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The Scramble for Oil Among the Nations

Editor's Note.—The following article is reprinted from "The Nation" (New York), May 18th, 1921. It comprises the fifth of a series of ten articles to be printed in that periodical under the title "No War With England." While there is an evidence here and there in these articles of the nationalist point of view, they constitute nevertheless a valuable guide to the understanding of the immediate causes prompting international policies. Readers will do well to consult F. T. LeClère's "Economic Causes of War" for a comprehensive grasp of the Socialist viewpoint in this connection. See Literature Price List.

PETROLEUM, in its short and stormy life as a commercial product, has had an extraordinary effect on human relationships. First used in humble lamps and stoves, and as a lubricant, it drove the whaling fleets of New Bedford and Nantucket to their last moorings. An age of prospecting and wild speculation resulted in the creation of the giant monopoly whose founder has been rewarded by the largest fortune in the world's history. The perfection of the gasoline engine, and the consequent development of the automobile, the motor truck, the tractor, and the aeroplane have fostered a series of great industries which have gone far to transform the life of peaceful communities, and are indispensable in war. Last of all has come the use of heavy oil as a fuel in ships, both under steam boilers and in internal-combustion engines of the Diesel type. This development, almost within the last five years, now causes danger to international harmony. As the "Manchester Guardian" has said, "The question of oil tends to overshadow all other international problems."

A vessel burning oil is far more efficient than one burning coal for the simple reason that a given weight and bulk of oil will produce more heat than the same weight and bulk of coal. In warships the advantages of oil are so marked that both America and British navies will soon depend exclusively upon it. Oil-burning destroyers enabled us to defeat the German submarine campaign; Earl Curzon said truly that "the Allied fleets floated to victory on a sea of oil." The Diesel motor ship is about 2½ times more efficient even than the oil-burning steamship. If it were certain that oil would be as plentiful and as cheap as coal, oil ships would drive coal ships off the seas as surely within the next fifteen years as steamships drove sailing vessels off the best trade routes in the past fifty. If, on the other hand, the supply of fuel oil is inadequate, those ships which have access to it will have an enormous advantage over those which have not.

When this state of affairs began to be apparent, about the time of the beginning of the Great War, it looked as if the United States would be enabled thereby to upset, if she wished, Britain's mastery of the seas. While hardly any oil is to be found in the United Kingdom, over 60 per cent. of the world's supply has for years come from within our borders. And it was Britain's large and cheap supply of coal, and her string of coaling stations around the earth, that had been one of the chief factors in her control of ocean shipping. Suddenly, by virtue of the invention of new technical processes and an accident in the distribution of natural resources, England saw the very foundation of her merchant marine and her navy about to slip away.

Although American oil fields are the best developed, they are by no means the only potential resources. More than one-half of the world's recoverable petroleum lies in two great areas: one in North America and in South American countries bordering the Caribbean Sea, and the other in Western Asia and Southeastern Europe lying about the Caucasus as an axis. These two fields are of nearly

equal importance. Strangely enough, they are not far from the two great interoceanic canals—Panama and Suez. In two per cent of the world's area rests about 30 per cent. of the world's future supply of petroleum, and about this two per cent pivot most of the forces of international politics today. There are also sizable deposits of oil on other trade routes—such as those in Borneo, India, Japan, and Argentina.

While we were resting in the knowledge of our resources, foreign companies went energetically and quietly to work gaining control of the undeveloped fields. The Mexican Eagle Company, a British concern, received large concessions in Mexico. The Shell interests, another British group, invested heavily in many parts of the world. The Royal Dutch Company, originally in appearance at least a Dutch concern, was formed to exploit oil in the Dutch East Indies. Behind it was the financial power of the Rothschilds. Later occurred a merger of the Royal Dutch and the Shell companies under British control, and the Mexican Eagle Company came under their wing. The Anglo-Persian Company was formed to exploit fields in Persia and the Near East, the British Government, on account of the needs of the navy, furnishing £2,000,000 of the capital and retaining control. This company now has close affiliations with the Royal Dutch-Shell. This gigantic aggregation of British oil interests, with its subsidiaries, now owns or controls a large share of the oil deposits in California, Oklahoma, Louisiana, Mexico, Trinidad, Venezuela, Rumania, Russia, Persia, Egypt, India, and the East Indies. Except in North America, most of its concessions are virtually so large as to exclude American companies from the most promising fields.

In the meantime experts of the United States Geological Survey came to disquieting conclusions. Perhaps 40 per cent. of the petroleum originally in the ground of the United States has already been exhausted, and if the present rate of production continues even without increase, our oil may be entirely gone in from fifteen to twenty years. Domestic demand, moreover, has risen so rapidly that for the past two years we have had to import more oil than we exported. In 1920 the excess of oil imports over exports was nearly 100,000,000 barrels, or over one-sixth of our entire consumption. And British interests, in close affiliation with the British Government, now have exclusive control, according to Captain Foley of the United States Shipping Board, of between 90 and 97 per cent. of the future visible supply of the world. A dramatic reversal indeed!

American interests quickly went to work to restore the balance. But they have found their pathway blocked. The Department of State, in response to a resolution of inquiry moved by Senator Gore, reported that while the United States had always maintained the "open-door" to foreign investors and purchasers in its own oil resources, other nations, by national ownership or exclusive concessions, had shut the door to their resources against American interests. It is the exclusive policy that causes the trouble. In the first place, American oil owners wish to protect their investments by substituting new and fruitful properties for those which are likely to run dry. In the second place, the United States Navy and the shipping interests want to be assured of a future bunker supply without the possibility of discrimination.

The chief area of dispute at present seems to be

Mesopotamia. Here the British group just before the war had received a concession from the Turkish Government, a quarter of which they had to share with the Deutsche Bank. After the war, the German share was claimed by Great Britain as part of the spoils of victory. France, however, put in a claim for the German share also, and eventually received it, in exchange for British control of the exploitation of deposits in the French colonies. This arrangement, consummated in secret at San Remo, cemented an Anglo-French oil entente, and American interests find themselves barred from the rich possibilities of Mesopotamia, as well as from a major part of the French market. Our State Department has protested on the ground that the open door must be maintained in mandatories. Great Britain agrees in principle, but maintains that since her concession antedates the war it must be recognized, open door or no open door. A long diplomatic correspondence has ensued. The real issue is that British companies have the oil, and that American interests want part of it. For us whose chief interest is peace, the important thing to remember is that in this crucial controversy there is a substantial identity between the British Government and British capital on the one hand, and between the American State Department and American oil interests on the other.

In his last annual report, Secretary Lane wrote that the oil situation "calls for a policy prompt, determined, looking many years ahead." He recommended three immediate governmental policies, one of which was a refusal to sell oil to any vessel under foreign registry if its government discriminates against American ships or oil interests. President Walter C. Teagle, of the Standard Oil Company of New Jersey, addressed these significant sentences to the 1920 convention of the American Petroleum Institute: "If foreign governments insist on pursuing the policy of nationalizing oil lands and reserving subsoil rights to be held under government direction; if they persist in attempting to keep all of their own petroleum deposits for their own future benefit, while relying upon the United States for a large share of their present needs; then, and in that event, this nation will have no alternative but to take cognizance of the attitude of foreign governments, and as a matter of necessary self-protection to consider the adoption of means reciprocally to conserve its petroleum resources for its own people. . . . With its position in world trade and the economic and financial weapons ready to hand, the United States could undoubtedly compel a new allotment of foreign territory so as to give it a share of what other nations are proposing to keep for themselves."

As if in response to these statements, Secretary Daniels as one of his last official acts wrote a letter to the chairman of the Senate Committee on Naval Affairs, recommending the passage of a bill which would give the President power to impose an embargo on exports of oil from the United States, whenever in his opinion the situation should warrant such an act. Although this measure is only one of the "economic and financial weapons" which Mr. Teagle must have had in mind, its application alone would be drastic, since it would forbid the British companies from exporting their own oil from their extensive properties in the United States, an act which our Government would strongly resent if it were applied against us by any other nation.

