

Current Topics: the European Tangle

ARTICLE II.—By ROBERT KIRK

SLAVES and free men, as well as patricians, of Ancient Rome, Carthage, Babylon, Persia, and Athens, shared in and enjoyed the spoils of the plundering expeditions of their royal masters. But not so with the wage-slaves of today, though the magnitude of the looting from present wars is greater now than was ever possible in those early civilizations. Middle Europe was just as surely sacked at the Conference of Versailles as Carthage was by Roman legions. But the wage-slaves of the Allied countries never were so poor as after the looting. And the reason for this lies in the fact that the spoil of war is stamped with the hallmark of capitalism—commodities, which are for sale.

The round sum of 56½ billion dollars, to be paid in half-yearly installments, over a period of 42 years, is the amount demanded by the Reparations Commission. Satisfaction was written large on the faces of most good patriots, workers all, when 1,600,000 Allied troops crossed the Rhine to insure payments of these claims from Germany. Doubts existed in the minds of many bourgeois economists, and some were expressed, concerning the capacity of Germany's economic resources to stand the strain these reparations would make upon them. None, however, considered for a moment whether the amount of surplus-values this sum represents (56½ billion dollars) was within the physical ability of German workers to produce over and above the needs of the German people. Or, if they could produce this quantity of surplus wealth, what effect the delivery would have on industrial conditions outside of Germany.

If payments are to be made, then German goods must have a preference in the markets of the world, in order to import the essential materials for the continuation of the reproductive process.

While compliance with these terms would entail constant employment for all German workers; the application of every known device for increasing productivity and the strictest economy of industrial organization and administration, in order to extract the utmost in values to pay the Allied claims. And this is precisely what has happened in Germany, to the detriment of trade throughout the world. The percentage of unemployed in January, 1921, was 4.5; in June it had been reduced to 3.0; while in October, 1921, unemployment, so far as organized workers were concerned, had disappeared.

Export trade for 1920 reached the total of 69 1-3 milliard marks (a milliard is a thousand millions, corresponding to an American "billion"), with imports, for the same year, totalling 98.1 milliard marks. But in 1921, for the last eight months of the year, exports reached the sum of 70 1-3 milliard marks and imports had grown to 80 1-3 milliard marks. The extent of German trade is further seen in the amount of shipping which calls for it at the three chief ports of the country.

Hamturg—	No. of vessels	Gross tonnage
1921	8,633	9,532,801
1920	4,880	4,587,333
Antwerp—		
1921	8,074	12,980,147
1920	7,698	10,858,926
Rotterdam—		
1921	8,069	10,874,629
1920	5,951	7,609,777

In one industry alone, which includes the by-products, we have an interesting story which shows us above all else one of the main factors in putting the British coal trade out of the European market. The prolific output of German coal, coke and coal briquettes is seen in the following figures taken from the "Economic Review" (London), February 17, 1922.

"Germany's coal output for the year 1920 was: Pit coal—131,340,797 tons.

Lignite—111,880,413 tons.
Coke—25,117,039 tons.
Briquettes—Coal—4,938,150 tons.
Lignite—24,273,480 tons.

"And for the year 1921 the output was:—

Pit coal—136,210,088 tons.
Lignite—123,011,250 tons.
Coke—27,921,341 tons.
Briquettes—Coal—5,688,167 tons.
Lignite—28,243,017"

This immense output takes care of the demand for coal which a European market calls for, and which British merchants formerly supplied. No wonder the British Labor Party submitted a report of conditions in the coal areas of Britain to Lloyd George, before that marvellous "peacemaker" visited Cannes. The following is taken from the memorandum prepared by the British Miners' Federation:

"The export of British coal to Russia during the eleven months ended November 30, 1913, was 5,598,000 tons, and in the eleven months ended November, 1921, 126,400 tons, or a net reduction of five and a half million tons in eleven months.

"Exports to Germany for the eleven months ended 30th November, 1913, amounted to 8,300,000 tons, as against 659,000 tons in the eleven months ended November, 1921, a reduction of nearly 8,000,000 tons of coal.

"The amount of coal exported to France from this country (Britain) during the eleven months ended the 30th November, 1913, was 11,676,000 tons, and for the same period of 1921 5,161,000 tons, or a net reduction of over 6,000,000 tons of coal."

This represents a loss in the export coal trade of 19½ million tons, and accounts for 50,000 mine workers in the South Wales coal fields being out of a job, subsisting on "doles" paid from German reparations. While the few who are working four shifts per week are watching the painful operation of their masters cutting prices in an attempt to recover the continental market, and at the same time feeling the results of a cut in wages, which brings them as near to starvation as those who are unemployed.

