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Permanant Prosperity

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SINCE the spring of last year the American daily press has been publishing glowing accounts of the great era of prosperity existing in the U. S. A. The glad tidings are heralded forth to the disinherited of other less happy lands that here is a sanctuary of refuge from unemployment, low wages, and other proletarian afflictions, in short—a haven of contentment, where every prospect pleases and only the labor agitator is vile. We are, or were assured by so great an authority as Herbert Hoover, that "we had arrived at permanent prosperity." American capitalism had reached a point of perfection, where the purveyors of the standard blend of optimism and other worshippers at the shrine of Boosterism and Service might (to paraphrase the words of the late Mr. Roebuck), exclaim in chorus: "We look around us and ask, what is the state of these States?" Is not every honest workman able to get a job? Is not every business man who is inspired with the ideals of vision and service able to do business? We ask you whether the world over, or in past history, there is anything like it? Nothing. We pray, yea, we predict that our unrivalled happiness will last.

Recently, however, the prophets of the press, minor captains of industry, economists, industrial analysts and financial horoscopes, such as Roger Babson, started to view with alarm where they formerly pointed with pride. Enemies of permanent prosperity, we are told, are on the march, in fact they are even now attacking the business front. These enemies are inflation, rising labor costs, labor shortage (?), rising prices, with the most insidious foe of them all—the Buyer's Strike, mopping up in the rear, to use a military expression. The inability of the wealth producers to buy back with their wages or other subsistence incomes the products of industry from the capitalist class who own the machinery of wealth production and operate it through the exploitation of labor-power for which they pay wages or cost of subsistence, is with unconscious humor dubbed a Buyer's Strike. Buyer's Lockout would have been an equally intelligent term.

As an explanation of the recurrence of economic depressions in capitalist society the "Buyer's Strike" should rank in historical significance and scientific accuracy with Prof. Senior's "spots on the sun" hypothesis. Somewhere in "Value, Price and Profit" there is a passage concerning wages, prices, etc., wherein it states "that it is not the scantiness of the contents of the pot—National Production—but the smallness of the spoons used by the workers" which is responsible for economic crises. At least that is the gist of the passage, as I remember it. Now, everyone knows that strikes occur. Who strikes? Workers of course. People who strike would undoubtedly commit any crime! They get the habit. If they strike for higher wages, what is more likely than that after they hold up their employers the rascals would go on a "Buyer's Strike?" Such a line of reasoning is in tune with the logic of the Kiwana, Rotarian, "Hello Bill" fraternity.

There are other indications that all is not well with Prosperity, the sharp conflict of editorial opinion over the immigration question, for instance.

During the controversy which ensued over the introduction of the Senate Bill to allow the admission of aliens in excess of the 3% quota, newspapers which had previously been publishing cartoons depicting Labor in bib-overalls and cap, and Capital, sitting cheek by jowl at the groaning festive board, carving the roast turkey of prosperity, with a baffled, bewhiskered "red" wearing a look similar to that which made Cassius famous, glowering on the happy scene—these newspapers switched over to pictures showing the dangers of an alien influx. One cartoon showed the ship of prosperity, heavily laden with wage-plugs, sinking by the stern (scuttled by aliens) in the ocean of business depression, the number of rafts and lifebelts, stencilled Steady Jobs, being totally inadequate for the number of passengers on board; the only resource left to the unfortunates who had not grabbed a life preserver (job) was to crowd together in the bows of the doomed ship singing "Nearer my God to Thee." As an illustration of what capitalism means to the unemployed workers, the cartoon was brutally realistic. At the same time covert and open attacks were made by these newspapers, on Judge Gary, Chairman of the U. S. Steel Corporation, one of the principal advocates of unrestricted immigration. Judge Gary and other advocates of freer immigration are accused of looking only to their immediate interests. One of the most anti-labor and militaristic papers in the country ironically asks hows Gary's plea "for turning towards Christian principle in business" squares with his advocacy of the 12-hour day.

Why this conflict of opinion on a matter of policy where we might expect an united front of the employing class, granting the existence of a labor shortage? Does it not tend to show on the part of certain business interests, a realization of the fact that the so-called prosperity is merely a temporary boom? Sections of the bourgeoisie who, unlike the U. S. Steel Corporation, are not employers of large masses of unskilled labor, fear crime waves, police expenses, and race riots between the native American and the foreign born workers, similar to the clashes which occurred in many northern industrial centres between white and negro workers during the post-war slump, due to the acute competition on the labor-market owing to the "scarcity of work." Some of the propaganda put forth by those interests in favor of the new immigration policy should convince even the most obtuse worker as to his slave status in capitalist society. It splendidly illustrates the ruling class point of view concerning their fellow humans. For instance, the national Immigration League is out for the removal of present restrictions, and suggests callouses on the hands as the best test of the immigrant's fitness. "The more calloused the hands of an adult male immigrant, the more desirable he is."

The Liberal Immigration League hold that the "need is not for voters but for workers." Where does Harding's "pure democracy" fit in under the L. I. L. dispensation? The same organization suggests that aliens be put on probation for five years; those who make themselves undesirable to be liable to summary pedortation! What a glorious prospect

for the immigrant, flying from the ills he knows, to those he wot not of. Yet another league demands that the government have the right to "distribute," "educate," and "supervise" the alien, and suggests that the literary test be abolished. Education, no doubt, would be along lines calculated to increase the volume of mass production, with appropriate political indoctrination conducive to standardized citizenship, the preservation of established institutions, the main feature of the curriculum being inculcation of a profound respect for the sacredness of capitalist property rights.

We learn on the authority of the N. Y. Journal of Commerce, that "the unemployment situation in New York City industrial area is at last reduced to normal proportions." Normal proportions have been shown by long experience to be 100,000. "There are approximately that many without work in the city now." (March 1923). On the basis of the New York figures, the normal proportion of unemployed in the U. S. A., in times of prosperity, would number a million. Prosperity, therefore, arrives when there are only one million in the industrial reserve army.

What are the chief factors responsible for the business prosperity now blooming in the U. S.? Have the fundamental conditions of capitalist production altered to such a degree as to warrant the optimism of the permanent prosperity prophets? Many and varied are the opinions given as to the causes of the present expansion of business. Some cynics there are, and at least one journal of current comment which ascribes it to the flourishing condition of the bootleg industry, termed "America's largest single industry." The smuggling of foreign liquors, the "manufacture and distribution" of the native "moon," corn, dehorn, jackass, mule, seat and synthetic brands of hard "licker," employs an enormous number of workers, whiskey detectives, disbarred attorneys, druggists, and others who would otherwise flood the labor market. This industry, not requiring a large expenditure in constant capital, and returning large profits to the entrepreneur, appeals to the imagination and initiative of American and other workers who desire to succeed in life and become men of importance and influence in the community.

The above viewpoint may be worthy of consideration by students of economics. It should at least provide to the dry advocates material for a slogan such as "Prohibition and Prosperity go hand in hand." The Washington Post informs us that only "3% of the total American production is exported to Europe," that the U. S. A. is independent of the European market, the domestic consumption of the U. S. being equal to the present rate of production; ergo: permanent prosperity. On the other hand, there are other authorities who consider the present European situation as advantageous to American export trade. The best informed trade journals, both American and British, ascribe the present industrial activities to the remarkable expansion of the constructional industry, which has been, and is, the backbone of the boom. Advancing prices, which in turn tends to increasing capitalisation, lead some

(Continued on page 8)