

THE RED FLAG

A Journal of News and Views Devoted to the Interests of the Working Class

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FIVE CENTS

The Meaning of Peterloo

Saturday, August 16, in England, was held the centenary of the Massacre of Peterloo. The years following the battle of Waterloo were desperate ones for the workers of England. In their extremity they resorted to peaceful demonstrations in order to awaken the ruling class to their condition. Outside the city of Manchester, one of these demonstrations was held. It is estimated some 100 thousand workers were assembled. They had come from all parts of the factory districts of the north, bringing their wives and children with them. A totally unarmed and peaceful meeting of protest, it met with the usual remedy a panic-stricken ruling class have for protesting slaves. Hundreds of people were killed and wounded. Through this huge helpless gathering of half-starved factory operatives and their children rode back and forth the charging cavalry, until nothing remained on the field but the dead and the wounded. We take the following from the Manchester Guardian of August 22, setting forth the methods the ruling class of that day employed for solving England's problem. It will be noted how closely sometimes history repeats itself:

The teaching of history has always tended to emphasize the wars which the poor have levied against the rich; it has been inclined to pay less attention to the wars that the rich have levied against the poor. A century ago such a war was in brisk progress in England, and nowhere was it carried on with less scruple or mercy than in Lancashire. Peterloo was the most dramatic symbol of that war, and therefore it came to stand, in the imagination not merely of the poor but of the minority of comfortable and educated people who resented such proceedings, for all the abuses and injustices that were associated with the ancient regime in England.

Lord Robert Cecil had a good phrase the other day about people who wanted to perpetuate the war mind. The Peterloo massacre occurred four years after the conclusion of the war with Napoleon. But in the mind of the governing class of England the war with Napoleon was only part of the general struggle against all the forces and desires represented by the French Revolution. These forces and desires were present in England as they had been in France. Hence the war mind was perpetual. If a man had found himself in Bolton or Oldham in 1813 or in 1819 he would have found himself in a district under military occupation, governed by magistrates who spoke in their letters to the Home Office of the mass of the people of those towns as if they were admittedly a hostile population. These magistrates employed spies, and spies of the most scandalous character, and they were not ashamed of obtaining a conviction on the sole testimony of men whom they knew to be untrustworthy. They were able to lock up men and women under the Vagrancy Acts, and they used this power freely. The Combination Acts made it impossible for a workman to take a single step to improve his position without the risk of prosecution and by using the Combination Acts against the workmen and allowing the employers

to combine openly whenever they liked the magistrates were able to put the great mass of the workpeople entirely under the power of their masters. It is only from a study of the Home Office papers of the period that we can learn how mercilessly the ruling authorities made war on the general body of the Lancashire workpeople a century ago. The title justice of the peace as applied to men like Fletcher, of Bolton, or Parson Hay, of Rochdale, is a superb piece of irony. They had less care for justice or for peace than generals like Byng or Grey, who commanded the troops in the industrial districts, and were often scandalized by their tone.

In this respect there is an interesting difference between Lancashire and Yorkshire. The social problem created by the industrial revolution was in some senses more acute in Lancashire than in Yorkshire. For misery on a great scale we must look first to the cotton weavers. It was the cotton weavers, keeping themselves alive by the work of their wives and their babies in the mill, who supplied the great permanent mass of poverty in the Lancashire towns. With the help from time to time of enlightened employers like Ashworth, of Bolton, or the great John Fielden, of Todmorden, the weavers tried to persuade Parliament to give them a minimum wage. They failed, and their sufferings form the chief element in the picture of wretchedness and degradation that Lancashire presented. The introduction of special machines brought to ruin particular classes of workpeople in Yorkshire, such as the shearmen or croppers whose attack on Cartwright's mill at Liversedge is described in "Shirley," or the woolcombers, whose terrible fate lends a tragedy to the history of Bradford in the late twenties. But if we take the effects on the whole mass of workpeople, the industrial revolution was more catastrophic in Lancashire than in Yorkshire. The woollen industry passed much more gradually than the cotton industry into the mill.

The industrial problem, then, was less acute in Yorkshire. But that fact is not the complete explanation of the difference in the two counties. In Yorkshire, as in Lancashire, the new capitalists were often hard men, and the magistrates were severe and not less hostile to trade unions and reformers than their fellow justices in Lancashire. But the practice of employing spies never took root in Yorkshire as it did in Lancashire.

