industry; unattractive conditions, and fear of being incapacitated by disease or left unemployed by a post-war slump, like their fathers after 1914—18, hold them back. Such was the position of the Welsh coal industry in the first year of peace, as a result of the prevailing system of control.

Welsh Party Policy towards the Prevailing System

What has been the attitude of the Welsh Party towards this system? A study of its publications since its inception in 1925 will show that it has consistently denounced the irresponsible control of the Welsh coal-mining industry by individuals for private profit and the even more inhuman control of the Combines, which suppresses the personal element in the industry and places the fortunes of the Welsh coal-mines and of the men who work in them at the arbitrary disposal of a few outsiders, completely ignorant of, and indifferent to, the needs, desires and traditions of Welsh miners.

Nor has the Party contented itself with abstract denunciations. It has published carefully documented accounts of the machinations of the Combines, based upon detailed research, and has shown in detail how hundreds of thousands of pounds have been extracted from the industry

by financial jugglery, leaving it burdened by the obligation to pay interest on enormously inflated capital, with no corresponding increase in the productivity and efficiency of the mines.

Consistently, too, the Party called attention to the dangers threatening the industry through its use as a pawn in the game of finance-imperialism.

It stressed the precarious nature of the dependence of South Wales upon the export trade. It gave warning that the increasing control of the industry by banking interests, through the Combine movement, would prove detrimental to the miners, since, because of the wider opportunities for middlemen's profits in foreign trade, these interests would encourage the import of oil instead of the use of home-mined coal, closing down Welsh mines without scruple if it suited their pockets to do so.

Bitter experience in Wales during and since the inter-war period has confirmed the correctness of the Party's analysis of the evils and dangers of the prevailing system. When the expected slump had overtaken the industry, the Party campaigned vigorously against the enforced transfer of Welsh miners to England and insisted on the need for providing alternative industries in Wales itself to absorb the unemployed.

It gave practical expression to its solidarity with the unemployed Welsh miners by calling upon its members to give up their dinners voluntarily once a week in order to provide dinners for the unemployed in mining centres in North and South Wales. It strongly opposed the swallowing up of the old S.W.M.F. by the M.F.G.B. as another step in the process of depriving the Welsh miner of any real control or interest in his industry, and handing it over to a set of bureaucrats in London. It spot-lighted the creeping menace of silicosis, and put forward constructive proposals for averting it, at a time when the word was hardly as yet mentioned in the publications of the other Parties.

And, while vigorously advocating short-term measures to meet the immediate and pressing needs of the industry as they arose, it never ceased to emphasise the fundamental principles on which alone a sound long-term policy for Welsh coal-mining could be based.

The question of the coal industry has thus been a major concern of the Welsh Nationalist Party since its foundation.

Nationalisation

Recent events, we are told, have transformed the fortunes of Welsh mining; for Parliament has passed an Act to nationalise the coal industry, and with nationalisation the Welsh miner will at long last be entering the promised land, and the evils that formerly afflicted him will disappear. At one stroke the old system of irresponsible control by profit-seeking individuals and Combines has been abolished. Will not the Welsh Party, then, which has denounced the old system so unsparingly, be content to accept the new system of nationalisation as a remedy for the grievances of the industry and a solution of its problems?

It is not a question of accepting nationalisation in the abstract, but of accepting the concrete scheme of nationalisation which is now upon the Statute Book. And, asked if it accepts this scheme as a solution and a remedy for the troubles of the Welsh coal industry, the Welsh Party without hesitation answers, "No!"

Nationalisation does indeed abolish the evils of irresponsible control by individual capitalists and Combines; and, in so far as it does this, the Party accepts it as a step in the direction of real co-operative control. But the present scheme of nationalisation does nothing to ensure genuine co-operative control by the workers in units small enough

to make such control a reality. Indeed, in practice it may prove that the old Combines have merely given place to a still bigger and more impersonal Combine—the State.

The present scheme does not touch the second factor which the Party has always denounced as fatal to the welfare of the Welsh coal industry—the irresponsible control of an alien power-politics State, a control whose potentialities are no less dangerous, for control by a totalitarian State can pervade every aspect of the workers' lives to an extent to which the more exclusively economic control of industrial magnates and Combines can rarely do.

