

The International Money Lords

By A. E. C.

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Watch the financiers. This should be a cue for all militant Socialists. We are apt to concern ourselves solely with the doings of the industrial capitalists, forgetting that in most cases "the power behind the throne" is that of the gentlemen of finance. With the connivance of the Government, some amazing things have happened during the last few years; things which have meant nothing more or less than the establishment of an international money trust, placing into the hands of a group of cosmopolitan cambists the entire control of industry in this and other countries. The financier wields a weapon of practically unlimited power, able at will to create artificial money and bring into being fictitious capital. Of course, like all such weapons, this power is one that possesses dangers for the users as well as the people it is used against, but the fact remains that up to the present the financiers have wielded this weapon fairly successfully. There are, though, ominous signs of a financial crack-up. If we examine the international financial situation we shall discover the important parts banks play in our industrial life, which is not generally appreciated by the majority of the workers. From the relatively unimportant role of being merely bullion dealers with facilities for safe deposit, they have become vital organs of the capitalist system. With the wonderful development of credit they control for good or ill the whole mechanism of production.

Today, an important financial transaction is nothing more than a book-keeping operation performed by the banks, which may lend a thousand or a million pounds by merely crediting the borrower with that sum on their books. The bulk of payments today are by means of cheques; the cheques being exchange or "balanced" at the Banker's Clearing House, and the balances between the different banks adjusted by small transfers of cash. The last returns of the London Clearing House at the end of 1918 showed that the total dealt with was over £21,000,000,000. Outside of this there is the sums dealt with by the country bankers, yet the totality of tangible money in this is about £500,000,000 of which about four hundred millions are paper—money notes. At a very moderate estimate there is but one pound of real money behind every fifty pounds of money of account.

Our capitalists have been living in a fools' paradise during the war. Even before the war, the development of credit had reached a stage when a collapse might occur at the slightest dislocation. Only by strong Government measures was a first-rate financial crisis averted when the war's first alarms shook the capitalist fabric. Moratoriums suspended payments, issue of unlimited paper money; these were the things that saved the situation temporarily, but aggravated it permanently.

A period of fictitious war prosperity set in. Government loans were floated and subscribed, while thousands of millions were borrowed from the financial magnates. These millions were only arbitrary creations of credit, having no real wealth behind them, and merely constituting claims on the future surplus value to be produced by future workers. And so we have come to the pass when not only have we an enormous national debt of 80,000 million pounds, claiming interest to the tune of 400 millions per year, but we have the total capital of the capitalist class probably trebled and quadrupled.

All this inflated capital calls out for dividends, dividends, dividends! How can its voracious maw be satisfied? It cannot unless the workers acquiesce into deeper slavery than before. And even supposing the workers do agree to intensified exploitation, this vast mass of dividend-competing capital will, by its own struggles for profits, bring about a crisis which will envelop the whole of capitalism, unless by the establishment of a financial oligarchy or international

money trust it can eliminate competition among owners of capital, and by controlling finance artificially prolong the life of the system.

Whether this is possible is very doubtful, but there is undoubtedly an attempt in that direction. The bankers are drawing together, and the financial experts of capitalism are aiming their efforts in the direction of international control. At home the direction towards trustification is seen plainly from the following list of amalgamations:

London City and Midland and London Joint Stock Banks, now London City and Midland.

Lloyd's and Capital and Counties Banks, now Lloyd's Bank.

London County and Westminster, Parr's, Nottingham and Nottinghamshire Banks, now London County and Parr's.

Barclay's, London and South Western, London and Provincial, now Barclay's.

National Provincial Union of London and Smith's, W. and J. Biggerstaff, Bradford and District Bank, now National Provincial Union.

Bank of Liverpool and Martin's Bank, now Bank of Liverpool and Martin's.

Union Bank of Manchester and East Morley and Bradford Bank, now Union Bank of Manchester.

These amalgamations are but foreshadowings of still closer unions. Actually there are only two big interests in the banking world outside of the Bank of England. These are Lloyds and the London City and Midland. These two concerns have swept the rest up into their maw. Lloyds have acquired a controlling interest in the National Bank of Scotland and the London and River Plate Bank, whilst the London City and Midland control the Ulster Bank and the Belfast Banking Company.

Abroad the same policy is in full swing. Lloyds

EGYPT—A WHITE MAN'S BURDEN?