Statements about "nationalization" of oil are ordinarily understood to apply to Mexico, and no doubt they do, in part. But we must not forget that the quarrel over Mexican oil is a three-cornered

(Continued on page 6)

Concerning Value

By H. M. Bartholomew.

Article 7.—"Supply and Demand"

WE come, now, to a consideration of a theory of Value which occupies, in the popular mind, a unique and prominent position. The theory of "Supply and Demand" is at once so simple and the facts of every-day experience are in such apparent accord with it that this theory summarizes the average man's knowledge concerning value.

Lord Lauderdale, in his "Nature and Origin of Public Wealth" (a book written over two centuries ago) states the case for "Supply and Demand" in a clear and forcible fashion. He tells us that:

"With respect to the variations in value of which everything valuable is susceptible, if we could suppose for a moment that any substance possessed intrinsic and fixed value, so as to render an assumed quantity of it constantly, under all circumstances, of equal value, then the degree of all things, ascertained by such a fixed standard, would vary according to the proportion betwixt the quantity of them and the demand, and every commodity would of course be subject to a variation from four different circumstances"—Ibid. p. 15).

He then goes on to analyse those "four different circumstances" and finds that "we express the value of any commodity" by the relation of "supply and demand"

If we turn to a recent exponent of political economy Prof. Nicholson, we shall find him stating:

"The general law of demand may be stated: As the price falls (other things remaining the same) the quantity demanded increases, and, conversely, as the price rises, the quantity demanded decreases."

"The law of supply in its general form is the exact counterpart of the law of demand. As the price rises (other things remaining the same), the quantity offered for sale decreases, and, conversely, as the price falls the quantity offered increases."

"If we examine the law of demand and the law of supply we arrive at the equation of demand and supply, which may be formally expressed: In any market the price will be so adjusted that the quantity demanded will be exactly equal to the quantity offered at that price. The force by which the adjustment is made is competition."—"Principles of Political Economy," vol. 2, bk. 3, ch. 4.

A careful analysis of the above statement reveals the fact that no mention is made of exchange-value. One of the latest exponents of bourgeois economy tells us that "price" is determined by the relation of supply to demand. Since the searching analysis of Marx, economists have been exceedingly careful to differentiate between price and value—at least in theory. For instance a recent writer, J. A. Hobson, says that:

"So long as supply exceeds the demand, the price falls, so long as demand exceeds supply the price rises. The market price is at the point where supply is equal to demand."—"Science of Wealth," p. 200. (Emphasis mine).

Nevertheless, all through this book and many others of a similar character, the words "value" and "price" are interchangeable, and are treated as synonymous. This is especially noticeable in the first chapter where Hobson, on the same page first confines wealth to "marketable articles taken at their market value" and then tells us that he is "reckoning wealth by market prices."—Ibid. p. 11.

This confusion of terminology does not lend itself to clear thinking. When a prominent publicist confuses "value" and "price" it is small wonder that the average man and woman considers that the value of any given commodity is determined by the "relation of supply and demand."

In a previous article we saw that price is the gold-

name, or the money name for value; that all prices may rise or fall, but that all values cannot do so; and that gold is a medium of exchange and a measure of value.

But let us examine this theory of "supply and demand" a little closer. Is the exchange-value of a commodity determined by supply in relation to demand?

Supply and demand is not an inherent property of a commodity. It is not something contained in a commodity, nor is it something in any way connected with its production. In other words, the properties of a commodity are in no way affected by supply and demand. There is no "common something" embodied in a commodity which can be called its supply and demand, for the very simple reason that no commodity contains in itself, the conditions of its supply; and it does not contain its demand.

Moreover, if we approach this question from another viewpoint we shall find supply and demand function from opposite directions. When the supply increases then exchange value falls, when the supply decreases then exchange value rises. But suppose that supply and demand are normal, or cover each other. In such conditions what determines the value of a commodity? If the "Vulgar economists" are correct in their reasoning then in such circumstances, when supply and demand balance each other, the value of a commodity would be nil. We know, however, that commodities always possess some value in exchange, and it follows therefrom that there must be something which determines value when supply and demand balance each other. And it also follows that if there is a "common something" which determines the exchange-value of a commodity when supply and demand no longer function, that supply and demand cannot determine the exchange-value.

We must find this "common something" contained in a commodity and which is at once the source and the measure of its value irrespective of the relations of supply and demand. We have seen, in our previous analysis, that there can be only one "common something"—social, abstract labor.

If, then, the exchange-value of a commodity is determined and measured by the quantum of social human labor embodied in that commodity, it is simply puerile to point out that "supply and demand" is the "common something" wherein may lie its value.

Nor should we forget the important fact, which is illustrated by thousands of examples in modern production, that the same commodity, under identical conditions of supply and demand will possess different values at different times, due to a change in the conditions of production. Indeed, practical experience as well as logical reasoning reduces the theory of "supply and demand" concerning value to absurdity.

In spite of these facts, however, there is a remarkable consensus of opinion that even if supply and demand do not determine and measure exchange-value, that supply and demand must have some influence upon that value. But the confusion to which this consideration is due, is apparent, and not real. It is due, as stated above, to a confusion of terms, to the loose employment of "value" and "price" as synonyms.

We have already explained that value and price are different and distinct categories. If we remember that distinction we shall at once realize how great is the mistake of those who persist in stating that supply and demand influence value. Supply and demand operate in the sphere of circulation; the value of a commodity is determined in the sphere of production. The competition between buyer and seller in the sphere of commodity-circulation influences the price. This price oscillates about the value as its normal resting place, and to which it constantly gravitates. Mill, despite his inveterate eclecticism and his self-contradictions, sees something of this when he tells us that "exchange-value gravitates

towards "Cost of Production," despite "the perturbations of value" due to "supply and demand," yet:

"The condition of stable equilibrium is when things exchange for each other according to their cost of production, or, in the expression we have used when things are at their Natural Value."—"Principles of Political Economy," bk. 3, ch. 3, No. 2. (Emphasis Mills').

Thus, after many pages of self-commendation and self-contradiction, we find Mill stating that value is the "point of gravitation" round which oscillates the price. He argues from false premises, he employs "value" and "price" as synonyms, he asserts and contradicts, but, in the long run he admits that there is a "condition of stable equilibrium" when "Things are at their Natural Value." This "Natural Value" which is the normal (and "stable") condition is determined by "cost of production." This favorite phrase need not alarm us, for he tells us that:

"The component elements of Cost of Production have been set forth in the first part of this inquiry. The principal of them, and so much the principal as to be nearly the sole, we found to be labor. What a thing costs to its producer is the labor expended in producing it."—Ibid. bk. 3, ch. 4.

And this "wonderful" conclusion after many pages of "scientific" outrages! It is something for Mill to concede, however, that supply and demand do not regulate "Natural Value" (a cumbersome equivalent for exchange-value), but that this value is determined by "the labor expended in producing it." But when he adds that "the perturbations of value" (by which he means the changes in price) gravitate towards this "Natural Value," then his concession knocks the foundations from under his own elaborate theory of value and silences those disciples who gravely tell us that "value is determined by supply and demand."

Leaving Mill and his "natural price" to rest in peaceful silence, we find that supply and demand influence the price of a commodity, that this price oscillates about the value as its normal resting place. That is why, when supply and demand cover each other, price and value coincide. That is why different articles under the same conditions of supply and demand exchange in an infinite number of ratios to each other. Finally, that is why a given commodity will, under the same conditions of supply and demand, have different prices if there has been a change in the methods of production.

Despite the noisy vulgarity of bourgeois economists, the Marxian theory of value still stands supreme. Neither "final utility" nor "supply and demand" can upset that theory. By following these vulgarities, we land in confusion, and are forced to adopt conceptions of social progress which land us in the camp of the capitalist. If, on the other hand, we relegate these "theories" to the museum of antiquities and adopt the Marxian concept of value we find that our analysis of capitalist production is clear and fruitful, and that we are enabled to examine the tendencies of the existing social order with a deeper insight and a fuller knowledge.

No! Supply and demand cannot enter the sphere of production and determine the exchange-value of a commodity. We know that that value is determined and is measured by the quantum of social human labor, of which that commodity is the material embodiment.

Next article: "Summary and Conclusion."

