

**DEVALUATION OF POUND PRICES
SLUMP BURDEN ON BRITISH
WORKERS. Harry Pollitt, General
Secretary, Communist Party of Great
Britain**

The British pound has been devalued: it is now worth in dollars 2.80 instead of 4.03. This decision to devalue the pound is the most brutal step yet taken by the Government in their attempt to put the burden of the developing slump on the shoulders of the British workers.

The decision represents a victory for the dollar over the pound, for American Big Business in its offensive against the national independence and living standards of the British people and will enable the Wait Street millionaires to buy British industries at home and in the colonies more cheaply.

The devaluation is in the first place an attack on real wages, which is why it has been demanded for months past by the Tories and by British Big Business. Cripps' main reason for the decision is that it would enable us to increase exports to dollar countries. But Britain will now have to increase exports over forty per cent to earn the same dollars as before the devaluation. What is more, to eliminate the dollar gap Britain would have to sell three hundred per cent more goods to the

United States than she is selling at present. It is fantastic to suggest that this is possible when the United States itself is in the first stages of economic slump.

It is interesting to note how the American press today is openly admitting that even through the devaluation there is little chance of Britain being able to increase her exports to America.

The devaluation solves none of the increasing difficulties which face Britain. On the contrary, it will mean more sacrifices by the workers and will hasten mass unemployment. The cost of living will rise immediately through the increased price of bread from 4½d to 6d. a loaf. And it will rise still further in the coming period as other dollar goods increase in price. Clothing, all kinds of cotton goods, tobacco and vital raw materials will all increase in price which, in turn, will cause further rises in the cost of living and in the price of British goods for export.

Countries that compete with Britain in exports to America are also devaluating their currencies, so that Britain gets no advantage in competition with them, either in America or elsewhere.

Devaluation also means further cuts in capital investments and Government expenditure which will lead to unemployment and cuts in the social services, in the building of houses, schools, hospitals and so on.

A bare week after the Pyrrhic "wage freezing" victory won by the reactionary leaders at Bridlington, 37 unions, representing 3 million engineering and shipbuilding workers decided to apply for a £1 a week increase.

But opposition will develop to the Cripps policy as its effects become understood and felt by the British people. Immediately after the announcement of the devaluation the

London railwaymen decided to start a go-slow movement for their wage demands. Their decision is a taste of what is to come.

The Communist Party declares that this whole policy must be fought and defeated, for this is the only way to avert a crisis that will be worse than that of 1931, the only way in which our national independence can be restored.

The decision proves once again that Britain's financial difficulties are due to the Government's dependence on America. Every time the American millionaires hand out some dollar "aid" they squeeze Britain a bit more at the same time.

The Government gives way in every instance because it is tied hand and foot to American dollars and the war plans directed against the Soviet Union.

America has forbidden Britain to trade freely with the Soviet Union, the Democracies and New China, yet through such trade Britain could secure vital raw materials and food stuffs, which would lessen her dependence on America.

The Communist Party is demanding immediate wage increases to meet the rise in the cost of living, increased pensions to help the old people and a drastic reduction of military expenditure which at present reaches the colossal figure of 760 million pounds.

Cut prices and profits, build more houses, extend social services, increase trade with the Soviet Union, the New Democracies and New China; stand up to Wall Street and end dollar domination: put the burdens of the crisis on the rich—this is the way to save Britain and her people from the catastrophe threatening them.