We take the following illuminating extract from a letter to the "Labor Leader," as illustrating the damnable methods of Imperialistic Capitalism and the havoc it is wreaking on its helpless victims, the prostrate peoples of backward countries. When will the white proletariat put a stop to the infamy?

The letter reports on the rising of the masses in Egypt as a protest against the desperate condition they have been reduced to by foreign capitalist exploitation.

"A British officer who abused the Egyptian flag (under which he serves) and shot the bearer dead, was spared by the crowd, as they were determined not to be put out by any provocation.

Considering the intensity of the provocation, and the dimensions of the rising, the very small list of British casualties (mostly military), compared to the appalling number of Egyptian victims and the extensive destruction of their property, shows the undoubted tolerance of the people and the peaceful nature of their movement. Yours etc., M. A. OMAR, For the Egyptian Association, Imperial Hotel, Russell Square, W. C.

SOVIET APPEALS TO PROLETARIANT

BUDAPEST, MAY 24.—That Hungarian Soviet Government has issued a call to the proletariat in occupied parts of the country to employ every means in their power to prevent counter-revolutions.

"International capitalism and Hungarian reactionaries are fighting us to break down the proletariat dictatorship," the manifesto said. "The anti-soviet government at Szegedin, 100 miles southeast of Budapest, is trying to raise a White Guard. Thus the armed class war continues. We

have acquired controls of banks in South America, and through their subsidiary Lloyds Bank (France) and National Provincial Bank (France) are opening offices in Belgium.

Barclay's Bank, by their amalgamation with the London Provincial have obtained an interest in Cox and Co. (France), and they have concluded intimate working arrangements with a number of foreign and colonial banks, the British Bank of South America, Ltd., the Banca Italiana di Sconto, the Irving National Bank of New York and others. The London City and Midland and the London County Westminster and Parr's each combine an Irish bank, while the latter possesses a French subsidiary and branches in Spain. William Deacon's Bank have entered into a working arrangement with Anglo-South American Bank and the London and Brazilian Bank, while clearing banks are interested in the British Italian Corporation and the British Trade Corporation.

And so the process of amalgamation goes on. All this is going on at the surface and must be only a faint clue to the real trustification that is going on secretly in the conclaves of the world's financiers.

At present the money lords hold the reins of power. Meanwhile the storm clouds are massing on the capitalist horizon. The very foundations of property owning society are rocking.

The choice is clear to all who can observe. It is the Social Revolution or the establishment of a world-wide oligarchical tyranny which will pale the fiction of Jack London.

Marx spoke truly when he said that capitalism contained the seeds of its own destruction. Competitive and even trustified capitalism is no longer possible, but we cannot hide the fact that the shadow of the Iron Heel of Oligarchism overhangs us today.

On with our Social Revolutionary propaganda! With such a menace we cannot afford to be fatalists. Socialism or slavery is the choice.

call upon the proletariat in the occupied parts of Hungary to seize all the weapons at their command against the organization of counter-revolutions and make them impossible through sabotage. We call every proletarian to arms to defend the soviet rule against the onslaughts of capitalism."

The counter-revolutionary plot at Devacsark, in the Vesseprem country, which broke out May 5, has been suppressed, and three leaders were hanged. Four leaders in a counter-revolutionary plot discovered in Satoralya Ujehly (130 miles northeast of Budapest and in the rear of the Czech armies) were sentenced to twenty years in prison.

The commissary of war reports an encounter between a Hungarian and British gunboat on the Danube, in which the later was said to have been worsted.

THEIR TITLES CHALLENGED

Bob Smillie has demanded that seven great mine-owning peers in Great Britain, submit their title deeds to the property, for scrutiny. The income of the Marquis of Bute has been estimated at over £200,000 a year. He is the owner of 117,000 acres, including rich coal mines in South Wales. He is also chairman of the Cardiff Railway Company and director of the Rhymney Railway Company. The late marquis left over £5,000,000, and much of his wealth came from the Bute docks at Cardiff.

Lord Durham owns about 30,500 acres and he said at the coal commission enquiry that it would take a railway van to carry his title deeds. "Never mind," said Smillie bring them along.

WHAT IS SCIENTIFIC SOCIALISM?

The Manifesto of the Socialist Party of Canada:
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