

# Materialist Conception of History

## FOR BEGINNERS

### Lesson 18—Continued

The Republican party of the States upholds federalism and protection; it is composed of the manufacturing interests, and the free trade party is composed of landowners. They are purely economic and do change whenever their economic interests change. Thus in 1852 the northern capitalist, belonging to the Republican party, passed over to the ranks of the Democratic party with little ado, because the loans they had made to the Southern slave owners gave them a deep interest in the landed property of the south. An analogous position was produced in 1889, when an increase on the duties of raw wool injured the woollen manufacturers and caused them to go over to the Democratic party. At the time of the Presidential election of 1888, large numbers of Republicans went over to the Democratic party, because they had taken up farming in the west, and a Republican victory meant the continuance of protective duties especially injurious to the farming class and enriching the manufacturing class. The same condition exists here in Canada; the manufacturing class favors tariffs while the farmers are free traders.

Loria points out where land rents prevail in Italy, the land rent provinces demand import duties on grain; the province where manufacturing prevails demand tariffs on imports of manufactured goods. The same condition existed in the other European countries previous to the war. If we follow the struggle of the Free Trade party of Britain we find all the labor legislation due to the Tory party which represented the landed interest, e.g., factory, mines and navigation laws. The landed gentry dominated parliament at this time and levied protective duties on grain to enable them to receive higher rents from the farmer. The rising capitalists to offset the increase of wages necessary to buy dearer food employed women and children, and extended the hours of labor. When the industrial workers began to revolt they were told their misery was a result of the Corn Laws. To offset this agitation the Tory party blamed the exploitation of the industrial system and lent their support to shorter hours. Every year a manufacturer named Villier pleaded for the abolition of the Corn Law, and Lord Ashley pleaded for factory legislation. When the industrial lords did get control they abolished quite a lot of land privileges, so if the worker did gain any advantage it was only incidental to the class struggle between the two classes whose revenue came from land or capital. With the abolition of the corn duty and fall in prices of foodstuffs wages fell 12 per cent. While mostly all labor laws restricting female and child labor were passed by Tory governments, none of them dealt with child or female labor in agriculture because this cheap labor was beneficial to the landed class in obtaining higher rents.

The McKinley tariff of America was the result of a Republican victory composed of large capitalists and manufacturers. In Belgium, where manufacturing interests dominate political power, social legislation is practically unknown. All social legislation has been the result of the struggle of two classes of revenue, and not from any consideration of the workers. When those interests enter coalitions all social legislation is checked.

Adam Smith quotes where the landed gentry consented to the prohibition of wool exports to the exclusive advantage of the manufacturers, in order to obtain in return the latter's adherence to a bounty of five shillings on the exportation of corn. Before this the commercial classes had the advantage of the enforcement of the Navigation Act.

One point we must have impressed on every worker that, although social legislation proceeds from proprietary classes, it can never go as far as to endanger the essential rights of property. Its direction has been entirely different according to what revenue class predominated politically. This

social legislation is of no interest to the worker, but is a mere patch on the system. Reformers are tolerated and supported by the ruling class so long as the reforms advocated are not injurious to the essential rights of property. The moment a reformer is intoxicated with success and attempts any measures which threaten property, his glory soon fades away like Robert Owen's, who at first was hailed as a great benefactor by the ruling class of Europe. The capitalist social legislation in England has been a series of English and Irish land acts restricting the power of landed property, and to landed political power we have seen is expressed the most of the factory and mines and other acts of a like nature.

We find any advantages obtained to the workers in all countries have been incidental in this struggle between land and capital. The towns in Italy obtained their earlier advantages because of the struggle between the Pope and the landowners, but in every country, whether under feudalism or capitalism, when the productive workers begin to be restless and show any taint of rebelling against their conditions, we see the owning classes closing their ranks in alliances.

You find the church allied with the nobility, sometimes the capitalist and sometimes with the king, according to the dictates of their economic interests. Loria says the massacre of St. Bartholomew was simply the result of the Catholic bourgeois insurrection against Huguenot nobility, and the revocation of the Edict of Nantes was likewise instigated by the Catholic townsmen of France, who, finding themselves overwhelmed by the industrial competition of the Protestants of Nimes and other flourishing cities, insisted upon the expulsion of the Huguenots.

The adulteration of the coinage was the trick of the landed nobility and the laws against usury we noticed in a previous lesson were instigated by landed property burdened with debt.

We as workers need not trouble over tariffs; we do not pay the taxes. It just appears on the surface that we do. People used to believe the sun rose, and our language is so impoverished that we have not been able to express the discovery, and we still talk of the sun rising. When the capitalists of England were rejoicing over the fall in wages the income tax was introduced. When the wages rose the income tax was abolished, and when wages fell to the minimum of existence the income tax law was definitely re-established, 1842.