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Book Review

REVOLUTION AND DEMOCRACY, by Frederic C. Howe. B. W. Heubsch, New York City. 238 pp. with index. Price \$2.

THE publishing house of B. W. Heubsch continues to be hospitable to the radical intelligentsia. I use the term radical in the broad sense as conceived in popular estimation, which lumps together all those manifesting varying degrees of non-conformity, from mildly protesting liberals to those calling themselves Socialists. The radical intelligentsia to a man, are strong critics of the present imperialistic phase of capitalist development. Monopoly control and sabotage of finance, industry and commerce, and control of the political state by monopolists and the directing of its powers into predatory and war-like policies, sets investigating minds and accusing pens to work. The result is, many books containing much useful data, even if often served up with a mish mash of economic and political theory.

"Revolution and Democracy," by Frederic C. Howe, is the latest book of this kind to hand. The author according to publishers' announcement has, during the last fifteen years, published a series of works on "constructive democracy: on what was being done in different countries to control the power of privilege and divert the gains of civilization to the masses of the people." As for myself, speaking as a proletarian, sorry the doing, methinks! But Dr. Howe does not view the social problem from that lowly proletarian level; the exploited masses of the people include, for him, the middle class of farmers, small business and professional callings. These people sense a subordination in status and decrease of social prestige, owing to loss of economic opportunity since the order of free competition gave way to the order of special privilege and monopoly control. The caste system is here in the U. S. A. we are told. As the jargon has it, stratification has set in. It is the sentiments, the protests and social aspirations of this class that Dr. Howe and the radical intelligentsia express in particular, though they voice a general protest and conceive that all other sections of the socially submerged would benefit equally from their proposed reforms. And so, though his book, the product of a trained investigator who is also a lucid writer, contains a great deal of much needed data and information as to the growth of monopoly privileges and imperialisms, the proletarian will not find in it a thorough-going and devastating criticism of the fundamentals of capitalism. It is true that the general scheme of social life and activity today is shown as shaped by the economic interests of a privileged class, but middle class prepossessions appear to be firmly held to. The golden age of man's sojourn on earth is taken to be the early days of the nineteenth century, when an approach to equality of opportunity is presumed to have prevailed. To quote: "Fifty years ago there was an approach to equality of opportunity. Competition was the prevailing note in industry. Business was organized in small units. Men worked willingly. Values were fixed by production costs. Nations were largely self-contained. International finance was limited to the settlement of trade balances. There was equal access to the raw materials of the world. Imperialism was confined to a few subject countries. Freedom was the prevailing note in trade, in commerce, and in industry. This was true not only in America; it was also true of Great Britain, France and Germany, as well." Verily, that is the past strained through the mesh of imagination; thus is history rationalized.

In spite of much current sociological paraphernalia, of Guild Socialism, co-operation, labor partnership, single tax, socialization of transportation and means of communication, the economic and political theories of Dr. Howe have as a philosophical background the beliefs of the eighteenth century in an "Order of Nature." This is evidenced both by his frequent use of such terms as a "natural" order of society, "nature's laws," as applied to society, as well as by a chapter, under the caption, "A Natural Society," which he devotes to contrasting the principles of such a society with what he calls the "artificial" principles of all political societies that ever existed,

past as well as present. The Order of Nature theory is a figment which I have no space at present to discuss. Despite the author's animus against political society, no fundamental reconstruction of society upon new bases can be looked for in his social programme. For, contained in it, is the retention of private property in the means of production, the very basis of political society, though ownership is to carry confiscatory liabilities on all values produced over and above a just reward for enterprise: a reward, which somehow, is to automatically establish itself in the free play of competitive conditions in industry. The confiscated surplus or differential values which accrue from the monopoly control of location, lands, mineral resources, timber stands, etc are to be taxed, as economic rent, into the social treasury to meet the needs of society. Land and natural resources, which are not in use are also to be taxed until the owners put them to use or forfeit them to the State, which will hold them free for access to all—to all with the necessary capital that is. For we are to have free credit—for "men of resource, ability and integrity." And so on and on in close accordance with the single tax programme with which the reader may be more or less familiar. "Freedom, mental as well as economic, would," he says, "be the great gain from the change. It would react upon the mind of America. It would enable men to be home owners instead of tenants. Home owners have always been free men. It is this that lies back of the democracy of France. It is this that explains the democracy of Denmark. It is this that gave birth to the new Irish movement, just as it is this that has made Australia and New Zealand the democratic countries that they are." (Emphasis mine):

Truly distance in space, as well as time, lends enchantment to the view. Dr. Howe looks as romantically upon peasant proprietorship and colonial life as he does upon the early nineteenth century "free" competitive system. What, I suspect, he does see in the latter is not the real life and economic conditions of that period, but the hypothetical, highly normalized competitive system of the classical economists as elaborated in their works. In those works, the system of free competition reigns supreme, and all who possess thriftiness, honesty and ability may have access to the means of production, the producer gets the full product of his toil, the employer, in forwarding his own interests, serves the interest of the community, and the traders make an honest living by selling goods at prices determined by labor cost, and so also serve the common good. This was spoken of by the economists and publicists as the "normal system of economic life," the "natural state of man." And any advance or departure beyond this working ideal must be pruned back at all hazards; so it was conceived. (See Veblen's "The Vested Interests.") It is a pruning back to that ideal of economic lore that Dr. Howe and his fellow radicals have in mind, and in keeping intact the chief essential of capitalism, the ownership by a section of the people of society's means of life—a privileged class after all. The benefits of ownership, it is true, are to be limited by the regulatory control of the community. But, time and time again in this world's history, it has been shown that property interests gather around themselves social prestige, powers of persuasion, patronage and coercion, both open and secret, whose corrupting and intimidating influence have broken down all barriers to power. Competition is the mother of monopoly as the histories of all past societies on a property basis illustrate. And in the peaceful predation of the business world in modern times, monopoly is the normal outgrowth of business enterprise. What naive child-like optimism it is, that would voluntarily begin again the great historic experiment!

The ameliorative reforms of the radicals, however, despite their feint at the big interests, will find little support among the working masses, and with the passing days, less so. Changing conditions of economic life, whose full impact the workers bear at first hand, are breeding in their minds new ways of thinking and social ideals that look forward to the abolition of private ownership of the means of life, and the establishing in its stead, social ownership and control of economic powers. The workers' ideals are such, because the social nature of production, together with the anarchy that has resulted from pri-

vate control, do unremittingly bend their thoughts to that solution. And so, in degree of nearness to realities, the thinking of intelligent workers on social problems has left that of the radical intelligentsia far behind.

As in duty bound, I have taken exception to Dr. Howe's political and economic theories, yet I must praise and recommend his book for much valuable and informative matter contained in it. The Marxian Socialist may well clarify and sharpen his own ideas by studying his opponents theories, and, at the same time, take the material facts and conditions, the data, upon which Dr. Howe basis his attack on this latter monopolistic and imperialistic phase of capitalist development, and give to them a wider and deeper application than they were originally intended for. I give beneath the chapter titles to indicate the subjects treated in the book:

Labor, Coal, Food, Circulation, Land, Credit, Alien Capitalism, Opinion, Culture, Exploiters, The State, Politics, Overhead, Feudalism, Civilization, Sabotage, A Natural Society, Russia, Freedom, The First Step, Free Communication, Free Credit, Industrial Democracy. C. S.

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S. O. S. I

THE Clarion call goes forth to direct attention to its state of finances. The "Clarion" keeps its head above water mainly by subscriptions, and these have fallen off alarmingly in the past month or two, so much so in fact that we are faced with a difficulty in meeting printing costs. Look at our "Here and Now" list in this issue, total subscription list of \$38 since last issue, which represents about 31 per cent. of bare printing cost per issue.

"Clarion" readers will clearly see from these remarks that our prevailing mood is optimistic. But what is to be done to keep the paper going? Readers can help by finding new readers for us. And Locals can help in the time of present need by looking up their account with us. We need the money and we don't like to mention it but, as "Plebs" says in similar circumstances "as usual it's important."