But of course it would not be fair to throw all the blame for the state of Lancashire on the magistrates. The chief culprits were the ministers. Within the limits of their policy the social problems created by the industrial revolution were insoluble. More than once leading Lancashire manufacturers were in favor of measures of reform, including a minimum wage for weavers and a reduction of the children's hours in the mill. Some of these proposals were supported by individual magistrates. But the ministers of the day were hostile. They hated and dreaded reform. They would not allow Manchester to send a representative to a House of Commons in which Old Sarum had two seats, and they were quite satisfied that

PRITCHARD AND JOHNS TO ADDRESS MEETINGS AT THE COAST

COMRADES W. A. Pritchard and R. Johns, lately released on bail from Stoney Mountain penitentiary, where they were awaiting trial at the Azzises in October, are now in Vancouver. They will address meetings and will explain the situation in regards to their trial for seditious conspiracy. They have also first-hand information on the situation as it stood in Winnipeg and the East during the late strike and afterwards. On Sunday night they will address the S. P. of C. meeting in the Empress Theatre. On the night of Wednesday, Sept. 24, a mass meeting will be held in the Arena. All comrades should do their utmost to pass around the news of the latter meeting and so make it a success. During the interval before the trial they will address as many meetings as possible in order to correct, on certain matters, the erroneous ideas which have been industriously circulated by the capitalist press.

A WINNIPEG RESOLUTION

"That we the Soldiers and Sailors Labor Party, view with apprehension the abrogation of those principles for which we fought, and hereby call upon the Government of Canada to disassociate itself from the system of Prussianization that is being foisted upon the people of Canada by dropping the charges arising out of the Winnipeg strike, also rescinding the abnoxious amendment to the Immigration Act.

"Whereas we have seen through the public press of this city that the chairman, Judge Robson, of the commission empowered to investigate the cause and effect of the recent strike in Winnipeg, has seen fit whilst those spokesmen are kept in jail, and referred to them as rascals that therefore be it resolved that we in meeting assembled go on record as requesting Judge Robson to withdraw his statements through the public press and furthermore, be it resolved that we petition the Provincial Government to withdraw this commission as it can fill no useful purpose."

The above two resolutions were passed unanimously by the above mentioned party, September 11, 1919, at their general meeting.

Yours truly,

JAS. Grant, Secretary,

Room 2, Jordan Block, Fort Street,
Winnipeg, Man.

a town with over a hundred thousand inhabitants should be under the same feudal government as a village. All this time there were men in Parliament trying to reform the worst abuses—the institution of blood money (Nadin, the Deputy Constable for Manchester at the time of Peterloo, made a fortune out of his office,) the use of spies, the arbitrary powers of the magistrates, the general cruelty and unfairness of the law,—and they

(Continued on Page Five.)

Activity of Russian People's Commissariat for Social Welfare

(By Alexandra Kollontay, from "Soviet Russia.")

THE People's Commissariat for Social Welfare, which arose from the will of the workers' and peasants' revolution, represents an entirely new departure for Russia. There is nothing in the past that is equivalent to it. Under the old regime, the needy population depended entirely on the scant alms of charity organizations. The latter represented merely the caprice of people who did not know how to kill time; the practical results of their work was therefore equivalent to zero. The November revolution has done away with this penny charity, and has put in its place the duty of the state toward all working citizens. The many-sided activity of the Commissariat for Social Welfare, and the tasks which it must meet found their expression in the "Provisions for Social Welfare for Workers," confirmed October 31, 1918, by the Council of People's Commissaires. In accordance with these provisions, welfare work applies without exception to all workers who obtain their livelihood by their own work, without exploitation of other people's work, and when we recall that with the nationalization of capitalistic enterprises, the bourgeoisie must disappear in Soviet Russia, it is clear that in the near future the social welfare work must include all classes of the population of the Russian Federative Soviet Republic.

Welfare activity is applicable, according to the new decree, to all cases that have lost all means of subsistence, either through temporary incapacity for work, through general debility, mutilation, pregnancy, etc., or through permanent incapacity for work. According to the law, one has a right to welfare attention, even in cases of loss of the means of subsistence through unemployment, where such is not the fault of the unemployed. It is far from the intentions of the organs of social welfare to take steps to prevent sickness and mutilation, but it is their intention to provide, for the whole population, every possible kind of medical aid, beginning with first aid in cases of sudden illness, up to every possible medical treatment of a special nature, such as that provided in ambulatories, sanatoriums, etc. In addition, every worker has a claim to medicaments and to special medical instruments, artificial limbs, etc. In cases of temporary loss of the ability to work through disease or mutilation, compensations amounting to the sum earned by the unemployed are granted up to the time of complete restoration of health. Pregnant and confined women receive aids of like amount for a period of eight weeks preceding and eight weeks following confinement, if they are physical workers. Other cases receive such aid for six weeks. In cases of unemployment, the aid is granted up to the day of re-employment, at the rate of the smallest compensation in the locality in question that is permitted by its tariff. In cases of permanent lack of employment, or unemployment for more than sixty per cent. of the working time, a full allowance is paid; in other words, for one month, twenty-five times the average daily wage of the locality in which the unemployed man lives; where unemployment amounts to 45-60 per cent. of working time, three-quarters of this allowance is paid; for 30-45 per cent., one-half; for 15-30 per cent., one-fifth of the full allowance.

