

Current Topics : the European Tangle

ARTICLE III. BY ROBERT KIRK.

UNDER this caption in a previous issue of the "Clarion," we traced the disastrous effects of reparation coal upon the British coal industry. And it left us in a fairly safe position to assume the existence of a deadly rivalry persisting between merchants who are compelled to exchange goods, more or less alike in character, in the same markets. Innocent as this assumption will appear, it leads us straightway to the facts that are driving apart the coalition forces in British politics into two opposing camps, on this question of German reparations. One party, representing the manufacturers, are anxious to use Russia as a dumping ground for these goods—or, failing this, to abrogate that part of the "peace treaty" relating to indemnities. For they now know that any payments in kind that Germany is forced to make for "allied" countries are, with few exceptions, the very things that are manufactured in Britain. While the low cost of production makes such German goods not only detrimental to prices and labor conditions in Britain, but also in the export markets where they are exchanged. By so using Russia, who will need, for years to come, many kinds of commodities in great quantities, these representatives think to remove the pressure of German competition from British industries and, at the same time, relieve the glutted condition of the markets already filled with reparation goods.

While the other party, representing a powerful group of financiers, and vested interests in foreign countries, with the resulting conflict of interests between domestic and foreign affairs, these politicians can formulate no clear-cut policy which would lead to "peace."

But my intention is not to deal with seum serenely floating on the surface of stewing beef. It may be skimmed off presently. Instead, I want to call the reader's attention to a speech made by Reginald McKenna, former chancellor of the British Exchequer, on the eve of a by-election at Leeds, Eng., lately. It is evidence which supports the British manufacturers' position. He said:

For my part, I think the paradox is capable of a single explanation. It is not the payment of the German goods which constitutes a menace to our trade, but the German capacity to pay us. We force labor conditions on the German people which enables them in competition with us to produce goods of every kind cheaper than we can. They must do this in order to pay their debts, and we insist upon the payment of the debt under threats of the occupation of their territory and a blockade. Thus we compel them to undersell us in every foreign market. We shall receive, it is true, our share of the German indemnity, which at its maximum would be about 80 million £ a year, but the condition which enables Germany to pay us this amount will enable her to imperil our export trade.

It is somewhat late in the day for a former finance minister, a present bank president, and director on the boards of several large corporations, to learn facts long known to members of the working class, who have pointed out such facts, times innumerable, from "soap boxes," platforms and press—and nowhere more emphatically than in the "Western Clarion."

One thing, however, McKenna and his tribe have yet to discover: British manufacturers can never again cut anything but a sorry figure, to use a colloquialism, in foreign markets. The immense concentration of capital, industry and transportation, which has taken place in Germany, France, Poland, and the mushroom nations of the Slav people, will make abortive any attempt to invade the European markets of the future. Russian and Belgian flax, raw material for the linen industry of Britain, will in future serve to expand the textile industry of France and Germany. Nor is it strange that this, and other industries, should pass from British control, when one remembers that it was the consequences

of former wars which put them there. Moreover, the Empire Emigration Bill, which has just passed through the British House of Commons, is an indication of this decline in British industries. It is not the agricultural element of the workers in Britain who are leaving their homeland, but the slaves of the machine. Thus one might be tempted to predict a return from an agricultural community to an agricultural community in five centuries, from the 16th to the 20th. But this is a digression.

The plot thickens. France, because of a wide dissimilarity in the character of her industrial output is in no wise inconvenienced by any quantity of reparations she can exact from Germany. Still more to the point, she will insist on Germany paying to the last centime for damages to French property through war, if she, in turn, is compelled to pay her debts to America and Britain. And this pot of hell-broth is kept simmering by America and Britain insisting on this payment: the former, positively, in thirty years; the other in that shilly-shally, compromising fashion, characteristic of British capitalists. A fact which serves the petit dame with an excellent excuse for blocking the British Government's attempt to compromise the French-German situation. This brings us to the French factors in our fascinating (!), but dry-as-dust subject for readers.

