

# Professor Leacock and the Unsolved Riddle

THE Vancouver "Province" of Saturday, Aug. 30, contained the first of a series of articles entitled the "Unsolved Riddle of Social Justice." The author of the series is Stephen Leacock, Professor of Economics in McGill University. The articles will appear in each Saturday's issue of the "Province" until the conclusion of the series.

Judging by the first installment, Professor Leacock's contribution to the discussion of the social problem will be well worth the attention of every worker. To Socialists, the series will be welcome as a new departure for the Canadian press which has hitherto suppressed any discussion which would tend to uncover the connection between our perilous social conditions and the present capitalist system of production and distribution. Socialists have been abused for using this "economic interpretation" because it leads to a questioning of the social validity of the very foundation of the present social order. Evidently those who are responsible for Professor Leacock's articles appearing in the press are realizing the futility of abuse, misrepresentation, and the appeal to ignorance and prejudice for combatting the scientific education carried on by the Socialists on the political field, and so they are bringing on their intellectual big guns to challenge our educational monopoly of that field. We gladly welcome their change of policy, tardy though it be. We have persistently pointed out that the surest means to peaceful progress is free and open discussion of matters upon which men find themselves in disagreement and that if there are untruths and anti-social ideals being propagated, then the open forum is the surest place to kill them.

The problem today is not a question of suppressing a minority whose opinions may challenge the present order. As pointed out by Professor Leacock, it is the conditions of capitalism which arise out of its own inherent contradictions, that constitute the real danger to society. A danger whose magnitude grows more menacing as the days go by. One of these contradictions is the poverty which exists alongside a boundless capacity to produce wealth. Curtailment of production, mines, factories, worksheds closed down, human labor power unemployed, while social wants, even the very necessities of multitudes go unsatisfied. The truth, which no militarist government can suppress, is that considering society as a unit, the owners of the means of production are sabotaging on the rest of society. It is estimated by some experts that the productive equipment is only exercised to the extent of 25 per cent. of its possibilities and others say it is nearer 10 per cent. Why is this? Because profit is the aim of capitalist production, and profit entails a curtailment of production in view of the market. To flood the market is to send prices down and extinguish profit. The capitalist, studies the purchasing capacity of the market, not the consumption capacity of the community.

In this first of his series, Professor Leacock makes a sweeping survey of the present state of affairs and the conditions out of which they have arisen, and traces the development of the modern social productive processes from the individual handicraft stage. In this sweeping survey, cramped by lack of space, he perforce, misses much that is necessary for a proper understanding of the problem, but, he also, what is hardly excusable in a man of science, in one or two instances, sacrifices accuracy to picturesqueness of phraseology. Near the beginning of his article he says, "Strike follows strike. A world which has known five years of fighting has lost its taste for the honest drudgery of work. Cincinnatus will not back to his plow, or at best stands sullenly between his plow handles arguing sullenly for higher wages." We submit that that is a drastic misstatement of the cause for strikes or of unemployment. We also deny that his other flamboyant statement regarding Soviet Russia is in accord with facts. However,

he does better when he touches on matters germane to his own field of the science of economics. Nevertheless anything of consequence he has to say there, has already been said by Marxian Socialists. He tells us nothing new, only restating it in his own way. He concludes this first article by saying that he can not agree with the Socialist solution for the evils of the present regime. This of course, to Socialists, will make the progress of his argument more interesting, both as to how he will avoid their conclusions and as to his conception of what the Socialist solution really is. In terms too vague for criticism he says it is "a beautiful dream, only fit for angels." Other people have defined it as one long continued round of materialistic idleness and gluttony at the expense of the State. Both of these definitions look like straw socialisms erected to be knocked down. Peradventure the Socialist solution is described by neither. Professor Leacock, however, has already made one fundamental concession to the Socialists, in that he is using the "economic interpretation" on his problem. We shall watch with interest when and where he uses it and when and where he refrains from doing so. Here follows a few comments on points raised in his article.

## Comments.

After passing notice on rising prices and wages, and inferring a connection with that and a world flooded with depreciated paper money, he says, "under such circumstances national finance seems turned into a delirium. Billions are voted where once a few poor millions were thought extravagant. The war debts, not yet fully computed, will run from twenty-five to forty billions apiece. But the debts of the governments appear on the other side of the ledger as the assets of the citizens. What is the meaning of it?"

