

## THE EUROPEAN SITUATION

THE intellectual development of a people follows the industrial development, but not necessarily close at its heels. In fact, many things may intervene to nullify this premise. It is quite logical to conclude that a working-class, given an opportunity to observe the changes brought about in the evolution of the machine, as well as in what Veblen, in one of his essays, terms the "immaterial equipment" without at the same time, being compelled to absorb the class propaganda disseminated by capitalist institutions, would be much more susceptible to Socialist teaching. The baneful influence of school, church, press, and movie tend to counteract the intellectual results that, otherwise, would naturally be expected in those industrial centres where the machine has attained the highest degree of perfection. A comparison of the Russian worker, both peasant and artisan, with those of his class in Western Europe will assist in making clear this deduction.

The answer to our query in last issue regarding the revolutionary potentialities of the British workers is dependent upon due consideration of the above factor. Judging by all the data available on the matter, the workers of Britain would easily be acquitted of the charge that their programme is immediate socialization of the means of wealth production. Despite the fact that social unrest is prevalent, and occasional outbreaks of a rebellious nature indulged in, the evidence points strongly to a lack of class education sufficient to assume control of the powers of state.

Many political and industrial organizations have had their inception in recent years, but, in the exceptional instances where these have been of a scientific character, the progress has been decidedly slow. Much ado is made, in radical circles, of the late victories of the Labor Party on the political field, as well as the peremptory demands of the "triple alliance" of railway, mine, and transport workers in regard to the conditions in which they toil. A close examination of such "victories" disposes of any semblance of the benefits expected to accrue.

The British Labor Party, always conciliatory, compromising and confusionist in policy, is more so at present than ever before. This condition accounts for its recent popularity. As the "Labor Leader"—the official organ of the party—has admitted in a late issue (February 14th), "All sorts and conditions of men are joining the Labor Party. It is becoming a refuge for disappointed politicians, for disgruntled public servants, and for ambitious place hunters." Former members of Liberal and Unionist parties are deserting their former affiliations and joining the ranks of this hybrid collection of political opportunists who seek to harmonize all class antagonisms in the interests of the ruling class. The boast that a Labor Government will succeed the present administration may well be made. Their platform is one that invites the co-operation of all sections outside the revolutionary element. But we will venture the prediction, which is not in the nature of a prophecy, but a logical deduction from the premise, that should the Labor Party be successful at the next election, the capitalist system will be given a new lease of life in Britain with better prospects for the future than any other section of civilization, not even excepting the United States. All the nostrums, and palliatives imaginable can then be inflicted on the working masses by their paternalistic rulers, and a lengthy period is likely to ensue before the effects of such a programme proclaim its utter futility.

Many are prone to have faith in the fact that some of the leaders in the Labor Party are working men themselves and can, consequently, be relied upon to act honestly and wisely. Our friends of the I. W. W. and C. L. P. on this side, are so insistent upon an exclusive proletarian membership that even those who follow the professions are either denied admittance or prohibited from holding official positions in these organizations. The ratiocinative idiocy of such a policy is well portrayed in recent events in Germany, where Ebert, the harness maker, is leading the reactionary forces, while Dr. Liebknecht, Dr. Cohn, and Dr. Levy, alternately occupied positions at the helm of the revolutionary movement.

On the industrial field the same lack of Socialist knowledge is displayed. Fiery speeches and spectacular actions do not serve to alleviate the effects of class ownership of the means of life. One Big Union, or ten big unions, can be of little avail unless the nature of the class conflict is understood by those who participate in the struggle. At the Glasgow Congress in September, the miners overwhelmingly decided to "compel the government to nationalize the mines." Now, they have voted to rescind this resolution, and concentrate their strength on the coming elections. Given a Labor Government and we can expect an extension of nationalization to the mines, land, railways, slums, etc., but none of the changes contemplated can have any effect, nor are they intended to have any effect on the commodity nature of labor-power.

Outside Britain there is only one solvent state in Europe today. That one is Russia. This vast storehouse of agricultural, mineral, timber, and other treasures is apparently on the threshold of a remarkable era. With the establishment of peace Russia gives promise of becoming the most prosperous section of the world. A social structure based on production for use; an industrial mechanism practically unimpaired by the ravages of war; and the development of a technique in production and politics, peculiarly adopted to recent changes, leave the Russian situation one of momentous importance to all students of society.