According to its functions, the Commissariat for Social Welfare is divided into the following sections:

I. Section for Children's Homes. Among the duties of this section are the care for children without guardians, such as the exposed child (foundling), orphans, illegitimate children of beggar women and prostitutes, children who have been taken away from their parents by law (criminals, drunkards, street vendors, etc.), as well as abnormal children of three classes: (1) morally abnormal, who have committed a crime, and to whom the law of January 17, 1918, is applicable

(according to this law, courts are abolished for minors and they are assigned to the care of the People's Commissariat for Social Welfare); (2) Mentally abnormal children; (3) Physically abnormal children. The Section for Children's Homes establishes asylums, communes and homes for children in order in this way to replace their families. In these asylums and homes, the principle of labor and the principle of children's independence are carried out. The children's homes are connected with libraries, clubs, playgrounds, workshops, etc. After attaining a certain age, the children of these asylums and homes, as well as all other children, must attend the schools which are open to all. In the children's homes and asylums the children remain until the age of seventeen, whereupon they enter life for themselves, without relieving the state however, of the continuance of its care, in accordance with the "provisions." According to the reports, up to January 1, 1919, more than 100,000 children are under such supervision in Russia, and there are 1500 children's homes. In the near future, a further considerable number of homes and asylums are to be opened.

II. Section for Care of Mothers and Infants. This Section has established, in large numbers, asylums and homes for the pregnant. For women in confinement, lying-in establishments have been organized, in which the mothers obtain instruction in the nourishment and care of children. After leaving such establishments, the mother, together with the new-born child, is placed in a new home which is under supervision of special physicians. In the factories and works, as well as in the country, at the time of work in the fields in summer, day nurseries are established, in which mothers can feed their own children; orphaned infants are taken care of in special institutions under medical supervision, in which the children are fed. The Section for the Care of Mothers and Infants has its own dairies, in which milk is provided for the mothers and children. In addition, they supervise the milk trade, in so far as the latter is intended for children. The Section has also established courses for the instruction of those supervising these homes, in which the students receive, in addition to general instruction, also certain specific instruction.

III. Section for the War-Maimed. The chief task of this Section is to make the maimed capable of performing such variety of work as is compatible with their individual mutilations. With this in view, the Section aims particularly to secure the greatest possible restoration of normal health in the individual in order to prepare him for work that will be in accordance with the character of his mutilation. For cripples, there is a great number of the most varied workshops in which they may apply their forces and their energy. In Moscow, there are ten vocational courses for cripples.

IV. Section for Invalids. According to data thus far received, which are as yet by no means complete, this Section is at present taking care of about 65,000 old men and women, who are living in 2000 homes. In the near future, a thorough transformation of the homes intended for invalids is proposed: they are to be based on a model unit for 50 and 100 inmates, instead of the numbers hitherto sheltered. In these homes, the principle of labor and the principle of independence are carried out as far as possible.

V. Outside Aid. Permanent financial aid is at present granted not only to the unemployed, but also to the families of Red Army men. At a very early date, a decree will probably be issued as to the care of families of physicians and victims of the counter-revolution. The maximum annual allowance of this kind is 2000 rubles per person. In the decree of the Council of People's Commissaires on Social Welfare, the payment of allowances to all men over fifty, all women over fifty-five is provided; yet the serious financial situation, together with the continued war needs, which are

at present forced upon Russia, make it impossible to carry out this decree with absolute completeness: for this reason, the invalids, as has been already mentioned, obtain aid in the form of actual necessities, at the various homes.

VI. Temporary Aid. As a matter of principle, aid is granted to the needy soldiers of the old army, namely to 400,000 men (according to the financial report more than 1,000,000,000 rubles have been paid out this way.) In addition, the Section has established workshops of all kinds, in order to secure work for the needy population. For the same purpose government constructions are being undertaken, cheap and even free eating houses established, dwelling places and night lodgings opened. A great amount of work arises for this Section from the fact that it provides aid for fugitives from the localities that have been taken by the White Guardists.

VII. Section for Aid to the victims of the counter-revolution. This Section provides aid for the workers in the Soviet and the Party, who have suffered under the counter-revolution, also to political fugitives who are returning with the Red Army. For the purpose of aiding fugitives and victims of the counter-revolution, all sorts of agricultural communes are established, while persons of this kind may obtain, previous to their assignment to such communes, a financial aid equivalent to the minimum necessary for maintaining life.