In view of the increasingly totalitarian and centralising tendencies of the English State, the Party sees in the present nationalisation scheme a definite threat to the Welsh workers' freedom and responsibility and capacity for free co-operation; and it can never accept nationalisation under an English Government as a final solution for the problems of Welsh industry.

Many Welsh miners have hailed nationalisation as the fulfilment of their dreams because they believed that under it the control of their industry would really be transferred to themselves and their fellow-workers. How many of these men studied the picture of the members of the new "National Coal Board" published in the *Western Mail* on July 16th, 1946? Here are their names: Lord Hyndley (Chairman); Prof. Sir Charles Ellis; Mr. T. E. B. Young; Mr. Ebby Edwards; Sir Arthur Street; Sir Walter Citrine; Sir Charles Reid; Mr. L. H. H. Lowe; Mr. J. E. Gridley. How many of these have any first-hand knowledge worth mentioning of conditions in a Welsh coal-mine? Is there among them a single representative of the Welsh miners? Not one among the nine, though, as we have seen, the Welsh coalfields have been producing over a fifth of Britain's coal.

Welsh miners have been under the delusion that, with nationalisation in force, they would henceforth be able to bring their grievances and demands before a Board consisting mainly of their fellow-workers who would have a real understanding and sympathy for their needs. Nothing of the kind; henceforth they will not even be able to bring their grievances directly before the Labour Government which their votes have helped to put in power; but only before this remote Board of "Sirs" and "Lords." "After the date of vestment all representations on coalfield conditions must be made by the workers' organisations direct to the Coal Board. Until then the Minister of Fuel and Power will continue to be answerable for coal production and coal policy generally." In other words, after nationalisation, as before, control of the Welsh coal industry will be held as tightly as ever by "gentlemen sitting in London."

It has become increasingly evident that the great expectations which Welsh miners based on nationalisation, have been giving way to disillusionment, and on June 17th 1947 the South Wales Area Council of the N.U.M. formally expressed "its dissatisfaction and disappointment with the administration of the South Wales Divisional Coal Board."

Under the new system Wales has not even its own "Regional" Coal Board to attend to its own special problems; for South Wales is merged with the Forest of Dean, Bristol and Somerset in a new "South Western Division," while North Wales is linked with Lancashire and Cheshire under a Regional Board for a new "North Western Division."

The Welsh coal industry is thus being arbitrarily split in two, and this dismemberment of our principal industry is just one example of the present Government's policy of dismembering the whole national life of Wales—witness, e.g., its road construction plans, which also aim to split Wales into two and link the separate halves more closely with England, and Mr. Attlee's refusal to grant Wales a Secretary of State. While the Government thus refuses to recognise the elementary right of Wales to be treated as a national unit, we cannot expect it to show any regard for the real interests of Wales in any other respect, either.

The Welsh Party will unremittingly oppose such a mutilation of Welsh national unity in relation to the coal industry, as in every other sphere, and it will also oppose the excessive centralisation of the present scheme, which in a large imperial State like Britain submerges the freedom and responsibility of individual workers and local groups more disastrously than it would do in a smaller State.

In small non-aggressive States nationalisation of industries may be, and often has been, used as a means of furthering the welfare of the workers; but in a power-politics State it is inevitably used as a means of furthering the interests of power-politics, for this is the end to which all the activities of such a State are finally devoted.

And unfortunately, though England now has a Socialist Government, giving nominal allegiance to the brotherhood of man, there is ample evidence that she has not relaxed her pursuit of power-politics by one iota—witness Mr. Bevin's almost casual reference to "our territory" in Hong-Kong, the contemptuous rejection of even the mild measure of devolution for Wales implied in the demand for a Secretary of State, England's militarist intervention in Java, and countless similar instances in every quarter of the world, where British soldiers are shedding their blood in causes which bring no benefit to them or anyone else except the English State and a few imperialists.

England persists in struggling to hold her place as one of the world's "Big Three" side by side with the U.S.A. and Russia; and as that struggle becomes more desperate in view of her unfavourable economic and political position, it will increasingly dominate the whole of her economic and social life, so that a nationalised coal industry will almost inevitably be used as a milch-cow to provide sustenance for imperial revenues rather than as a means towards the welfare of the miners and the community as a whole.