The many letters we receive are complimentary to the "Clarion" and its work. It ploughed a lone furrow in the educational field in this country in the past during many years and its influence is felt and recognized. But when we communicate this cheerful news to the printer we find it brings no discount in the bill of costs. We want new readers and renewals from old readers. Look at the number on your address label. If it is 845, your subscription expires with next issue. Please attend to it.

THE "SAFETY FIRST" COMMUNISTS.

"A total absence of perspective, an unprecedented looseness of thought and debility of interest, a fathomless Philistinism, an unbounded cowardice of conception—these are the chief characteristics of the position taken up by the 'centre'." — (Zinoviev).

OPENING with the above quotation, a full page article, intended to be a criticism of the "Policy of the Socialist Party of Canada," appeared in "The Communist," volume 1, No. 1, May 1st, 1921. The place of origin is not stated, but the front page states "Published by authority of the Third (Communist) International in Canada." "Clarion" readers have already seen Comrade Harrington's review (see "Clarion," April 1st) of "The Communist Bulletin," "published by Canadian section of the United Communist Party of America." So far as we know, the copy then reviewed (vol 1, No. 1) of "The Communist Bulletin" represented the first and last issue of the paper, under that name anyway. The outstanding feature of "The Communist Bulletin" was a convenient ability in appropriating phrases originated for quite other purposes by other people, and an unhappy defectiveness in arranging them suitably to fit their new and strange setting. A self-imposed anonymity rendered this literary swiping a safe procedure, and under cover of hiding it was presumed, evidently, that as many revolutionary phrases, brave words and heroic utterances might conveniently and safely be printed as the page would hold.

But now, suffering a little from exposure no doubt, "The Communist Bulletin" has stepped aside and "The Communist" takes its place. "The Communist" claims authority for publication by the Third International in Canada. We have this to say concerning "The Communist" and the Third International, without prejudice to the latter,—if its

policies in Canada are really committed to the care of those responsible for this publication, then they are committed to the care of a group of men who are not familiar with the present state of mind of the workers of Canada, who do not know the history of the proletarian movement here nor its present measure of strength, and who cannot, in the safety of an obscure hiding-place, inspire confidence in the working class in the advocacy of boldly pronounced policies without evidence of responsibility. Revolutionary policies for immediate use cannot be promoted with the workers' confidence, having for their watchword "Safety First." And that is the position of these arm chair, war-like phrasemongers of "The Communist."

Now let us briefly attend to their criticism of ourselves. In relation to the S. P. of C. the tactics of "The Communist" are quite in line with its predecessor, although Comrade Harrington does not anywhere figure in the denunciation under its new appearance. Anybody who knows the history and propaganda of the S. P. of C. knows that the following statement is untrue: "When this party (the S. P. of C.) did succeed in electing party members to local provincial legislatures, they translated the principles of Marxism into waging a campaign for the exclusion of Asiatics from the country." The following statement, particularly that enclosed within the marks indicating quotation, presumably from us, we must leave to speak for itself. It represents either a deliberate effort at falsehood and misrepresentation or a clumsy attempt at editorship.

"The attitude of this party towards the industrial struggles of the workers can be correctly estimated when that peculiar 'theory' known as 'the commodity struggle' is taken into consideration. In order that the party should not take part in the struggles of the workers it was necessary to find some theoretical basis for their shrinking from actual struggle, so the theoreticians discovered a new sociological law which says: 'The industrial struggles of the workers are manifestations of the commodity struggle, a struggle between buyers and sellers of labor power. These struggles are not part of the class struggle, because only those who are conscious of the existence of a class struggle can take part in it. Therefore, it is the duty of all Marxians to leave the industrial struggles of the workers severely alone and concentrate upon the education of the workers to a recognition of the class struggle which would enable them to elect a majority of Socialist Party members to the House of Commons, and thereby achieve emancipation from capitalism.' Thus there grew up the conception of Marxism as being of a purely educational character which has been the policy of the Socialist Party of Canada until today."

Now where did "The Communist" get the idea of palming this nonsense off as having originated in our policies? And where did these inventive truth seekers get it that we "were blinded with the idea of a gradual, peaceful transition to Socialism by means of the election of a majority of 'scientific Socialists' to the House of Commons and the subsequent legislation of the bourgeoisie out of existence." That statement concerning us constitutes an item of news. But we are not given to future fancies. "The Communist" is, as usual, so far as we are concerned, in error. At election times we have always taken the position, as in our regular propaganda, that we are using parliamentary institutions for Socialist propaganda purposes. Here is where "The Communist" betrays a lack of knowledge of our propaganda and its history. They will help to save our space, which we consider to be of some value to the workers of Canada, if they will take the trouble to read our literature. Let us say at once that wherever we find a workman who is earnestly concerned over the interests of his class, let him call himself a Communist or a Socialist, we can cheerfully meet him on common ground for the purposes of arriving at a common understanding and for united effort. But let us draw the attention

of "The Communist" to the apt quotation they have innocently selected from "The Communist Manifesto": "The Communists disdain to conceal their views and aims. They openly declare that their ends can be attained only by the forcible overthrow of all existing social conditions." Now these people admire that statement. They say Marx and Engels "sum up proudly" by declaring it. Marx and Engels said it. They endorse it. But who are they? Marx and Engels, we take it, were just as proud when they signed their names to the document as when they wrote it. They had every reason to be. That was what was meant by the open declaration. But these people, while endorsing what Marx and Engels wrote and signed, fail to sign the endorsement. They have chosen in this paragraph the very best quotation in all Marxian literature, illustrative of their own nervous condition.

The desire, we assume, among Communists is for Communist unity. The general contents of "The Communist," vol. 1, No. 1, rather than making for Communist unity in this country will tend to disrupt the movement. If we are to have interpreted for us the policies of the Third International we prefer to have them outlined by our own members and comrades generally, whom we know through contact with us and through common experience. Up to date, their courage has kept pace with their utterances. Evidence of sincerity goes a long way with the working-class.

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PLATFORM

Socialist Party of Canada

We, the Socialist Party of Canada, affirm our allegiance to, and support of, the principles and programme of the revolutionary working class.

Labor, applied to natural resources, produces all wealth. The present economic system is based upon capitalist ownership of the means of production, consequently, all the products of labor belong to the capitalist class. The capitalist is, therefore, master; the worker a slave.

So long as the capitalist class remains in possession of the reins of government, all the powers of the State will be used to protect and defend its property rights in the means of wealth production and its control of the product of labor.

The capitalist system gives to the capitalist an ever-increasing stream of profits, and to the worker, an ever-increasing measure of misery and degradation.

The interest of the working class lies in setting itself free from capitalist exploitation by the abolition of the wage system, under which this exploitation, at the point of production, is cloaked. To accomplish this necessitates the transformation of capitalist property in the means of wealth production into socially controlled economic forces.

The irrepressible conflict of interest between the capitalist and the worker necessarily expresses itself as a struggle for political supremacy. This is the Class Struggle.

Therefore, we call all workers to organize under the banner of the Socialist Party of Canada, with the object of conquering the political power, for the purpose of setting up and enforcing the economic programme of the working class, as follows:

1. The transformation, as rapidly as possible, of capitalist property in the means of wealth production (natural resources, factories, mills, railroads, etc.) into collective means of production.
2. The organization and management of industry by the working class.
3. The establishment, as speedily as possible, of production for use instead of production for profit.

Materialist Conception of History

FOR BEGINNERS

Lesson 14.—The 1688 Revolution.

THE establishment of a commonwealth with a republican form of government under Cromwell was too weak, and lasted only two years. In 1660 Charles II. was recognized as king, but the restoration was only a truce. The Crown dared not seriously insist upon the prerogatives which it had previously exercised during the 16th century. When James II. sought to defy the classes represented in parliament he was easily deposed, and the royal office transferred to William of Orange, a son of commercial Holland, under a constitutional settlement which gave the Commons supreme power in legislation and taxation, and an effective control over the executive and judicial functions. It signified the political triumph of the bourgeoisie. Traders, brokers, bankers and speculators were carried into power.