VIII. The Section for Rations provides for the rationing of the soldiers of the old army and the families of the Red Guardists.

In addition to the above cited chief Sections, there are also less important sub-divisions, such as that for the combatting of mendicancy and of street vending.

In the second half-year of 1918, the People's Commissariat for Social Welfare spent 600,000,000 rubles, while the proposed budget for the first half-year of 1919 was for more than 2,000,000,000 rubles. The funds of the People's Commissariat for Social Welfare consist of payments of the following classes: For aids paid to mothers and the unemployed, in the form of a uniform impost for the entire territory of Soviet Russia; for the remaining varieties of welfare work, the amount to be paid in is fixed by the local organs of the People's Commissariat, on the basis of tariffs depending on the danger-class to which each occupation is assigned by the local authorities. All these funds together constitute a single, All-Russian Fund for Social Welfare.

PRESIDENT WILSON AT ST. LOUIS.

(Despatch to Vancouver "Sun.")

If the United States is to save its own economic interests, said the president, it must save the economic interests of the world. That was one reason, he continued, why the United States should have a representative on the powerful reparation commission. If there were no American voice in this commission, he asserted, this country would have to put in the hands of foreign interests seeking to control world markets.

A Frozen Out Hand.

Emphasizing how economic features figure in war, Mr. Wilson describing how the Germans had dismantled Belgian factories. The war, he added, was not a political war, but a "commercial and industrial war."

U. S. Alone Must Be Nation in Arms.

Should the United States stand apart, economically and politically, the president continued, then it must be "physically ready for trouble." The nation must become, he said, "a nation in arms." Germany was not the only nation which had a secret service, he said, but every other nation in Europe also was spying on its neighbor because they all had to be ready for shemes of conquest to be sprung.

The Sham Peace

BEFORE this article is printed Birmingham, the city where I live, will have celebrated "peace." The City Fathers have arranged a programme, the details of which I have not troubled to persue. A "peace" that is represented by the Imperial British Lion digging its bloody paws in the lacerated breast of the Hohenzollern Eagle has no interest for me. The bands will play, the processions will march, fireworks will flare, flags will wave, and bonfires will blaze. The bacchanalian crowds will mafflek, but I shall not be a spectator of the scene. I am not in that act. On that day, as a delegate to a Hands-off Russia Conference, I shall protest against the infamous campaign of British capitalism and its allies against the proletarian republic of Russia. While many of my fellow citizens are celebrating the sham peace of Versailles, our Hands-off Russia Conference will denounce the criminal war on the hard-won freedom of Soviet Russia by despots whose white garments of peace are like the professional garb of butchers, stained with the incriminating blood of their victims.

Yet, although holding aloof from Birmingham's "peace" orgy, I have been a not uninterested observer of rehearsals by children of their programme for the forthcoming celebration. The other evening, passing through one of the worst quarters of the huge slum area on the south side of the city, I saw several bands of children parading the streets. Numbering about a dozen or so, each of these processions was headed by a Union Jack flag bearer, followed by urchins beating tin cans or trays, and three or four tiny toddlers straggling in the rear. On the pavement marching with the procession in the road was a boy, begging for coppers for the children—a truly typical Empire stunt. Some of the better clothed of these poorly clad kiddies were dressed in khaki suits made out of their father's cast-off uniforms. Others masqueraded in their big brother's suits, looking very comical in their baggy trousers and upper lip adorned with false moustaches. Some sported father's brass helmet, others wore fancy dresses. In one procession the children had improvised a stretcher with bearers and two little red cross nurses in attendance. Thus these juvenile patriots marched along, thoroughly enjoying their game at making processions. Blissfully ignorant of the future and revelling in their flesh and blood, and that their lives would as surely be blighted by capitalism as their health was being vitiated by the factory-tainted air they breathed.

Ahead of one of these roving bands I came across a courting couple. A shabbily dressed youth, with a dirty cap on his head, his hands thrust in his trousers pockets, was strolling along the middle of the pavement. About six paces behind him, slinking against the wall like a whipped cur, was a girl about 17, looking as though she wanted to speak her mind to the young ruffian in front, but dared not lest he gave her a blow in exchange for her "lip." As I passed them he gave her a look—a brutal, vicious look—which cowed her as a kick crows a dog. Across the way, gossiping to neighbors—dirty, slatternly, underfed—I saw the kind of wife this young girl would probably become in later years. Further on, through the half-open door of a low down "pub" I had a glimpse of grimy, coarse, degraded wage-slaves, drinking beer—types of the kind of husband the graceless youth on the pavement would no doubt develop into. On both sides of the street were rows of miserable hovels, with here and there small old factories and big new ones, built amidst the homes of the "Empire's" workers. Some of the rows of houses in the numerous courts were built against the factory, so that during the working day, the noise of the machinery (grinding out profits for the boss, who lives in villadom) and its vibrations caused a daily nuisance, affecting health and temper. To the wretched women whose lot it was to reside there.