Already in the past English Governments have adopted this attitude towards State-controlled economic enterprises. A large part of the revenues of the Post Office, for instance, instead of being used to give us the better and cheaper postal services which we badly need, has been diverted to expenditure on "imperial purposes," i.e., to pay for the upkeep of armaments. Similarly, the taxes paid into the Road Fund, instead of being used to improve our appallingly bad roads, have been "raided" by successive Chancellors of the Exchequer and diverted to the same "imperial purposes."

It is true that the Government is paying compensation to the coal-owners, but this compensation is being paid in the form of bonds, and the Government hopes by a process of gradual inflation (reducing the value of money, and incidentally reducing the real value of the workers' nominal wages) to cut down the burden of its interest payments on these bonds and the value of the bonds themselves, and thus to secure a cheap bargain by acquiring the tangible assets of the mining industry in return for paper bonds of deteriorating value.

The motive is thus to use inflation as a means to enable the State to acquire the mines cheaply so that it may be able to run them at a profit for its own purposes. Little pity need be wasted on the coal-owners, who have already drawn more than their share in profits from the industry.

The pity is that the revenues accruing to the State by this process are likely to be swallowed up in the bottomless abyss of power-politics instead of being used to further the welfare of the people.

In the mines the State will have tangible assets which will increase in value, and thereby increase the State's taxable capacity, while the value of money goes down. It is evident already that this process of inflation is well under way, in spite of official claims to have "pegged" the cost of living.

In England's present circumstances, the normal tendency of a power-politics State to concentrate as much as possible of the country's revenues into its own hands is certain to be greatly intensified, for the need of such concentration has never been so desperate as now if England is to maintain her position as an Imperial Power at all—and this her spokesmen from all the English Parties have expressed their fixed resolve to do.

When England was in a somewhat similar position after the Napoleonic Wars, burdened with a hitherto unprecedented National Debt and fearing bankruptcy, the great increase in her population (a six-fold increase in something like a century) and the lead which she got in the Industrial Revolution enabled her to carry the burden of the Debt and to take a dominant position in world trade.

Now, after this century's two World Wars, she has no such advantages. Her National Debt is incomparably larger and more burdensome than it was then, and will almost fatally handicap her capacity to compete in world markets; her population is declining instead of increasing; and other countries have out-stripped her in the race of industrialisation. Yet her object—imperial power—remains the same, and, as always, she is ready to adapt her theories and her methods of attaining it to changing circumstances.

Just as her economists (Keynes, for instance) preached Free Trade when she had the advantage in world markets, and started preaching the opposite doctrine of Protection when she lost that advantage, so now, in the changed circumstances of to-day, she is ready to supplement her old method of collecting State revenues through the taxation of individuals by the collection of revenues direct from nationalised industries—all the more so as she now has a Socialist Government in power. (This is called Planning).

In these circumstances, the coal industry, the first and greatest of our industries to be nationalised, will inevitably be regarded primarily as a revenue-producer for the State; and under nationalisation the Welsh miner will find that in practice he is still working for the foreigner—working to swell coal exports to foreign countries in order to provide the English State with purchasing power to carry its enormous burden of Debt and armaments.

It is a delusion to suppose that power-politics and the welfare of the workers can long go hand in hand. It is true that a power-politics State may temporarily bribe its workers with material benefits at the expense of their underpaid fellow-workers in its colonial possessions or in other countries under the sway of its finance-imperialism. But by doing so it corrupts them morally by making them partners in oppression; and even these material benefits cannot long continue. For not only is the workers' welfare in times of peace exposed to all the hazards of every fluctuation in world markets and world politics; but, as all history shows the existence of one empire soon calls forth rival imperialisms, and the outcome of their rivalry is war. Sooner or later the worker in the power-politics State will find that his rulers have made the choice of "guns instead of butter," and will very likely have to pay with his blood for the privilege of being the citizen of a world-wide empire.