This triumph was effected without the aid of the laboring classes of England. The king created joint stock companies, and granted subsidies and privileges. De Gibbin says in "Industrial History of England": "Commercial wars of Cromwell were supported both by the religious views of the Puritans and the desires of the merchants. Holland became the dominant power after Spain was defeated. Holland had created a colonial empire in the East Indies. She took the great Spice Islands and Ceylon and established factories on both the east and west coast of India. Amsterdam became the chief entry and distribution port for Oriental goods for Europe, with a large part of the world's carrying trade." We saw the civil war in England was from 1642 to 1648, a struggle of the rising capitalist class. Note that the Navigation Act was passed in 1651, three years after the civil war, which was aimed at the great carrying trade of the Dutch. Here was the new class expressing itself.

The following year, 1652, began the first colonial war with the Dutch. The republican government of England was weakened by the opposition of interests which began to show itself between the wealthy bourgeoisie and the poorer classes. It only lasted two years after Cromwell's death. In 1660 Charles II. was recognized as king; he was inclined to be tyrannical, especially near the end of his reign, under the influence of his brother, who afterwards became James II. England progressed during the reign of Charles II. Manufactories of brass, glass, silk, hats and paper were established. The post office, set up during the Commonwealth, was advanced in this reign. Roads were greatly improved and stage-coach travelling commenced, with the erection of toll gates, 1663, to improve roads for transit. Tea, coffee and chocolate were first introduced, and the Royal Society was established in London for the cultivation of natural science, mathematics and other useful knowledge.

I have said that the restoration of the monarchy was only a truce. When Charles died (1685) his brother James II. received the crown. When the monarchy insisted upon enforcing his will James II. was easily deposed. William of Orange (a son of commercial Holland) was invited to deliver the nation from James II. He accepted the invitation and, collecting a large force and fleet, landed in England in 1688. King James turned to the army and people with all kinds of promises to remove every measure repugnant to the constitution, but the larger part of the army went over to William, and James II. fled to France. The people declared the throne vacant and agreed that the Catholic line of descent should be excluded from the government and placed in the hands of William of Orange. Instructed, however, by the past, they secured the liberty of the nation against any future arbitrary acts by the "Bill of Rights."

This is what has been called by the English, "The Glorious Revolution of 1688." It was a victory for the rising capitalist class. Some of the most important articles of the Bill of Rights are the following: (1) The king cannot suspend the laws or their execution; (2) he cannot levy money without the

consent of parliament; (3) a standing army cannot be kept up in time of peace without the consent of parliament; (4) the subjects have a right to petition the crown; (5) elections and parliamentary debates must be free and parliaments must be frequently assembled.

The revolution was accomplished, but James did not yield without a struggle. Of this, Ireland was the chief scene. Besieging Londonderry in vain, he was signally defeated at the Boyne in 1690, and hastily returned to France. Here again we see protestantism the religion of capitalism, as is found in all the rising commercial and industrial centres of Europe during the Reformation. Six years after the revolution, 1694, the Bank of England was established and the Bank of Scotland, 1695.

The national debt was still too new for the government to increase it very much, and in 1694 Montague carried out a plan suggested by a Scotchman named Paterson. This was to borrow another million and a half and give the subscribers a charter, creating them into a National Bank, which was to do all money business for the government and get interest on their money. This banking institution has been a great success, as all government money passes through it. It keeps the bullion and masses of gold and silver until they are made into coins; it pays the interest on the national debt and lends money to the government when it is wanted, and did so during the great war when it had not the money to lend. It has become an institution of bookkeeping for the capitalist class. There were banks previous to that, such as the Bank of Venice (1191-1797); Bank of Genoa (1407-1797); Bank of Hamburg (1619); Bank of Stockholm (1668-1754), and the Bank of Amsterdam (1609-1790). They were banks of deposit; payments in business transactions during the medieval period were made by means of coin, but the inconvenience of handling and storing a large number of coins, with the risk of loss through over-valued or debased coins and theft, led to the establishment of these banks of deposit, where the coins were valued and locked up and the title of same transferred to the bank books. The modern banks, however, have given an impetus to commerce, because they can facilitate the circulation of commodities by creating credit, which circulates the same as money. The moving of the Canadian wheat crops is done in this way. Again we see in the bank establishment, five years after the revolution of 1688, an expression of the new class (the capitalist). The Tally money, which circulated for 600 years in England was made of wood of four inch diameter, with the value represented by the different size of notches cut out of the side.

There were 70,000,000 dollars in wooden tallies in circulation when the Bank of England was established. The bank then enjoyed the privilege of circulating paper money for the first time in England, but it was 1783 before the tallies were abolished. In spite of this act their use was not totally abandoned until 1826. Four years later heaps of them were burned in the furnace of the House of Parliament, which started a conflagration through a defective chimney, which completely destroyed the buildings. In 1697 when the capital of the Bank of England was increased by a new subscription (of \$5,000,000), four million dollars of the stock was paid for with wooden tallies at par. The merchant class, becoming wealthy, were now recognized as honorable. The word monger, which means dealer, comes from a root which means to deceive, so commerce and cheating seem to have been early united, and I am afraid are pretty close connected even today. The needs of enlarging commerce led to the organization of the banking institution. The lending of money for profit in the Middle Ages was treated as a crime. The trade in money was entirely in the hands of the Jews, who were long the objects of persecution. The trade in money was taken up in the 13th century by

the merchants of Lombardy and the south of France, who began the business of remitting money on bills of exchange and of making profits on loans. In spite of much prejudice the Lombard "usurers," as they were called, established themselves in all the chief commercial centres of Europe, and as the practical utility of their business was found very great, they finally overcame ancient prejudices which led to the earlier banking institution I have previously mentioned.

The more we study the period immediately before and after the English revolution of 1688, the more we see the new economic interests reflected in every important act of England's political policy. The commercial wars with Holland, 1664, over trade and the capture of New Amsterdam, now New York; the Navigation Act (which I have already dealt with), passed 1651; the civil war 1612-1648, ending with Cromwell becoming the dictator of the capitalists in the transition period; the East India Co. flourishing and paying dividends at 300 per cent in 1676; a charter granted the Hudson's Bay Co., 1670. The wool trade was placed in the hands of the Merchant Adventurers, 1634. It included 4,000 merchants granted charters 1604 and 1617. The manufacturing industry had grown to such an extent that the exportation of wool was forbidden in 1660 because home industry required all the home grown wool, and this act remained until 1825. The smelting of iron with coal began 1621. The above gives us some knowledge of the conditions preceding the revolution. Immediately after the revolution, as we have seen, the inauguration of the Bank of England, 1694, and the Bank of Scotland, 1695. A new and extended charter was granted to the East India Company 1693, the beginning of the National Debt, 1693, and the restoration of the currency in 1696.

Up to the time of the revolution of 1688, the land-owning class had been practically supreme in social and political influence. From that time forward, although they still held this high position, their influence was heavily counterbalanced by the mercantile class. The nation was divided into two parties, Whig and Tory. The commercial and industrial section was becoming more prominent, and although the reverence for the position of the landed class had not died out, the men who had gained their wealth through commerce strove for a higher social position by buying land in large quantities. Small farmers failed, being unable to compete producing under the old system of agriculture, the new system involving an outlay they could not afford. Farming on a large scale became necessary and this extinguished the smaller men; large enclosures were made by the landed gentry, and large sections of land were bought by the commercial class. De Gibbin points out that in England trade made a gentleman, and the power which used to follow land had gone over to money.

The union of Scotland and England in 1707 was brought about through economic causes. The heavy duties between the two countries, felt by Scotland because she was a poor country, obtained free trade with England on condition she would give up her separate parliament. Scotland had no second chamber because she had not developed enough industrially to create a strong commercial class, therefore the landed class ruled supreme in politics with a single chamber.