The Old Order and the New

In view of the unexampled inquisitorial raids set afoot or connived at by panic-stricken officials, and in view of the consequent increasing insecurity of person and property, it should be worth while to take stock of the situation and cast up an account of these disquieting circumstances that are driving the Guardians of the Vested Interests to distraction and frightening the Administration into a muddle of unreasoned violence and subterfuge. Notoriously, an uneasy situation has arisen out of the war, and more immediately out of the highly remarkable Peace in which the war has been brought to a provisional close. There is much at stake in the way of vested rights, and the state of things is precarious enough. These disquieting circumstances which go to make up this uneasy situation all converge to the general upshot that Bolshevism is a menace to the Vested Interests of privilege and property. The dread reality of this menace to the Vested Interests is not to be denied or made light of. The Vested Interests are doubtless riding for a fall. But there is also nothing to be gained by over-statement and extravagant alarm. Hysteria is neither comfortable nor convincing.

The guardians of the Vested Interests in America are doubtless wise in taking all reasonable precautions; they are presumably right in their evident belief that the continued rule of these Vested Interests is no longer so secure as they would like; but the Guardians would doubtless be still wiser to confine their efforts to reasonable precautions instead of screaming Wolf! Wolf! when there is no wolf in sight. But it is not easy to keep an even temper when the blessed beatitudes of special privilege are in a way to be compromised. The Guardians of these blessed beatitudes have been swept off their footing by the discovery that a division is beginning to run between the Vested Interests and the under-lying population, and that the Vested In-

This is a picture of the home surroundings of an immense population in the imperial city of Birmingham. So far as I know, this state of things has been unchanged for nearly half-a-century, and previous to that was worse than it is now. During that period housing reform has been promised by the political liars of all parties. All that has happened has been the clearing away of rookeries to make room for fine new streets in the centre of the city, and of rows of houses condemned by the health authorities as being unfit for human habitation, without the building of houses as cheap to take the place of those cleared away. Naturally, this has made the evils of overcrowding more acute than ever, so that at the present time the housing problem in Birmingham implies the ever-increasing degradation, discomfort and misery of its poorest inhabitants. Yet such are the contradictions in capitalist society, that the workers who suffer most from its ruthless exploitation are the most loyal and patriotic.

The slum proletariat is the worst paid class of workers and is consequently the worst housed, fed and clothed. Gambling, debt, spendthrift drinking, prostitution, insanity, wasting disease, the gaol and the workhouse, squalid homes—this is the hell of the slum proletariat. To defend that hell its adult males were the first to volunteer in the great war, which the cynical professional statesmen, who man the ship of State on behalf of the capitalist class, claimed to be waged in the interests of freedom and democracy! This claim was backed up by the Labor fakirs who, like the noble Duke of York, march the Labor Party up to the top of the hill and then march it down again. If they want proof that their support of the great war was sheer can't and hypocrisy, let them witness as I have witnessed the little children of the slums organizing "peace" processions.

Let them cast their eyes over the surroundings of these little ones and then see whether they can truthfully say the great triumph is worth the expenditure of a single Victory Bond.

terests are presumably the weaker of the two parties. No one is to blame for this rapidly maturing division of the community into the kept classes on the one side and the underlying population from whom their keep is drawn on the other side. Nor should it surprise or alarm anyone who is at all informed, or willing to be informed, as to the run of facts in the world of business and industry the past few years. It is all an outcome of the dispassionate sweep of forces which no man can withstand or deflect. Only the Guardians of the kept classes have been unable to see the matter in that light, because it is the whole duty of these Guardians of the Old Order to endeavor by all means, fair or foul, to deflect the sweep of events over which they have no control. Such a change of base as is now coming in sight is in the nature of a moral impossibility for the keepers of the Old Order.

Meantime the experience of the war and after has brought the Guardians to realize that the continued rule of these Vested Interests of privilege and property runs at cross-purposes with the material welfare of the underlying population, and to realize also that the underlying population is beginning to be aware of the same fact. But the Guardians fail to realize that a very stubborn and massive fabric of settled use and wont surrounds and supports these vested rights of privilege and property, and that the American population is very stolid and submissive in everything that concerns its inbred prejudices. It is known and is beginning to be notorious that the Vested Interests of business are driven by business considerations to waste, mismanage, and obstruct the country's productive industry, unavoidably and unremittingly, and to divert an ever-increasing share of the country's income to their own profit; and the Guardians are no longer able to avoid all knowledge of this notorious state of things; and they have let these known facts drive them to the hasty conclusion that so soon as the population at large come to know the same facts and to take stock of them, there must immediately follow a headlong popular revolt and a sweeping disallowance of all these obstructive vested rights of privilege and property. The Guardians of the Vested Interests are presumably right in believing that the existing state of things in business and industry should logically lead to revolt and dispossession as soon as the facts of the case are known; but they overlook the main consideration, that any effectual movement of overturn will have to proceed not on grounds of logic, but on grounds of sentiment and the strategic disposal of forces, is still securely to be counted on to uphold the established order of vested rights and Business as Usual. The Guardians have allowed the known facts of the case to unseat their common sense. Hence the pitiful spectacle of official hysteria and the bedlamite conspiracies in restraint of sobriety.—The Dial.