For these reasons the Welsh Party maintains that there can never be any real prosperity for the Welsh coal industry until it is cut free altogether from English power-politics and that nationalisation under the totalitarian control of the English State can never be a means of ensuring freedom, responsibility, security and co-operation among the workers in the industry. What, then, is the alternative policy which Plaid Cymru has to offer?

Interim Policy

A distinction must be drawn between the interim policy of Plaid Cymru—that is, its policy in the period before the attaining of self-government for Wales—and its long-term policy for the Welsh coal industry after attaining self-government.

Its interim policy was briefly outlined in an official Party statement in February, 1946. While accepting nationalisation "as a step towards co-operative control," the statement declared that it was not a final solution and that little benefit could be expected to accrue from it to the workers under the control of a power-politics State like England. The statement noted with approval Mr. James Griffiths' declaration that

"the essence of effective administration is to plan wisely to share responsibility. The best way in which this can be secured would be by the creation of Regional Boards, and amongst them a Regional Board for Wales. On these lines we can have an effective measure of industrial self-government for Wales."

The statement calls for the implementation of this policy by the establishment of a single Welsh Coal Board for the whole of Wales, with no English coalfields appended, so that in this as well as in other aspects of economic life the national unity of Wales should be respected.

A Welsh Coal Board for the whole of Wales is thus the basic demand of the Party's interim policy, and it will also support any other measures tending to shift control of the Welsh mining industry from the hands of London bureaucrats and transfer it to the workers of Wales.

It will also continue to press for the individual reforms which are part of its long-term policy. These include, e.g.,

- (a) A unified pumping scheme for the South Wales coalfield;
- (b) economical working of coal to prevent waste;
- (c) more adequate technical research, e.g., into the utilisation of by-products;
- (d) research into causes of accidents and means of promoting health;
- (e) prohibition of employment of boys below the age of 16 on the surface and below the age of 18 underground, and the provision of half-time education for them during the first two years of their employment; and
- (f) extension of welfare measures, pit-head baths, etc.

The Welsh Party will continue its campaign for the provision of regular schemes of "alternating work" in mines and farms and factories as a preventive measure against silicosis, though realising that there is little chance of getting such schemes carried out on any adequate scale until we have real self-government, political and economic.

It will also continue to oppose the transfer of unemployed miners and other workers from Wales, and urge the need for speedier provision of new industries in Wales to absorb our already formidable total of unemployed.

It will fight for the right of Welsh miners to pay their political levy to any Party they choose, so that if they wish they can pay it to Plaid Cymru, which puts Wales and its welfare first, instead of having to pay it to the English Labour Party, which has shown that in its estimation the interests of Wales are of no account when weighed in the balance against English traditional power-politics.

In its interim policy, too, the Welsh Party will face up to the fact that, in the words of the Welsh Reconstruction Advisory Council, the long-term prospects of the Welsh coal export trade are frankly "not good." In view of the rapidity with which countries on the Continent are restoring their coal production and the enormous increase in American coal output which is now available for export, the Party will urge that, instead of concentrating all its energies on a futile struggle to regain its old dominance in export markets, the industry should concentrate to a much greater extent on the development of the home market and in particular on the extension of by-product industries. This again, however, is a policy unlikely to be effectively carried out until we win self-government, as the English Socialist Government (for reasons already indicated) has given exports first place upon its programme.

Two instances of this official obsession with exports at the expense of the home market were reported in a single day's issue of the *Western Mail* (28/8/46), when "the possible substitution of oil for coal" in the tin-plate industry was forecast, and in another column the Chairman of Wm. Hancock & Co. was quoted as saying,

"They had been asked by the Ministry of Fuel and Power to switch over their boiler plant to oil instead of coal . . . a most extraordinary suggestion to a firm of industrialists centred in one of the largest coalfields in the country. They were further told by the Ministry that if they turned over to fuel oil they would be guaranteed that they would receive the necessary fuel. If they did not there would be no guarantee that there would be sufficient coal available to ensure continued production. That was a terrible admission on the part of the Government."

On these and similar manifestations of present Government policy the Industrial Correspondent of the *Sunday Times* (8/9/46) commented:

"It is a stinging indictment of our present political economy that we are being urged to use imported oil—a source that may be interrupted in time of peril—instead of the national heritage of industrial wealth that lies beneath our own feet."