In France, since 1920, there has been no unemployment to worry the taxpayers, at any rate, not in the same degree that this problem has affected other countries. This has not been due to any unusual demand for French products, but to the presence of about 600,000 troops (1921 figures) in the occupied areas of Germany. They are on the payroll of the German government. Otherwise they would be unemployed French workers. It might be as well here to mention a fact not without some importance in national economies. French silks, wines, and woollen goods are more often in demand than, say, English beer or cotton goods. The former are for the consumption of the rich, highly-esteemed demi-mondes and apple-paree parvenus of capitalist society, whose more or less assured incomes and extensive credit accounts will allow them to indulge their capacious appetites for such goods under any circumstances. While only in the more prosperous times—war times—can the British working class, as a whole, afford themselves such necessities as beer and cotton goods. But I am getting too far away from the subject, and the Editor will come down on me with a mighty hand.

Throughout every conference of 1919-1920, France posed as the champion of "the rights and liberties of little nations." Afterwards, when these abstract notions were agreed to by the Supreme Court of the League of Nations, and vindicated by force of arms, this quixotic character received its awards from the little people. They became the dumping ground of France's quantum of reparations, and new spheres for French Imperialism: to exercise itself in.

One of the first steps which a newly-formed nation will take is to organize an army to carry out the mandates of the ruling class. This army can be raised over-night, as in some instances. But the equipment of such a force, unless the industrial character of the nation is equal to such a task, can never be carried out in such short notice. Up to the close of 1918, Czecho-Slovakia was a province under the domination of another government (Austria-Hungary). At this time she had neither an army nor a political tradition of her own. Yet in the Spring of 1920, she was in the field exercising both, under the tutelage of French imperialists, while Poland was likewise assisted in her fight for the possession of Upper Silesia, and the extension of her border lines into Soviet Russia.

Not only in Europe has France been busy with

schemes for the exploitation of her newly-acquired possessions, but also in the near East, where French supplies have reinforced the troops of Turkish nationalists against the imperial troops of Greece. The latter have been assisted by British imperialists who figured:

"That a restored Russia with any new disposition of Constantinople and the Bosphorus would make a greater Greece controlled by England vital to British predominance in the eastern Mediterranean, the route to India."

Which suggests to a careful observer that the Intelligence Department of the British State, upon whose information foreign policies are often founded, is just as incompetent to judge of facts as the puppets of the capitalists class who are posing as statesmen today.

The chief obstacle which obtrudes itself in this Franco-German situation is a question of how the German shall restore the devastated lands and buildings of France. Germany, in 1920, proposed to carry out this work with German labor and materials. But this, under capitalism, is an outrageous proposition, preventing, as it does, the participation of French contractors sharing in the profits which would follow a great building boom, as well as preventing many skilled craftsmen in France from sharing in a job. Instead, the French capitalists propose that these claims shall be met with gold cash payments. This would allow them to procure cheap, German material and finishings for such a project; and the difference in exchange rates between France and Germany would leave the French contractor with a wide margin of profits, much wider than it would be were they to use French materials at present costs. In fact they could use this gold as a lever to bring down prices, wholesale, in France.

An explanation of this is necessary, but, for obvious reasons it must be carried over into the next issue of the "Clarion", when we will deal with the effects of the Versailles Treaty upon German industries.

"CARRY ON."

(Continued from page 1)

knowledge, can gain and hold their attention as no mere spell-binding popularity-hunting ignoramus can. The need is for more comrades to tackle the pick and shovel work of the movement, do the chores as it were, and they can supply that need from the soap-box, functioning as recruiters for the larger meetings at which the ground work of education they have laid can be enlarged upon and completed by other speakers. That will be organized team work and cannot fail to produce results.

The gathering of knowledge merely for self-gratification does not earn for one the title of "comrade." That is reserved for him who gathers knowledge for the purpose of scattering it over as wide a field as possible, with the object in view of making more Socialists, and red ones at that. That is what we are organized for, and he who does not "carry on" or help those who are doing so—he is no comrade of ours.

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