JAPAN.

The Times correspondent's message from Tokyo on August 13, (Times, August 16,) must not be left unnoticed. He says that people must not take the labor disturbances in Japan too seriously. A continuance of strikes is most likely, "but of a petty character, for it is impossible for the movement to assume a dangerous form owing to the absence of machinery for combination." He explains that the law absolutely prohibits Labor Unions, and these disputes can be easily isolated and settled; hence, the disputes "have not the serious social aims which characterize the labor wars in England and America." "Warned by foreign examples, it is the last thought of the Government to confer privileges on workers only, or to encourage the development of organized labor."

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Leaving Russia to Its Fate

IT IS announced that the Allied Powers are to withdraw their forces from Russia and (save the mark) leave that country to its fate. A proviso is said to be, that Soviet Russia recognize the independence of small nations on its borders. This proviso is a mere matter of the Allies attempting to save their own face. One cause for the Allies' decision to withdraw is that these small nations had refused any longer to be the cat's paw for them and were coming to agreements with the Soviet government. And, as to leaving Russia to its fate, the Russian people will see to that. Neither by popular demand nor by any independent governmental body were the Allies asked to intervene in Russia. In fact, all the Russian political groups of any numerical strength united to protest and fight, and as event turned out, fight successfully against the presence of the Allies. Those who were cited as supporting intervention were the universally-despised parasites and oppressors of the old Tzarist regime.

The whole story of this military adventure to harness again the working class of Russia to the processes of an exploiting system, is one of callous deception of the peoples of the Allied countries as to the truth about Russia and a cynical disregard of the common conceptions of what is decent. As the truth gradually became known, however, a wave of disgust spread among all the more-enlightened elements of the people at the revolting policies of the imperialistic gang which dominates in governmental affairs in their respective countries.

For the time being this dangerously powerful international gang of imperialists have had a set back. But they remain dangerous because of their control of the mechanism of finance and their alliance with the military class who have increased in every country during the war. There is a close affinity of spirit between these two groups of the bourgeoisie. War is the trade of the military caste. All activity must have a purpose. The study of war and the training to arms induces the spirit that longs for and welcomes the opportunity to put them to use. The military mind familiarizes itself with the thought of war and conquest and of disciplined and servile populations. The imperialist, he has his investments in every country. He is a cosmophile of the basely materialist kind. He desires a world of docile, industrious slaves toiling to fill his coffers. Egypt, India, Africa are mills grinding out wealth for him. He dreams of economic subjugations. And so when we speak of imperialistic capitalism, it always stands for military conquest and capitalist exploitation of subject peoples. That is what the Russian workers fought against.

We trust the news is true that the immoral war and the fiendish starvation blockade against Soviet Russia is to cease. The infamous record of it, however, will stand as long as the printed word endures. The enlightened proletariat of all nations will now believe that Soviet Russia is entering into a new and happier era of social regeneration. They will wish its people success and that they will, in their future undertakings, keep that enduring courage and undimmed vision which marked them in their late adversities.

So may they be a beacon to other peoples drifting in the welter and black night of unimaginable stupidities.

The Next Great War

The "War to end War" is over, and the propaganda for the next war has begun, coldly, calculatingly. The millions of young men sacrificed during the last war are but a drop in the cup that capitalism prepares for the human race, and which must be drunk to the bitter dregs. Saturday's Sept. 13 issue, of the Vancouver "Province," supplies us with a fine sample of that propaganda. Sir John Foster Frazer, one of those journalists who supply regularly, syndicate articles on world affairs to the press in the interests of imperialistic financial interests, has a three column article in that issue. In the article he so arranges his material that the next war will find the opposing forces lined up as follows. Germany, Italy, Russia and Japan on the one hand and the United States, France and Great Britain on the other. Germany of course, he says, is the evil spirit inspiring it all, even while in order to make a plausible story, he is compelled to show that it is the conflicting capitalistic interests of those countries which is driving them into hostile camps. However the future may deal with the details of his prognostications, it is certain the world is drifting into another catastrophic blood fest, unless its victims, the masses of the people, wake up and challenge the basis of the present anarchic social order out of which the drift to war springs. We were promised universal disarmament, when this "war to end war" had been fought successfully, but Foster Frazer gives us some figures as to the increase of naval programs. He says, "but has it not been remarked that the United States and Great Britain are very busy arming for the future? The naval construction in America is far ahead of that of Great Britain. America is building or has projected thirteen new battleships against the British four; 238 destroyers against 104, and 83 submarines against 79. America is building 350 warships against 210, and the comparative tonnage is 1,124,473 American, as opposed to 475,796 British."