England engaged in further wars with France and Spain, all of which had some commercial object in view. The "Family Compact" between the related rulers of France and Spain, by which they agreed to take away South American trade from England, with a system of annoyance to English vessels trading in the South Seas (and the mutilation of Jenkins' ear), renewed war with France in 1739. The Treaty of Utrecht after the French war of 1713 gave England the right for 30 years to trade negro slaves

Continued on page 6

MATERIALIST CONCEPTION OF HISTORY

(Continued from page 5)

to the Spanish colonies. The Catalan people of North-west Spain who stood by England and her allies, assured that their liberties would be protected, were left to the mercy of Spain and were obliged to submit to Spain after a two years' struggle. An instance of protecting small nations. This slave trade and the opposition of Spain to the smuggling carried on by English vessels in Spanish America, and the desire of England to deprive Spain of her commerce with the Family Compact of King Louis XV. of France and Philip V. of Spain, was the economic forces behind the war of 1739. France was extremely jealous of England's trade and colonies, and urged Spain to gradually take England's trade away from the Spanish colonies. No one knew of the compact at the time (secret diplomacy), but it marked the beginning of the long struggle between England and France as to which should have the chief trade and colonies of the world.

It is never hard to find an excuse for war when it is desired. Spain quarrelled with England over the smuggling of British vessels and the English vessel going more than once a year, as stated under the Treaty of Utrecht. This war merged into the war of the Austrian Succession and the policy of the Balance of Power. England was in no way then concerned about the Austrian question, but it gave her an excuse to renew the war with France and Spain against the commercial growth of these two countries. This also led to the Jacobite rising under Prince Charlie. In 1748 the war ended with the Treaty of Aix-la-Chapelle, without any return the history says except the million dollars worth of treasure which Commodore Anson, who had been sent to plunder the Spaniards, brought back after sailing round the world. It also put an end to the intrigue of the Stuarts and brought an increase of Britain's power on the seas.

When the struggle of England and France died out in one country it cropped up in another, "all over trade." Trouble arose in India between the British East India Company and the French East India Company. The French were defeated by Robert Clive, a young clerk of the company, who had been sent out by his parents because he was too wild to control at home. The year that peace was signed in India war broke out in Canada over a dispute between the fur traders as to who should have the privilege of swindling the Indians. War broke out afresh on the continent, and the French seized the Island of Minorca, S. W. of Spain, before war was declared. Trouble arose again in India over a dispute between an Indian Prince and British traders. The French were victorious everywhere. Chesterfield (afterwards Lord Chatham) exclaimed: "We are no longer a nation."

The army and navy were reorganized under Wm. Pitt and England turned the scales, won Canada at Quebec, and became the ruling power in India under the Treaty of Paris, 1763. This was the period of the Black Hole of Calcutta incident. With the great commercial prosperity, and the need of increased farming and woolgrowing the landed class passed more Enclosure Acts, taking away more and more of the common lands. Between the years 1710-1760, 334,974 acres were enclosed, and from 1760 to 1843, 7,000,000 acres were enclosed. The workers' condition, with all England's prosperity, had fallen so low that in 1495 a man could feed himself with a greater stock of food with 15 weeks' labor on the farm than an artisan was able to obtain for a whole year's labor in 1725.

We have now reached the stage where the worker, being evicted from the land, becomes a proletarian, and we are now entering the industrial revolution which will be our next lesson.

PETER T. LECKIE.

THE SCRAMBLE FOR OIL AMONG THE NATIONS.

(Continued from page 1)

one, and that intervention by the United States would undoubtedly involve trouble with England unless a previous arrangement should assure her of what she might regard as an equitable share of the spoils.

Righteous argument will not cause either side to give way. How little impression it makes may be inferred from a passage in the speech of Sir Charles Greenway, Bt., chairman of the Anglo-Persian Oil Company, Ltd., to its last annual meeting. Speaking of the controversy with the United States, Sir Charles said: "I would like to refer to the pathetic account which was given recently in the press of the enormous sacrifices which the United States had made in depleting itself—not without valuable consideration, be it remembered—of its reserves of oil for the benefit of the rest of the world. This was made the basis for claiming that American producers are entitled to their share in future oilfields outside of America as well as the enormous ones in the United States and elsewhere which they already hold. I am now wondering when we shall see similar demands put forward by the Bolsheviks in regard to the oil supplied to other countries from Baku during the last 30 or 40 years and from the gold producers in South Africa and even from our own colliery proprietors for the gold and coal of which they have depleted themselves—for the welfare of the rest of the world!" (Laughter).

If there were a real League of Peace, its first business would be to internationalize the oil supply, conserve it for the most vital uses like lubrication and shipping, drastically limit its consumption in pleasure cars, and ration it among the peoples of the world according to need. There being no possibility of such a league while the Anglo-Persian and Standard Oil Companies continue to exist, no such intelligent policy can be pursued. Of course, the parties at interest may arrange things temporarily by dividing the field. But there is danger of something else. If you have a navy, you must have oil. If you have oil, you must have a bigger navy than that of someone else who has the oil, so that he cannot refuse it to you. If you have a navy with lots of oil to protect, you must have a bigger navy than someone else who has a navy without oil, so that he cannot deprive your navy of oil the moment war breaks out. And then, if you haven't enough oil, you must exert pressure through finance and commerce and shipping, and if you have more than enough oil, you must keep ownership of the oil so that you can sell it and so meet the pressure of competing finance and commerce and shipping. So it goes while one piece after another is brought into play on the great chess board, and someone may rashly precipitate action by taking a pawn.

The problem of oil is, to be sure, only a minor one in the course of the centuries; before many years are gone petroleum may be entirely exhausted, or may be superseded by some other source of power such as alcohol. Nevertheless, it constitutes a present danger to the peace of the world, and we might possibly witness the grotesque comedy of the human race endangering its very existence in a quarrel for possession of a fuel which has not been in use more than sixty years and may not be used sixty years from now. The trouble over oil is a perfect symbol of the trouble with the whole present organization of human relationships.

GEOGRAPHICAL FOOTNOTES TO CURRENT HISTORY.

Upper Silesia.

AS in the case of Alsace-Lorraine, on Germany's western frontier, it is modern economic development which has given to Silesia on her eastern border, an immense importance. "There are few places in the world," declares Sidney Osborne in "The Upper Silesian Question and Germany's Coal Problem" (Allen & Unwin, 12s. 6d.)* "Where we find so many of the earth's treasures in one and the same spot and where at the same time the strata are so easily worked as in Upper Silesia. Its coalbeds are among the largest in the world. At the present time its coal production amounts to a

fourth** of the production of Germany. It is two and a half times as large as the former production of Austria-Hungary and double that of Russia and Belgium. With the exception of England, America and the Rhenish-Westphalian coal district, it is equalled only by France. And it is able to yield a much larger quantity still, for the store of coal in Upper Silesia is greater than in the Rhenish-Westphalian coal district. In all probability it cannot, at the present rate of consumption, be exhausted under one thousand years."

When in the middle of the 18th century Frederick the Great defeated Austria and annexed Silesia to Prussia, he set to work immediately to develop the smelting of iron, with the object of making Prussia independent of Sweden. But it was coal, as Osborne writes, "which in Germany caused changes in regional relations which were practically revolutionary. The coal-mining regions, like those of Upper Silesia, formerly barren and sparsely populated, now became the dynamic centres of society." (It was this economic development, in fact, which gave the deathblow, in Germany as in the United States, to political separatism; since "it produced in each country a regional specialization and a regional interdependence"—"division of labor" as between the various districts making up the nation.)

Coal made Silesia a very vital portion of the new German industrial-military Empire; as iron-ore made Lorraine another vital portion. And accordingly both provinces became objects of covetous interest to Germany's neighbors. When, after the Russian Revolution of 1917, the emergence of an independent Poland—dependent of the Tsar, that is, though not of Allied capital—was assured, the Poles at once began to formulate Polish claims to Silesia—which had never been Polish since the 14th century. "Why," Osborne asks, "did they never waste the bones of a single Polish lancer for the possession of Upper Silesia during all the centuries when Poland was establishing and consolidating her Empire? The answer is that Poland never had the remotest idea of laying claim to it so long as it was supposed to be a poor and mainly barren country."

It is interesting to note, from the geographer's point of view, that the "natural" connections of Silesia—an inland area—were with Germany. Her outlets were via her main waterway, the river Oder,*** to the North Sea (through Prussia) and via Oder and Elbe to the North Sea. And accordingly the industries of Eastern Germany have been built up on Silesian coal.