As soon as they have the power, Welsh Nationalists will reverse this topsy-turvy policy; and meantime they will continue to expose its fallacies.

Long-Term Policy for the Welsh Coal Industry

With the attainment of self-government for Wales, the Welsh coal industry would automatically cease to be part of a nationalised industry under the English Government, and would become instead a nationalised industry under the new Welsh Government.

In the first instance, the Welsh Government would take over the existing machinery of nationalisation, except that the present grouping of Welsh coalfields with English coalfields under two separate Regional Boards would be replaced by a single National Coal Board for the whole of Wales, in whose purview no English coalfields would be included. Within Wales under the Welsh Coal Board, there would be the existing machinery of regional or sub-regional bodies "drawn up on a geographical basis or on the basis of classes of coal," while every pit, as under the present nationalisation scheme, would have its pit production committee with "statutory rights of consultation and a full knowledge of everything to do with the working of the colliery," though the responsibility for its actual working and for the safety of the men would fall mainly upon the managers.

This transfer of ultimate control from the English to the Welsh Government would in itself be a vast improvement, as it would mean that the Welsh coal industry was at last set free from the shackles of English power-politics and was at liberty to make the welfare of the Welsh miners and of the Welsh people its first aim.

No bureaucratic, centralised form of nationalisation, however, could achieve the Welsh Party's ideals of the maximum freedom and responsibility for every individual worker and the greatest possible measure of free co-operation within the industry.

It would, therefore, be the aim of a Welsh Government to work out measures for transferring control more fully to the actual workers in the industry; and the ultimate method of achieving this would be by handing over the control, first of individual mines and later of the whole industry, to co-operative societies formed by the workers themselves.

Obviously this is not a system which, like nationalisation, could be imposed from above by a stroke of the pen. A system of control embodying freedom, responsibility and co-operation must grow from below upwards, not from above downwards; and this fact will determine the pace of its development.

Long deprivation of responsibility has developed in some Welsh workers an inferiority complex which makes them fear responsibility; they would rather be wage-workers for capitalists or the State (providing that these employers promise them reasonable security and a fair standard of comfort) than take the trouble of making decisions and organising their own industry themselves.

Even in such cases, however, it may be expected that the winning of self-government will, as in other countries, have a tonic psychological effect, making young people eager to shoulder the full responsibilities of freedom and engage energetically in constructive enterprise in co-operation with their fellows. And from the very beginning the Welsh Government can prepare the way for the co-operative system, e.g., by democratising the machinery of nationalisation by giving the workers greater responsibility and representation on the various Boards and committees, by spreading knowledge of co-operative methods and by ensuring that credit facilities are readily available for producers' co-operative societies.

Pending the reorganisation of the industry on a fully co-operative basis, the Welsh Government would take measures to transfer the existing selling and purchase agencies to the Welsh Coal Board, and encourage it to make co-operative agreements with agencies in other countries for the regulation of exports.

Above all, the Welsh Government would prepare the way for the co-operative system by remoulding the whole system of education in Wales so that it may produce, not selfish individualists nor obedient tools, but free, full-grown, co-operatively-minded human beings, drawing inspiration from their common national heritage and glad to do their share of service to humanity by serving the country in which they have their home.

For in the last resort the right rebuilding of the mining industry, as of every other aspect of Welsh social and economic life, depends on our having the right sort of people to put life into the framework of our plans and make them work.

It is suggested that the **first major practical step** towards establishing a co-operative system in the mining industry would be for the Welsh Coal Board to lease mines or parts of mines to co-operative societies formed by the miners working in them, when these expressed a wish to take them over. The capital equipment required by these societies (coal-cutters, pumps, etc.) could either be similarly leased or, if

preferred, purchased outright by means of a loan from the State or from co-operative banks organised by the workers themselves. As a mine is a wasting asset, and there is not the same incentive to ownership as in the case of a farm which can be handed down from father to son for generations, it may be that this leasing system would become general in the industry, the ultimate ownership resting with the Welsh Coal Board, but the actual control, subject to the terms of the lease, being in the hands of the miners' co-operative society, including all the workers in the mine, all of whom would have an equal vote in its affairs.