In Germany the introduction of the income tax, May, 1851, corresponded with the reduction of wages to a minimum. The milling tax in Italy was abolished when agricultural wages fell to the minimum. The single taxer has pointed out that all the increase Henry Ford's employees received when they got five dollars a day went to pay increased rents and land values. Capitalism exerts such influence on finance that when war breaks out which makes increased public expenditure necessary, did you ever notice that no attempt is made to meet this increased expenditure with increased taxes but that resort is made to loans; by this means they benefit unproductive capital and shift the burden on to the wage slave to work and produce more is their slogan.

Loria tells us that Necker was forced to raise a loan on the eve of the Revolution in Italy because the rich would not listen to taxes. Pitt was forced to resort to a loan in the war with France, although the expenses could have been borne by taxation, but the property owners put up an energetic opposition to increased taxes. Not content with this success the Bank of England favored the institution of a sinking fund which resulted in immediately increasing the debt of England. Since then the invariable policy of all Chancellors of the Exchequer, no matter what party was in power, has employed the surplus of the Budget to the reduction of

taxes rather than paying off the debt, because the debt is too dear to our patriotic ruling class. If Gladstone's provisions had been followed, the expenses of the Crimean War could have been met out of current revenue, but his successor had recourse three times to loans, not because of unavoidable necessity, but rather a product of the self-interest of the capitalist class, and opening wider a field for unproductive capital. Do you wonder why they have shouted produce more, because all rent, interest and profit comes from unpaid labor?

There is only one source of wealth in any state and that is the labor of the peoples applied to natural resources. Remembering this fact the true nature of the war debt can be analysed. In peace time, the wealthy live upon the unpaid labor of the workers, as we are employed only on the condition we can produce a profit. When war breaks out on a large scale millions of workers are taken away from productive labor and cease to earn profits for their master. The ruling classes must receive some compensation for the loss of this power to exploit labor, and this situation is met by the war loan by means of which, banks, insurance companies and capitalists, lend their credit to the State. The State undertakes to pay interest on this credit, which is treated as if it was real capital, repayable out of the produce of peaceful industry. This payment of interest compensates the wealthy for the loss of profitable workers during their period in the trenches. The war loan substitutes the loss of profit when the worker is in the trenches and enables the wealthy to retain the unearned incomes, and the cry to produce more was based on the fact that the returned men were expected to pay the interest and capital of this debt accumulated in his absence, plus the standard of profit extracted from his labor in peace times.

Our next lesson will deal with the Revolution in Canada, 1837—1838.

PETER T. LECKIE.

### RAISING OF THE CARGO FOR THE FIRST SHIPMENT OF RELIEF SUPPLIES FROM NEW YORK TO PETROGRAD

The following contributions were received by the Soviet Russia Medical Relief Committee for the fund to purchase relief supplies for the cargo of s.s. Storaker, due to sail from Brooklyn, New York, direct to Petrograd about the end of this month:—Howard Richards, jr., New York, \$0; Walter J. Conarty, Hammond, Ind., \$1.00; Julius Kohn, Milwaukee, Wis., \$2; Fred Holm, Milwaukee, Wis., \$3; A young friend, through Prof. E. H., \$100; Jacob Berger, Madison, Wis. (collection), \$37; Mrs. M. Frev, New York, \$1; W. Bennett, Vancouver, B. C. (collection), \$17.50; Mrs. T. M. Nagle, Wesleyville, Pa., \$5; Ladies Auxiliary, Winnipeg Committee, \$975; Daily Star Friendship Fund, Minneapolis, Minn., \$52.92; Buffalo Local Committee, \$101.05; E. L. Leapner, San Francisco, Calif., 30c; Jos. Voltz, Hoboken, N. J. (collection), \$68.50; Jos. Lencer, Phila., Pa., \$12—Total to date, \$1,426.27.

The Soviet Russia Medical Relief Committee has placed already \$1,500 order for 3,750 lbs. of dry milk. This order can be easily increased through further donations.

In addition to that the Committee has received a donation of 500 lbs. of dry milk from the "Dryco" Co., 15 Park Row, N. Y. City.

The steamer will carry to Petrograd also over 300 cases of clothing made by sewing circles ("Saturday" groups) formed by the members of Workmen's Circle Branch of San Diego, Calif.

Petrograd—the cradle of the Russian revolution—has been during the last seven years many times the goal of invasions from all sides. The population there had to defend their liberty against severe attacks and to undergo the hardest sufferings.

Let the s.s. Storaker bring over to the people of Petrograd from here this time instead of means of destruction plenty of relief supplies for their sick and children.

Address all the contributions to the Soviet Russia Medical Relief Committee, 110 Wtes 40th St., New York City.