

Ten Minutes' Talk With the Workers

(From the Glasgow "Socialist," July 17, 1919.)

Economic Crises.

TO most people it is a far cry from primitive savagery to modern civilization. Yet an examination into the origins of either our social institutions, our tools and machines for production, or ways of thinking on many matters will show that after all we have not much to brag about. It is now established beyond dispute that the most delicate instruments we use, as well as our language, religion, morals domestic institutions, etc., have their roots or beginnings away back in those primitive times, thousands of years ago. There is no break in the chain. Everything which you see around you today represents in a more or less complex way the efforts of the race towards social progress and evolution. To realize this is one of the most important discoveries of modern times.

Roots of Social Progress.

You can readily understand that were we to simply live for the moment and take no heed for tomorrow, so far as ensuring our necessary supplies are concerned, and remembering that wage slavery is unable to give us security in our means of life, we should undoubtedly be reduced to the conditions of primitive savages.

How this principle or idea of "property," of using tools instead of relying on bare finger-nails, in short, of preserving the results of previous efforts to enable us to "carry on" for a time, become established, forms the groundwork of a great many books and makes a most fascinating subject for the study of man, or, as scientists call it, the study of anthropology.

Certainly, with the marvellous machines, implements and contrivances of all sorts at our disposal today there are great possibilities for leisure, luxury and social comfort. More, in fact than is enjoyed by you and me at the present time. Into that, however, we need not go for the moment.

What is worth noting, however, at present, is the arrogance, audacity and, need we say, impertinence of present-day rulers to claim all these social achievements as theirs exclusively. Not only so, but to base their claim to mortgage future generations of our class, thereby making us helots, on the grounds forsooth, that these achievements are the products of their brains!

Claims of the Pharisees.

It would be only necessary to state these claims to you for their absurdity to be revealed were it not that very clever writers—some of them unfortunately belonging to our class—are employed by our masters to teach such false doctrines that unsuspecting and unlettered workers may be confused or deceived.

Taking advantage of the workers' weakness in the knowledge of economics, these pharisees and charlatans ascribe the marvels of modern productive methods to some inherent and magic power of "Capital." And then having subtly associated the powers for producing wealth with these things which are the property of the rich capitalist class, they, with more subtlety, credit the owners of capital with the powers of their property and in this way build up an excuse for profit-taking or exploitation.

Thus the principle of subdivision of labor, i.e., dividing a certain job into a great many parts and giving each worker a certain part to do, or some workers doing agricultural work while others do manufacturing work, and so on—a principle as old as the human race is held in these days by the literary and oratorical rogues I have just mentioned to be the fruits of capitalist brains applied to industry.

"Time" a Factor in Economics.

They talk mysteriously about "time" as a factor in production. You, however, have only to reflect

for a moment on the energy you have spent during the week or to take a look at the fruits of your industry and then the contents of your envelope on Saturdays to see by comparison that it would require more than "waiting" to make up the difference. It is a very nice theory which first robs the workers of any control over their own affairs by making them wage-slaves, then demands a toll on the grounds that he has to "wait" before he can get a job. That indeed is what the "waiting" or time idea comes to.

The Idea of Faith.

Another of the economic crudities of our aforementioned charlatans is the idea of "faith." As you know, things are produced for profit, i.e., to be sold. The business of our modern capitalists and it is a fine art, is to find customers or buyers. But in the nature of things of the profit-making system, all buyers are not just prepared to pay. When a customer or buyer is found who is not in a position to pay he gets the commodities on "faith" or, as economists say, "credit." The credit is extended over a longer or shorter period according either to the bone-fides of the buyer or to the general state of the market. Here in passing let it be noted one of the reasons for your newspaper containing so many bankrupt cases, embezzlement cases and cases of fraud generally. The idea of faith becomes readily translated into the idea of fraud; since by deceiving your neighbor appears the quickest road to get rich, which is the highest ideal of our materialistic capitalist.

WALL STREET'S S. O. S.

Vanderlip Proposes to Write Off Allied Debts to Save Capitalism.

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borrowed. Fully £1,000,000,000 is now owing to the United States, and upon that there has to be paid interest year by year. Not only that but the sum has to be repaid. It is not a gift. It is, merely a loan.