Experiments might, however, also be made in transferring complete ownership of individual mines to the miners' co-operative societies where the men themselves desired it, and experience would show which of these two methods proved the more satisfactory in actual practice.

In a large mine where, if it were all directly controlled by a single co-operative society, the membership might be too unwieldy for each individual miner to have much real share in control, Dubreuil's proposal might be adopted of letting different districts or departments of the mine out on contract to groups of 20 or 30 miners, each group being primarily responsible for its own district, but all combining together in matters concerned with the general working of the mine.

Minimum standards of safety and working conditions would, of course, continue to be enforced in every mine by the sanction of the State and by regular inspection, and should be at least equal to the best prevailing in other countries.

While the miners' co-operative societies would appoint their own managers, who would be obliged by law to have certain minimum qualifications, they would no doubt delegate a considerable amount of responsibility in the day-to-day working of the mines to the managers, who would be primarily responsible for seeing that the standards of safety, etc., laid down by law were properly observed.

When a mine was exhausted, the co-operative society running it would be wound up in the usual way, and the miners concerned would either lease a new mine, seek membership individually in other co-operative mining societies, or find employment in other industries—a process which would be greatly facilitated by the projected system of "alternating work" to be outlined later.

As the miners' co-operative societies multiplied, they would federate together in joint organisations for common purposes such as buying and selling, and all these organisations would ultimately federate together in a Co-operative Coal Board for Wales, which might also include representatives of the State, local authorities, consumers and allied industries, at any rate in an advisory capacity. This Co-operative Board might by agreement impose a levy on the good mines to even out the differences between them and mines with bad and faulty seams, or such conditions might be allowed for in the terms of the leases, so that miners working the least economic mines would not be unfairly handicapped.

The authority of the Central Board would still be derived from the local miners' co-operative societies through their representatives, and local control would still be in their hands.

The structure ultimately envisaged for the Welsh mining industry is thus somewhat similar to that already existing in the Danish agricultural industry, where the local unit is, e.g., the co-operative dairying society or bacon factory, but these are federated together for common purposes (e.g., butter export or bacon export), and through their federations are represented on the Central Co-operative Committee, on which all types of agricultural co-operative societies as well as village credit banks, etc., are represented.

It should be noted, however, that whereas in Danish agriculture the typical basic unit of ownership and control is the small farm, within whose boundaries the farmer has almost complete independence and in whose management he usually need not co-operate with anyone except his own family, at the point of production in the Welsh coal industry the basic unit of control would be the mine or district run jointly by a group of miners. It is thus clear that industrial co-operation of this kind requires even higher qualities of solidarity, loyalty to the group and social cohesion than agricultural co-operation, especially as the problems of capital equipment and depreciation are more complex in the mining industry than in farming.

But a high degree of social cohesion in small units has been characteristic of the Welsh people from the earliest periods of their history, and still is one of the most outstanding characteristics of the industrial population of the Welsh mining valleys—witness their multifarious voluntary organisations such as chapels, choirs, eisteddfodau, drama societies, and football teams. The success of the experiments in co-operative farming made by ex-miners at Boverton and elsewhere point in the same direction.

We need not fear, therefore, that Welsh miners will be found lacking in the capacity to run their industry co-operatively if given a chance. Farmers have the name of being out-and-out individualists, and if the farmers of Denmark have been able to organise their industry co-operatively on a national basis, surely the miners of Wales, who have long prided themselves on their strong social consciousness, can do the same with theirs. The Chinese have begun to do it already, in both factories and coal-mines. It is certain, however, that a very high degree of technical, and still more of social, education would be required to enable them to run the industry successfully; and therefore—paradoxical as it may seem—it is in the schools of Wales, and not in the mines themselves, that some of the most vital work for the reconstruction of the Welsh mining industry will have to be done, just as in Denmark the success of the agricultural co-operative movement depended mainly on the new education in nationhood given in her Folk High Schools.