And so the great game goes on. The armouries of the world are busy, ringing with the beating of plowshares into swords. Poison gases and new, and more horrible forms of destruction and death are being prospected for. And all the while the specious pleaders in the press, the hired tools of the vested interests, tragically prate and prate of constitutionalism, of law and order, and responsibility and of the unfittedness of the "uneducated masses" to take part in the ordering of the affairs of their respective countries. They prepare the soil and sow the seeds of racial and national prejudices, distrust, suspicion, hatreds and all evil things which will result ultimately in a fresh harvest of human destruction and incalculable sorrow and misery. The weekly cheque for the press hack. The quarterly dividend for the news syndicate and news publishing companies. For them, sufficient for the day is the evil thereof.

The Defence Fund

Send all money and make all cheques payable to A. S. Wells, B. C. Federationist, Labor Temple, Vancouver, B. C.

Collection agency for Alberta: A. Broatch, 1203 Eighth avenue east, Calgary, Alta.

Central Collection Agency: J. Law, Secretary, Defence Fund, Room 12, Labor Temple, Winnipeg. Lawyers for the defence in Vancouver, Bird, Macdonald & Earle.

Because of discrimination against contributors, whose names have been published as sending in moneys for the defence fund, acknowledgment in future will be made by mail.

Prince George, per Tom Mace.....\$75

Munitions for Russ Refused Shipment

(Seattle Union Record, Sept. 18.)

Frank Waterhouse, Seattle shipping magnate, has declined to become a party to the shipping of munitions to Russia for the slaying of Russian working men by Kolchak, it was declared Thursday afternoon by his waterfront representatives.

Three carloads of rifles now on the government dock will be turned over to the government officials in Seattle, according to the announcement. The government is being notified by the Frank Waterhouse company that this firm will refuse to handle all shipments of munitions for the American army in Siberia.

The action of the Waterhouse company is in the nature of instant support to the action of 12 dockworkers who walked off the job at Pier 5 Thursday morning when they found that cases being loaded on a Japanese freighter contained rifles, munitions and machine guns intended for the wholesale slaughter of the supporters of Russia's working-class government.

CLAIM VIOLATION OF TREATY TERMS

Longshoremen in Seattle Will Not Handle Munitions for Russia.

(Vancouver Province)

SEATTLE, Sept. 19.—Business agents of the local Longshoremen's Union, backed, it is said, by approval of the Central Labor Council, yesterday refused to allow longshoremen to load a shipment of arms and munitions destined for Siberia on the shipping board's steamer Delight.

The labor agents held that the handling of such material was in violation of labor's pact embraced in the peace treaty. A heavy fine and suspension for two months was the penalty threatened men violating the order of the business agents.

Frank Waterhouse & Co., operators of the vessel, said the shipment would be loaded anyhow.

VANCOUVER LONGSHOREMEN ENDORSE SEATTLE

At the regular meeting, Friday night, Sept. 19, of the Vancouver Longshoremen's Union a telegram announcing the absolute refusal of the Seattle branch of the same organization to load munitions for Russia was received with applause. A resolution to the same effect was unanimously passed by the Vancouver branch which at the same time heartily endorsed the stand taken by their Seattle brothers.

In taking this action the longshoremen show foresight, for the sooner the Tzarist military adventure in Russia is stopped the sooner will legitimate trade and commerce with Russia revive. Immense stocks of native products have been stored up during the war for exchange with the products of the outside world and they only await a return to peace and the lifting of the blockade to begin to move to where they are needed.

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Subscriptions to the "Red Flag," \$1.00 for 20 issues.

EDUCATIONAL CLASSES.

Next issue of R. F., will contain an article by William Paul, on the progress of the teaching of Marxian economics in Great Britain. Read it and consider what can be done to organize an educational program in Canada.

THE MEANING OF PETERLOO.

(Continued From Page One.)

were not merely opposed by ministers; they were held up to opprobrium as mischievous and dangerous characters. It was not the least of the services of Sir Robert Peel to his country that when he became Home Secretary he took a very different tone from Sidmouth.