The first draft of the Peace Treaty (see Newbigin, "Aftermath," page 32) gave Upper Silesia to Poland. But in the final version its fate was made dependent on a plebiscite, which has just been taken. Propaganda by the rival claimants has already led to fighting in various districts, and Dr. Newbigin opines that "the final settlement is perhaps more likely to be on the basis of some kind of adjustment, than merely on a vote." The Polish champions are able to declare with some plausibility that "in Upper Silesia the Poles are proletarians in revolt against German junkerdom, capitalism, oppression and exploitation." ("Manchester Guardian Weekly," March 4, 1921.) On the other hand, it is significant that French capitalists have been and are busy "penetrating" Upper Silesia; and it is at least open to doubt whether these same Polish leaders would encourage a proletarian revolt against French capitalism and junkerdom. Whatever the immediate destiny of Upper Silesia, it is fairly clear that her proletariat will still have their main struggle in front of them.

J. F. HORRABIN.

—"The Plebs."

*This book is, in effect, German Government propaganda, and tends to spoil a good case by over-stating it. But is a very full and useful book of reference on the subject and contains much material of interest to economic geographers.

**In 1912, 46,584,468 tons, or 28 per cent. of the output of Prussia. ("Upper Silesia," Foreign Office Handbook, No. 40)

***Note that "Upper Silesia" means "southern" Silesia, i.e. higher up the river.

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The S. P. of C. and the Third International

(Continued from last issue)

I SHALL now present statistics as to the relative numerical standing of the various occupational groups in Canada, taken from the last census returns (1911). Though somewhat belated they will still serve for comparative purposes, as it is not likely there has been material change in that respect. In the first group I have placed those occupations in which the workers are generally regarded as most susceptible to Socialist ideas, and in the second, those regarded as least so.

Total population, 7,204,838.

Most Susceptible	
Manufacture	491,342
Mines	62,767
Building trades	244,201
Lumbering	42,914
Transportation	217,544
Total	1,058,768
Least Susceptible	
Agriculture	933,735
Fishing and Hunting	34,812
Trade and merchandising	283,087
Domestic service	214,712
Civil and municipal government	76,604
Professional	120,616
Total	1,663,566
Total both groups	2,722,334
Male workers	2,357,813
Female workers	364,521

Clerical employments are included with the trades and, as clericals are not noticeably susceptible they should be deducted from the first and added to the second group. It will be noticed that the second group numbers over half a million more than the first, and that agriculture alone almost equals it in numbers. Let us now take a look at the rural population for an estimate of its character. Eastern Canada, by far the most populous section, exhibits a mass of reaction in the extremely conservative (in the ideological sense) farmer-fisher folk of New Brunswick and Nova Scotia, the Catholic peasantry of Quebec the capitalist farmers and "Orange" peasantry of Ontario. On the western prairies the farmers are technologically much more up-to-date, and because of that and other factors, are more open minded to currents of new ideas. But they are possessed of the strongly individualistic and shifty frontier spirit, and though by virtue of it some are often of radical tendencies, these latter are still of dubious standing to the Communist programmes. The western farmers, as a class, are a type whose habits of thought do not run on the socialized lines of the industrial proletariat.

As for the industrial proletariat of the cities and the lumbering and mining camps, the achievement of solidarity is for them, in Canada, a vastly more difficult matter than in older countries. The competitive conditions of employment here are enhanced by the constant drifting into and out of their ranks of wage workers who follow seasonal occupations and of struggling farmers fishermen and other small-scale semi-independent producers. In addition there is a constant stream of hopeful emigrants of various nationalities who meet with a cold reception, as new competitors in procuring and holding employment, from the Canadian and British born wage-workers. That, and diversity of language, ways and manners, all tend to create mutual suspicion and reserve, which do not conduce to ready fusion.

Other reasons for the backwardness of the proletarian movement in Canada are the following physical and historical conditions. Canada is a comparatively new and thinly settled country, a country of long distances between centres of population, which is a condition not conducive to maturity and cohesiveness of political life and thought. Its population is, comparatively only a lately assembled collection of people of mixed racial and national stocks without common historical experience. The working masses are not spiritually welded together by com-

mon endurance and struggle under age-long exploitation and oppression imposed by landed aristocrats or capitalists. And so they are without the strong, deep rooted, rational class hatred and antagonisms against the ruling class in Canada, which exist and have been handed down from generation to generation in Europe. So far as political struggle on class issues is concerned, except for that arising out of the Winnipeg strike, the experience of the people has been characterless. Another matter worth considering is, as to whether the "call of the last Great West" to the denizens of the old settled communities of North America and Europe had a selective effect, analogous to the Darwinian principle, in that generally, only the stronger individualistic temperaments, inspired to "get on in the world," broke the home ties and responded to the call. And finally, the working class along with other sections of the population, are very generally affected by the gambling predatory psychology of the land deal and real estate speculator. In short, taking them all in all, the masses of the population in Canada are a very thoroughly "bourgeoisified" people of the peculiarly reactionary American kind.

For the sake of comparison, without which just estimates can not be formed, I recommend readers to turn to chapter two of "Left Wing Communism," on "One of the Principal Conditions of the Success of the Bolsheviks," in which Lenin briefly describes the generations of intense political struggle and revolutionary agitation in Russia, which he considers made possible the success of the Bolsheviks. He well illustrates the cultural value of that historical discipline. The lack of such disciplinary experience by the workers of Canada should be matter for thought. In somewhat less degree the business and property owning class are under the same handicap, but they have no such difficulty of attaining a solidarity of interest and class consciousness, as the workers. Ownership of wealth and the manipulation of wealth for personal gain results in a habit of unquestioning respect for the institution of private property: they breed what is for convenient description known as the property instinct, which is a powerful and ever present determinant of class consciousness and class solidarity for common defence against forces hostile to the property institution. For reasons sufficiently well known the property instinct is on the alert these latter days, and all the instruments of offense and defense with which a dominant social class hedges itself about are functioning as the need is felt. Though intending to confine myself to a survey of the social situation in Canada, I must call attention to external influences which will powerfully condition its development. There is the nearness of the reactionary and powerful bourgeois republic to the south of us. As an off-set to this adverse influence there are the favoring European and general world developments.

For the purpose of analysis I have presented the Canadian situation as in a "state of rest." However, the world does move, even the Canadian world. The machine technology is here to stay, and more and more imposes its matter-of-fact discipline on all sections of the people, enforcing habits of life in conformity with the new ways and means of getting a living, and thus inculcating correspondingly materialistic habits of thought in even the most backward reaches of social life. There thus proceeds an irresistible shift to new bases of opinion marking the decay and destruction of those institutional concepts, traditional habits of thought and standards of judgment, conventions of law and custom, metaphysical, "natural" or "divine" rights, all of whose validity rests only in that herd-like habit of conformity to old use and wont which causes the workers to accept without question the present order of things in bourgeois society and to give it loyal support. In addition to this measured change in ideas determined by the mechanical facts of industry, the economic conditions which result from machine production force the masses of the people into a critical attitude towards all phases of the social organization

More and more the workers are becoming conscious that wage-labor is the condition of economic slavery, as the capitalist system manifests more clearly that profit extracting is its economic function. Under stress of crucial conditions, such as we are now undergoing, of some duration, we can expect leaps forward, analogous to mutations of structural forms in organic life, to the new social concepts and ideals of Communism.

But there is not in my opinion, promise of an immediate revolutionary situation in this country. We must bear in mind that the social revolution we have in prospect is not a peasant revolt or a revolution purely political in character. A preliminary to the Communist organization of society is the uprooting of the institution of private property in the means of life: an uprooting of an institution that has been the very foundation of all hitherto existing civilizations and which is, consequently, deep-rooted in social habits and loyalties. And that purpose requires something more than a revolutionary mood to carry it through and maintain it. I am convinced that those who understand and accept the Communist position are in a fractional minority in Canada. If there were 50,000 (a liberal estimate), they would still amount to only about 2 per cent. of those shown as following gainful occupations. We, as Communists, are submerged in a mass of reaction and the movement is still in its propaganda stage. Therefore, to help on, in collusion with the impersonal forces of change, the disintegration of bourgeois habits of thought in the minds of the workers: to propagate the concept of the class struggle and to advocate the economic programme of Communism as the alternative of capitalism is, I maintain, the function of the Socialist Party of Canada in the present circumstances of the Canadian situation. I hold that we in Canada are the best judges of the Canadian problem, both as to the internal situation and its external relations, and therefore should retain to ourselves full discretionary powers to deal with it. And, as acceptance of the terms of affiliation would deprive us of full discretionary powers, I am therefore against affiliation.