The whole outlook of the Welsh mining industry would be revolutionised by the fact that under self-government Wales would be freed from the burden of England's National Debt and of imperial armaments, and would therefore not have to concentrate on a frenzied drive for exports in order to get purchasing power to pay for these trappings of Empire. A Welsh Government would pursue a policy based on the economics of welfare rather than on the economics of power. It would be primarily concerned, not with the collective, but with the effect of industry on the individual and with ensuring that it gives liberty for spiritual development, which can only come through responsibility.

A small nation with a close social content can develop an economy with a high standard of life, in which the State will need far less for its upkeep than the imperial power-politics State requires (contrast the pre-war—1935-6—Budget figure per head of £17 16s. 0d. in Wales under English rule, and to-day's figure of well over £64 per head, with the pre-war Finnish figure of £4 per head and the Estonian figure of £3 8s. 0d. per head). The State will also need to interfere far less with the individual, as groups of individuals can more easily take on responsibilities for running industry with a minimum of control by the State. Of a co-operative economy of this kind it may be truly said, "The less State, the more liberty."

The problem of production has already been mastered; already the Welsh coal-mines produce more than we require for our own needs, and the only purpose of exports in a welfare State is to bring in imports which will raise the people's standard of life. Hence, instead of rushing frantically to force exports of raw coal on glutted markets, the Welsh

coal industry will be able to turn its attention to the use of coal in by-product industries of all kinds, and make a reality of the recommendation of the Welsh Reconstruction Advisory Council that Wales should have "an integrated coal-oil-power-and-chemical industry" which "would take account of what may be called 'public profitability' and 'overall profitability of the industry as a whole' as well as the simple commercial profitability of the individual sections of the industry." Such an "integrated industry" would be admirably suited for running on co-operative lines.

While giving the maximum responsibility for the organisation of each industry to the workers in that industry, a Welsh Government would seek by all means to encourage a better balanced distribution of industry and agriculture in Wales as a whole (e.g., through the medium of a Welsh Planning Authority).

The Welsh Party has already published a scheme for "alternating work" in the Welsh coalfield; in other words, that miners should be given the opportunity of alternating regularly between periods of work in the mines for, say, three months at a time, and work on farms or in forestry or light industries adjacent to the mines for similar periods. This would involve the provision of ample alternative industries in the coalfields, and making smallholdings available for all miners who want them. This scheme is advocated for three main reasons:—

1. It would make for greater self-sufficiency and stability in the life of the mining districts, and obviate the necessity for the transfer of miners away from their home districts during periods of depression in the coal industry, thus ending once and for all the policy of enforced transfer which has become an open scandal under the English Government.
2. It would—and this is very important—play a major part in the prevention of silicosis and pneumoconiosis by removing the miners for regular periods from exposure to the dust-laden atmosphere which causes them. Experience under the present system shows that miners who periodically absent themselves from the mines to work on their farms, etc., are the least liable to succumb to these diseases; and the proposed scheme aims to apply the results of that experience on a large scale and in an organised fashion.
3. By reducing the risks of disease and by offering variation of work and the opportunity of acquiring varied skills, the scheme would make the mining industry more attractive to young people who would otherwise be loth to enter it.

A scheme of "alternating work" could be inaugurated on a small scale even under the present system, but could obviously be carried out much more extensively and effectively if both mines and farms and factories were organised co-operatively in a self-governing Wales.

Such in brief outline is the Welsh Party's policy for the Welsh coal industry. It stands, in the first place, for the freeing of the Welsh coal-mines from alien control and bringing them under the control of the Welsh people through the medium of a Welsh Coal Board, and then for the institution of a comprehensive series of reforms which will make the industry a more efficient instrument of human welfare and bring it more fully and democratically under the control of the mine-workers themselves.

To some this policy may appear revolutionary, but a revolutionary change in the whole outlook and status of the industry is plainly necessary if it is ever to prove attractive to self-respecting young Welshmen in the future.

It must be emphasised that the problem of the Welsh coal industry is not an isolated one, nor one that can be solved by a Government of outsiders with no understanding of the needs of Wales. It can only be solved by the Welsh people themselves tackling it as a part of the organic life of Wales as a whole, and as a freely functioning part of Welsh co-operative economy. Such a co-operative economy, where the extraction of surplus labour from the individual above his own needs will no longer arise, is possible in Wales; it has already been partly realised in other small self-governing countries; and it must eventually be realised not only here, but in every nation, if we are ever to have a peaceful world.