"The effect of the Spa Coal Agreement has been to damage materially the prospects of trade recovery in the exporting districts of this country. Under the agreement, Germany is compelled to export to the Allied countries 22,000,000 tons of coal per annum. This coal finds its way into Belgium, France and Italy, and in consequence of the character of the Treaty, no cash transaction takes place between the receiving countries and the German Government. The respective Governments, however, in selling the coal to consumers in their countries charge them the current prices in their country.

"But if they are unable to dispose of it at home, they re-export it to other countries and obtain the world price for it. Therefore, the net effect of this process is that coal is being sold so cheaply in the countries referred to, that British coal has to be sold at a price below cost in order to find any kind of market at all, and only the better classes of British coal are able to secure a market, in view of the large quantities of coal coming into these countries under the Reparation Clauses.

"The German Government is given credit for the coal so exported as a set-off against the reparation payable by her, but the price at which it is credited to her is the actual price at which similar classes of coal are sold in Germany, plus the freightage to the frontier. When these prices are expressed in the rate of exchange of the receiving countries, they are considerably below any price at which British exporters can sell their coal as a paying proposition."

In this statement of facts, quoted above, there is ample evidence showing how one industry of England has been affected by the Treaty of Versailles. But this is by no means the only industry or country that has been economically crippled by the terms of reparations. For the coal trade of Germany, extensive as it is, makes but a single item of the nation's activity.

While reparations have acted as a boomerang against British trade the effect of them on France is different in many respects, which we will deal with in our next issue. But the point which I want the reader to see is the stupendous ignorance of our rulers and the still greater density of the mass who place in their hands the destinies of peoples, and the results of continued meddling by so-called statesmen with forces they do not understand.

MINERS' STRIKE FEATURES.

"TOTAL number of Miners, estimated at upward of 700,000. Of these the union claims 560,000, divided into 425,000 bituminous and 135,000 anthracite. Union figures place the number of non-union miners at about 125,000, but operators' estimates are up to 200,000. The union claims 100,000 non-union miners will join the strike; the operators claim comparatively few will do so.

"Total Number of Mines: Approximately 10,300, about 10,000 of them bituminous and 300-odd anthracite. Of the bituminous, some 2,500 have been shut down for some time. Of the remaining 7,500 bituminous the union claims that at least 6,000 will be shut down by the strike, as about 1,500, it is estimated, are non-union mines. Nearly all the anthracite miners are unionized.

"Total Area Affected: Bituminous—Mining districts of western Pennsylvania, Ohio, Indiana and Illinois, known as the central competitive field; West Virginia, the main non-union field; Maryland, Kentucky, Tennessee, Alabama, Iowa, Missouri, Kansas, Oklahoma, Texas, Colorado, Utah, Wyoming, Montana, North Dakota, Washington and the four Canadian provinces of Alberta, Saskatchewan, British Columbia and Nova Scotia. Anthracite—Entirely in northeastern Pennsylvania.

"Chief "Theater of War": West Virginia, western Pennsylvania and Kansas, the former two because of the large number of non-union miners and the latter because of the Industrial Court law.

"Total Available Coal Supply Above Ground: Estimated at about 63,000,000 tons of bituminous, or a normal supply for nearly nine weeks, and 8,000,000 tons of anthracite, or a supply of from six to seven weeks. The bituminous operators claim they can maintain a non-union production of from 3,500,000 to more than 5,000,000 tons—7,000,000 is the normal weekly consumption—and that no shortage should be felt within at least four months. The union claims non-production will be much less than 3,500,000 tons, that the present supply is not equitably distributed and that the public will feel the "pinch" within six weeks.

"Bituminous Miners' Chief Demands: Continuation of the present wage of \$7.50 a day, maintenance of the check-off system and institution of the six-hour day and five-day week, held by the miners to be the same as the "eight-hour day under ground."

"Bituminous Operators' Chief Demands: Never made, as they refused to meet the miners. However, they posted notices of a 30 per cent. wage cut in western Pennsylvania mines.

"Anthracite Miners' Chief Demands: Increase of 20 per cent. for contract workers, and \$1 a day for day workers, on the contention that most of them now earn less than \$6.00 a day; also institution of the check-off system.

"Anthracite Operators' Demands: Revision of the wage scale downward, on the contention this is necessary to reduce the price of coal.

"Chief Charges of the Miners: That the operators want the strike in order to sell coal at inflated prices and raise prices again when a shortage develops, and that they are seeking to destroy the union or weaken its power. The bituminous operators are charged with contract-breaking in refusing to meet the miners.

"Chief Charges of the Operators: That the miners are unreasonable in wanting to maintain their present wages or get increases with wage deflations in other lines of industry going on."—(New York Tribune.