Reader! Decision on this matter, one way or the other, does not entail a declaration of Communist faith! Be self-critical. See that your decision is not merely an emotional compensation or that it is not the result solely of bookish and human contacts within the exclusive circles of the revolutionary movement! The method of reasoning in Marxism is the objective method! Study facts, things, conditions!

C. STEPHENSON.

WE ARE SEVEN.

Three earls, two dukes, one lord, and one marquis. This is only a small part of their takings, and they are "only seven," and there is a big crowd besides them. The following figures were given in evidence before the Coal Commission of the annual sums received in royalties and wayleaves by seven of the principal royalty owners:—

Marquis of Bute	£115,772
Lord Tredegar	83,827
Duke of Northumberland	66,000
Duke of Hamilton	100,000
Earl of Durham	38,000
Earl of Ellesmere	26,000
Earl of Dunraven	64,370

Total £493,969

I think we should appeal to the Labor Party, the I. L. P., and the Churches (all denominations) to have a week's special prayer for the conversion of these men. Ramsay and Philip and Arthur might lead off. Arthur, as you know, is president of the "Brotherhood," and Clynes and Thomas might also be asked to assist.—"The Socialist," Glasgow.

Treaties, Trades and Strikes

THE dictation of treaties, has always been in the will of the conqueror. They are the red seal authority on the transfer of property right. And since they are (in some form) the resultant of force, by force alone is the guarantee made good. Hence they contain conflicting elements of reaction and contradiction, which, growing with social progress either render them void, or shatter them with a new application of the strong arm.

But although force may dictate treaties it cannot execute them. That is entirely dependent on the economic development of society. If the demands of the treaty accord with that development they can and will be fulfilled. If not they cannot be. And if they cannot be, they are indicative of the decline of the dictating power. For as treaties are of ruling class origin, and their demands are in ruling class interests, the non-satisfaction of such interest carries with it the evidence of its social futility,—the evidence of the ripened antagonisms between class interests and social necessity.

Why? Because treaties are the expression of trade interests. They "endow" certain nationals with certain "rights." They "confer" particular "privileges." They are the legal emphasis of the "right of might" to exploit certain territories. They are the demarcation of the only boundary lines that capital recognizes—and it recognizes them only so long as it has to. Indeed, it can do no other. Commercialism and its merciless competition is the outstanding characteristic of civilization, and the impress of gain is stamped deep on every charter that it wins. "Success" is the ideal of bourgeois Philistines—and it is measured in terms of profit. So, if the treaty term violate the material facts of social conditions; if its objective—trade—cannot be realized, it proves that the initial interest of development has changed to its inevitable opposite, and has deadlocked further progress.

For trade is not a pastime. It is the prime motive of capitalist society; its chief activity. On trade has it grown and waxed fat, and on trade only can it subsist. Its necessities force it continually outwards. It cannot centre on itself because its aim can be realized only beyond itself. To thrive it must expand; to expand it must dispossess, and to dispossess is to enslave. Mutual or opposing interests are the attraction or repulsion of nations as of individuals. These interests are the keys to history, determining and explaining conflict and alliance, giving impulse and direction to development, and in the broad sweep of progress, marring and distorting the original detail of both.

Thus we find Tory Britain aligned against revolutionary France. Later, we have a bourgeois Britain, allied with a feudal Germany against Napoleon—that "bloody menace" to freedom, i.e., freedom of British trade expansion. At another time we see Britain, France, and the "unspeakable" Turk united against Czarist Russia—the new menace to India, Constantinople and French finance. We see the feudal landlord and bourgeois industry divided in the American civil war—for the freedom of the slaves. British and American ships "demonstrate" in Oriental harbors for the "right" of the "open door," that is, the "right" of western trade to eastern markets and resources. Now, the dapper little Jap has clothed himself in the gentlemanly attire of civilization and "demonstrates" on his own account; while the "Anglo-Saxon" kinsmen, Britain and America, under the stern compulsion of Imperialism have undertaken the heavy burden of Prussian militarism, and are busily setting the board for—oh—the safeguarding of "our democracy."

Still, although the fundamental principles of development remain the same, the political "topography" is constantly changing. The ever-developing interests of capitalist trade in ever widening spheres of action, induces an ever-varying feature of detail. The treaties of Berlin and Vienna, the pacts of London and Peking, although in essence identical are diverse in aspect from the modern treaties of Versailles, Sevres, and other "agree-

ments" of the great war. In the former the day of Imperialism was at its dawning; in the latter, setting. Then the Aladdin's cave of the world market lay open to the plunderer; now the magic formula is confounded. The economics of "win the war" has changed to the economics of "win the peace." And the necessities which compel the direction of the latter involves all society more and more in the grim, confused, desperations of the former, in the tragedies and consequences of a social system strong in its decline, yet helpless in the tightening coils of doom.

The Allies have demonstrated that their victory is barren,—because the spoils cannot be collected. But for them that collection is imperative. Yet the more desperate, insistent, and forcible they become, the more do their own economic burdens suffocate them, the more are they entangled in financial contradictions. Like the victim of the quicksands, the more they struggle the more certainly are they engulfed. If the vanquished must pay, then must the industry of the victors suffer. If British trade may not deal with countries of low exchange, then must the conquerors be penalized—and the "enemy" be less able to meet his liability. And if they do so trade, cheap competition will react on the plug "to home," will curtail his "rights" and "liberties," limit his standards of life and living, and by wiping out purchasing power will wipe out production. The penalty of victory is not new trade and luscious profit, but fresh war and revolution.

In addition, there is Bolshevism and its trade agreements, the latest of which, with Persia and Afghanistan strike a new blow at Imperialism. For by its renunciation of Czarist "concessions," conditionally that no third party shall acquire them, Bolshevist Russia draws those nations into the current of its trade influences, and at the same time limits the world mart for world empire. And although political conditions have compelled a considerable alteration in the immediate course of Bolshevism, it is steadfast in its fundamental aim. Forced by its dire need to capitalist trade, it has yielded to the principles of trade, but in yielding, by that much it has forced western capitalism to accept the limitations of Bolshevist trade relations.

But capital cannot admit limitations. On the contrary it requires the completest freedom of expansion. Checked, the more industry is thrown out of gear, the market becomes disorganized, production falls off and trade depression, wide and deep, settles over that great mis-called democracy, capital.

Thus we come to the misery, suffering and destitution of today. To the high costs of war "prosperity," to the wage depreciation of peace stagnation and its corollary of strikes and unemployment that shake society to its tottering foundations in the grip of the colossal and unrestrainable forces of developed capitalism.

The industrial troubles of the moment as yet little in themselves, are pregnant omens of change. Coal in Britain and steel in America are dominant industries; what happens to them is a forecast of future events. In normal times wage cutting (to some extent) and trade drives could result in lower costs and increasing sales; today, with stupendous debts, low exchanges and shrinking markets, the probability is less production. Hence we may, with every confidence, expect the situation to grow worse.

Since the main cause of our troubles is capitalist production for profit, the sole remedy is the negation of that cause. While capitalist society continues, our efforts must pivot on its ethic of gain. We must remain the pawns of its forces. It cannot be reformed, it must be abolished. Class law and social prosperity are antagonistic; profit and freedom cannot exist together; business and fraternity are antitheses. If commerce draws peoples together it is only in the temporary bonds of piratical association. A new interest compels a new alliance—and a new war. Commerce is ever disruptive. Throughout the ages wherever it has held sway it has brought the shadows of death. From the Attic tribes to the remotest east, from the Levant to

Peru, it has bedraggled society with blood, shrouded it in the "mists of tears," scourged it with cupidity and corruption, and left behind it a desolate trail of smoking ruins and bleaching bones. R

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