ADDENDUM

Since the nationalisation of the Coal Industry considerable apprehension has existed in the Welsh Coalfield. Strikes have been frequent miners have been prosecuted for "breach of contract," long-standing customs and practices have been ruthlessly swept aside by the National Coal Board, and general discontent prevails among Welsh miners, who are beginning to realise that nationalisation under a London Government is not the paradise which they had expected.

The declared policy of the National Coal Board is amalgamation and the concentration of production in fewer pits, and it has been disclosed that "at least 50 per cent. of the coal pits in the South Wales coalfield will close down."

Pits have been closed in the Rhondda and the Welsh Steam Coal and Anthracite Coal districts. At a conference at Swansea on April 3, 1943, a black future was predicted for the Welsh Anthracite districts. It was stated that there were two courses open to the National Coal Board; one was to spend substantial sums of money in increased mechanisation and the sinking of new pits, and:

"The other course is to work only the coal that can be got at reasonable cost, which, in effect, means that this coalfield will 'die a lingering death'."—*Western Mail* (5/4/48)

While considerable sums of money have been spent in developing the English coal industry, very little money has been spent on new development in the Welsh coalfield. Little attempt has been made to modernise Welsh coal pits, or to introduce mechanisation which will suit the geological conditions of the Welsh coalfield. Indeed, an official of the National Coal Board serving the Morlais Group has declared:

"The modernisation and mechanisation of the pits was a colossal task, but the delivery of new machinery was overdue. They could not expect new machinery for another 18 months to two years, although it had been ordered for some time."—*Evening Post* (5/4/48).

In the meantime, only puny efforts are being made to attack the dread industrial diseases of silicosis and pneumoconiosis, which are still taking a tremendous toll among Welsh miners. In 1947, 2,688 certificates of disablement were granted to Welsh miners suffering from pneumoconiosis. For the same year in the Eastern and Southern Region of the English coalfield, not one case of a miner suffering from pneumoconiosis was recorded!

Commenting on the official report, *The Guardian* (9/4/48) stated that:

"Miners in those (English) areas would hardly understand our dread and concern over dust. Wales has about three-quarters of all the pneumoconiosis cases that have been certified throughout the British coalfields during 1947."

After the spate of political propaganda which followed the publication of the White Paper in 1946, promising 10 factories for Welsh disabled miners, at the beginning of 1948, only one factory has been completed. Drastic measures are required to face the problems of silicosis and pneumoconiosis in Wales, and Dr. D. J. Davies, in his admirable pamphlet, "Silicosis and the Welsh Miner," has already pointed the way out.

It is obvious that nothing effective can be done for the Welsh coal industry until full responsibility for the industry is given to Wales, and especially to the miners, technicians and experts connected with the Welsh coal industry. This memorandum clearly points out that there can be no other satisfactory and efficient solution.

POLICY

In summary, the points of policy advocated include:

1. A change in the constitution of the National Coal Board, which would allow for the creation of a Welsh Coal Board (vide the policy of the Labour Party declared by Mr. James Griffiths, M.P., in his book "Glo"), with a greater measure of direct responsibility given to the Welsh miner in the control and ownership of the industry.

The Welsh Coal Board could be responsible for the re-organisation of the Welsh coal industry, not only from a production standpoint, but could also encourage development of coal by-product factories, and marketing and selling. At present the finest Welsh coal is being sold at cheap industrial prices to subsidise English industry, whereas Welsh coal could easily command world coal prices at £8 per ton, which would more than clear the present deficit in some Welsh collieries.

Again, it is only by vesting responsibility in a Welsh Coal Board that a comprehensive scheme can be adopted to provide employment for disabled miners in light industry and agriculture.

2. As a first step, under self-government, a Welsh Government would take over the nationalised coal industry, and would organise the coal industry on a favourable basis which would benefit Wales, the miners, and the whole industry and community.
3. Finally, it would be the duty of the Welsh Government to create the necessary conditions and encourage the co-operative ownership of the coal industry in Wales.—W.S.

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