Quite recently the head of the greatest financial house in America, the National City Bank of New York, suggested to a Senate Committee the possible wisdom of writing off the entire Allied indebtedness to the U. S. A. as "a bad debt," or, as he inferred, the shouldering by the U. S. Government of this liability incurred in Freedom's Cause.

This hint has been received by the world's money press with considerable alarm. It savors too much of "Bolshevism." Once "repudiation" or cancelling of debts begins there is no knowing where it may end.

Mr. Vanderlip's suggestion is startling, coming, as it does, from the financial agent of the Rockefeller interests, from the head of the biggest banking company in the whole world. It is comprehensible, however, when one remembers the fact that the National City Bank is the financial coping-stone of American industry and export trade, and that the United States manufacturers are alarmed at the prospect of Europe repaying its debt in manufactures, whilst United States agriculturalists, mineowners and timber corporations dread its liquidation in raw materials from British and French Colonies and Dependencies. America is an exporting country, and her whole future as a prosperous capitalist nation depends on her ability to maintain an ever-expanding export trade.

The Banker's Magazine for February, quoted the Washington correspondent of the Morning Post as reporting—

"How this (interest) charge is to be met is a problem now occupying the attention of American business men and bankers. For this amount to be paid in cash is practically impossible, because debtor nations can not allow themselves to

Basis of Industrial Crises.

Our penny-a-liner charlatans mistake the shadow for the substance and think that if only there is sufficient faith all will be well. He has not the slightest knowledge of the basis of industrial crises. He fails to see that crises are not produced because of lack of faith, but that there is no faith because the markets are stagnant. Markets become stagnant when ever there are more sellers than buyers, a circumstance which periodically occurs. At such a period everyone seeks to realize their assets into hard cash. Accordingly demands are made all round for obligations to be fulfilled. These demands sometimes overtake banks, who are unable to pay over, with the result that a financial crisis ensues. It is to stabilize the banks and ensure confidence that the recent amalgamations have been taking place in the financial world.

Indeed such is the basis of combines and trusts, whether of industry or finance. But it is all in vain. So long as production is carried on for profit there is bound to periodically result a "glut" or "crises" on the markets of the world. The trusts may seek and in a measure be successful in regulating the supply and demand for given products. They can not avoid the convulsion that accrues from time to time, because the markets, both home and foreign become congested. Only when production is regulated and ordered upon a basis of social well-being instead of private aggrandisement can we escape the anarchy and jungle conditions of capitalism. T. B.

be drained of their gold, even if they had it, which they have not. In lieu of gold the indebtedness must be discharged in commodities; but that means, on the part of England, France and Italy, flooding the American market with their manufactured goods, which America will not tolerate.

It sounds paradoxical, but it is nevertheless true, that too much wealth, as one of the after effects of the war, makes the United States not only a menace to the rest of the world, but also a danger to herself. That menace, of course, not in the political or military sense, but financially and economically, is threatening to disturb international equilibrium, and at home is resulting in inflation and continuing to keep up the high prices."

Now, we read in the Investor's Review (21-6-19) that an urgent meeting has been held in the parlor of J. P. Morgan & Co., in New York, attended by all the representative bankers of America, at which it was decided to form a syndicate to lend £800,000,000 to stabilize European industry. Only in this way could Europe possibly continue to make such purchases in the U. S. A., as would maintain the necessary volume of U. S. exports. In other words, the American capitalists are compelled to lend £800,000,000 of commodities to Europe to prevent an immediate falling off of American export, an immediate slowing down of American industry, a paralysation of American production, and a collapse of American Capitalism.

At the end of six or eight months they will have to find a new palliative or accept the steady drift of Western Europe and of America to Social Revolution.

No wonder the Investor's Review comments—

"The wisdom of the world bankers is not equal, we fear, to the solution of the debt-puzzle. Palliatives they may invent and apply, and palliatives serve but to increase the destructive virulence of the disease."

Capitalism is in extremis. It approaches the Universal Catastrophe. Let Labor concentrate upon the necessary work of preparing itself to take over control of the means of production and distribution and to direct these to the supply of the needs of the working community.