Since August, 1914, the world has been expending the products of labor in the wasteful, unproductive expenditure of war from which there are no returns in materials embodying values with which to cancel the debts on the ledger. Labor products expended productively, as in a weaving loom, reappear as values in the cloth. The values of labor products, as in munitions of war, disappear for ever. Nevertheless, as those values are on the ledger in money of account as debts, they must be liquidated. They are a mortgage on future values known as surplus values over and above wages, which the capitalist class will realize from future productive operations. In reality, the capitalist class owe the debt to themselves. This, however, is not to say that they will not try to impose the payment of some of that debt on the workers by forcing their standard of living down. Regarded socially, of course, the war debts represent values which are a total loss.

His description of the introduction of the machine-age, lacks at least one essential factor which should have been noted as an effect of peculiar historical significance to the student of sociology. That is, that it was the machine age which produced the modern propertyless industrial proletariat. Small handicraft production betokened that the producer owned his own tools and consequently the product. But as the mechanical production processes developed, the cost of them became more expensive, required great capitals and so became vested in fewer hands. The hand loom weaver found it more and more impossible to compete as time went on, until he finally disappeared. The factory hand took his place. It is recorded that the cotton machines of Lancashire tore the means of existence from the hand loom weavers of India in three short years and that millions of the Hindus perished from sheer starvation who had formerly made a comfortable living. And to what effect? That the factory workers of Lancashire might have one so-called prosperous year in ten. So the process went on all over the world, until now, even

"the personal employer-owner has virtually disappeared from the great industries. His place is now filled by a list of corporation securities and a staff of corporation officials and employees."

and "the personal note is no longer to be had in the wage relation, except in those backward, obscure and subsidiary industries in which the mechanical reorganization of the new order has not taken place." Ownership has no function in the processes of production of the machine industry and large scale organization. It is now absentee ownership having only an interest in the earnings of the corporation. In short, the coming of the machine produced two separate and distinct classes. The thing of significance in which is, not that one is rich and the other poor, but that the members of the capitalist class are the owners of society's means of production, though taking no part in its operation and that the workers, while operating industry are divorced from ownership and control over it. Out of this condition arise conflicting interests between the two classes. One, because of the wage relation which exists between them and another more fundamental one in their conflicting interest in the means of existence. To the workers' production is a means of livelihood. To the capitalists a means of profit. In order to realize profits, production must be regulated, curtailed in the interest of price. The market, the purchasing capacity of those in it sets the pace in quality and quantity, not the social capacity in consumption.

Professor Leacock draws attention to a great paradox of the system, in that, though our ability to produce goods to meet human wants has multiplied thirty or forty times, we yet find the masses of the people suffering from a lack of these goods.

The roots of that paradox lay in production for sale. The command of the working class over the means of life is determined by the purchasing capacity of their wages. To the extent of that purchasing capacity are the goods produced in industry for them. Labor power is a commodity and its price is determined primarily by its cost of production in those things necessary for its reproduction, and secondly, by the effect of supply and demand on the labor market. As there is always an over-supply of labor power, this operates effectually in preventing a rise in wages beyond that which is necessary for the bare support of the working class as a whole. That is why if society's productive power was ten thousand times greater, it would not relieve the poverty of the working class. Not so long as labor power is bought and sold. Our forefathers, in the low productive days, perforce received sufficient of the necessities of life to live and work and propagate their kind to meet the needs of their masters industries. And so must we of the modern proletariat.

## ITALIAN PEASANTS

The agricultural populations are the brake on the forward movement to a new order. But according to reports from Italy, in that country at least they are coming into line with the industrial proletariat. The Peasants' Congress at Bologna, representing 400,000 members, has declared for the immediate socialization of the land—not for the purpose of dividing it up in the fashion beloved of the peasant, but for a system of social ownership and working. In particular cases it is said the peasants have begun the process of "socializing" already. The Directing Council of the Italian Confederation of Labor and the Executive of the Socialist Party were present at the Bologna Congress, and a joint manifesto has been issued. "Avanti" expects a complete linking up in consequence, and when that happens results may be looked for.

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