Even the great financial problems that are now agitating the minds of European statesmen, and presenting impediments that baffle, surmounting, are almost absent in the case of Russia. Only in the commercial relations with other countries is gold really essential and, even here, its use will soon be obviated by exports of foodstuffs and raw materials. The concentration of foreign business transactions to a department under control of the "Council of People's Commissars," reduces the exchange of commodities to a minimum of expense and complications and, obviously, means a great advantage over the capitalist method of private competition, involving thousands of industrial and mercantile concerns, with a consequent army of officials, accountants, salesmen, diplomats, missionaries and other superfluous appendages.

Trade between other European countries and Russia is advancing steadily regardless of the fact that the Allied methods of tyranny and coercion have not been suspended. Financiers and statesmen are beginning to realize that the results of the "blockade" are very different from what was intended, and that a further cessation of trade relations, instead of starving Russia into abject surrender, would only mean commercial suicide to the Allies themselves. The Soviet Government has business representatives in London, Berlin, and Paris, and the bankers and manufacturers of these centres are soliciting trade with the knowledge and approval of their respective governments.

The economic and fiscal maladies of France are well known to every student. On this soil was the chief trusting place of nations for the period of the war. The truculent embraces of Latin, Slav, Teuton, and Saxon were not conducive to settled and prosperous conditions. The property of the French capitalists was mercilessly immolated through the predatory proclivities of both friends and enemies. 600,000 industrial workers were lost in the struggle. As many workshops and factories were destroyed. Regions were laid waste which in the year previous to the war had contributed 94 per cent. of the wool; 90 per cent. of the linen thread; 90 per cent. of the minerals; 70 per cent. of the sugar; and 53 per cent. of the coal produced. Besides, two-thirds of the wheat-bearing area was devastated; the transportation industry seriously dislocated; and a large section of the mercantile fleet was sunk by mines and submarines. With these catastrophic changes a lengthy period will be required for reconstruction in France. Much has been written by American financial correspondents regarding the early shipment of gold in payment of the French Government's share of the Anglo-French loan which matured in October, but this radiant assumption, so far as France is concerned, cannot materialize for some time.

Germany is still in a state of chronic industrial

depression and, in all probability, will be till the complete elimination of the present ruling class, and the adoption of something approaching the Russian standard in politics and industry. The resumption of production is proceeding slowly, and so badly has the industrial gearing been shattered that even in those industries where a larger number of workers are employed, the output is still very far below pre-war mark.

It is usual to look upon Germany as a commercial upstart of one generation. On the contrary, German influence has been felt in international trade for a full century. "Soll und haben," a business novel, written nearly seventy years ago, reveals that, even then, Germany was no amateur in a commercial sense. The house of "Schroeter" was typical of many business establishments, employing large staffs proficient in language, geography and history, and especially equipped with a knowledge of the habits and customs of foreign customers, particularly those of South America, Africa, and the Orient, where trading opportunities were then being noticed.

In the realm of finance, however, Germany never was a formidable contender for the laurels of Britain. She had no incentive to be. The great natural resources, supplying materials of all kinds utilized in the productive process, had to be first developed, and until the transition was completed, Germany would be left in the position of a borrower, while her commercial competitor, with her own resources exploited to a high degree, and dependent for raw material on other parts of the world, was holding the purse strings of Europe.

As for the remaining states, and principalities of Europe, they can be collectively assembled under the heading "Closed for alterations." A few months ago an emissary appeared in America in the person of Sir Geo. Paish, noted editor of the London "Statist," and some authority in the financial world, to float a "startling" loan of 15 billions of dollars on behalf of bankrupt Europe. First, the peace conference appraised the crimes committed by the Teutonic Allies at 120 billions of dollars, which they decided those vandals must pay. The solution of this paying problem is one of the really humorous situations emanating from this sordid tragedy. The only conceivable method by which the debtors could recompense their debtors was by borrowing money from the recipients of the indemnities and paying them back out of the funds so borrowed. Funny as such an adjustment may seem, it is still the only possible means of settling accounts.

As shown in our last the wealth of the world is produced wholly by the working class. These values consist of things good to eat, good to wear, good to look at, etc., and are consumed as produced. This wealth, the result of "matter" and "labor," when consumed has passed out of existence. There is nothing left to pay for it because anything tangible, that could be construed as means of payment, would be itself included under the heading of wealth. All that can remain is a mess of figures, representing what is gone, and these persist in accumulating until someone with the moral turpitude of the Bolshevik appears and erases the figures. But this rude cleaning off the slate destroys nothing of value. It merely wipes out charges on posterity, and promises to pay, which could be burned by the bale without destroying an atom of wealth. International commerce is a complicated affair, but international finance, as prepared and presented by bourgeois economists, is doubly confusing. Our next will tell the story of Sir Geo. Paish and his mission.

J. A. McD.

### Labor Defence Fund

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