The unpopularity of Castlereagh is a standing mystery to some historians. They point out that he was the only successful War Minister we produced during the war, that as Foreign Minister he was much more liberal than his contemporaries believed, and that in the negotiations that followed the defeat of Napoleon he was a powerful force on the side of moderation. All this is true. But it is equally true that no statesman of his time was a more conspicuous representative of the spirit of persecution at home. The Radicals and working class reformers remembered of him that he marched German mercenaries into the streets of Ely to keep order at the public flogging of English militiamen, and that he was the most determined supporter of the odious system of government symbolized by Peterloo. For the monstrous injustices and cruelties that marked those years, the three men mainly responsible were Sidmouth, Canning and Castlereagh. Canning lived to make atonement. Sidmouth was too feeble a creature to survive in history. Thus it is that the bitterest memories have clung to Castlereagh as the best remembered of all the men who prosecuted that savage war of the rich against the poor.

J. L. H.

The Term "Use-Value" in Economics

MAN is a product of nature; all that man is, or has, physically speaking, has come from nature and must be continually renewed from the same source. Man's necessities and desires enforce continuous effort on his part for the support of himself and his dependants. That is to say; he has to hustle for a living, for food, clothing and shelter. I shall here quote from "Capital," chapter VII.

"Labor is, in the first place, a process in which both man and nature participate, and in which man of his own accord starts, regulates and controls the material reactions between himself and nature. He opposes himself to nature as one of her own forces, setting in motion arms and legs, head and hands, the natural forces of his body, in order to appropriate production in a form adapted to his own wants. The labor-process is human action with a view to the production of use-values, appropriation of natural substances to human requirements; it is the necessary condition for effecting exchange of matter between man and nature; it is the everlasting nature-imposed condition of human existence, and therefore is independent of every social phase of that existence, or rather, is common to every such phase."

In the earliest periods of human history, the part of man in the act of wealth production consists of "simple appropriation," that is, in merely taking such things as nature spontaneously provides. In course of time the simple operations of finding and taking are supplemented by those of making such articles as may be found to be useful or desirable. We find, therefore, among use-values a continuous gradation, extending from those things which are enjoyed without any expenditure of labor, such as air and sunshine, to those which exhibit the maximum of human ingenuity and effort, such as a printing press or a locomotive. Corresponding to this we have in society that continuous progression and increasing complexity in the means of wealth production which forms the basis of the historical process we call civilization. As Marx has it: "To discover the various uses of things is the work of history." Labor, then, applied to natural objects produces those things which in the aggregate we call wealth and of which the unit is a "use-value." As we have already seen, there are use-values of which the "utility to man is not due to labor, such as air, virgin soil, natural meadows, etc." I shall not here discuss this point as we are only concerned at present, with those which as Marx says, "constitute the substance of all wealth whatever may be the social form of that wealth."

"The utility of a thing makes it a use-value. But this utility is not a thing of air. Being limited by the physical properties of the commodity it has no existence apart from that commodity." As we see from this quotation, for Marx, as for all the classical school of political economists, the utility of an object is purely objective and depends entirely upon the natural properties or qualities intrinsic to the thing. Considered "qualitatively" it is a use-value, "an assemblage of useful properties."

Let us take a look at one of these use-values, say, copper.

Copper belongs to that class of substances known as metals; it is red in color; has a specific gravity of 8.6, and fuses at 1996 degrees fah. It is very ductile and malleable; an excellent conductor of heat and electricity, and offers considerable resistance to corrosion. These properties are possessed by the substance copper or, more correctly perhaps, this set of properties, plus a position in space and time, is what we know as copper. By virtue of these properties this metal has been and is of very great use to man. For instance, by reason of its ductility it may be drawn into wire of any degree of fineness and this again, on ac-

count of its suitability as a conductor of electricity, is much used for the transmission of that force and in electrical work generally.

It will be readily seen that these particular properties, upon which rest the use-value of copper are independent of the quantity that one may possess, or of the scarcity that may exist on the market, or of whatever anyone may think of it. Further, as Marx points out, "This property (utility) of a commodity is independent of the amount of labor required to appropriate its useful qualities." That is to say, that a pound of copper, correctly so described, is the same as any other pound of the same substance whether it has taken a day, or a month, or a year to produce it. For these reasons, Marx adds that: "when treating of use-value, we always assume to be dealing with definite quantities, such as dozens of watches, yards of linen or tons of iron."

To return to our illustration: before the copper can be made available for use, the ore must be mined and subjected to the various extractive processes and the metal turned out as ingots. These form the raw material for those industries which produce copper sheet, tube or wire, or which turn out the infinity of objects made of brass or bronze. We see, then, that every use-value is a "combination of two elements—matter and labor." It is this sense that we say that, while labor can not create matter, it can and does create use-values. This it does by cultivating the soil or by extracting the nature-given materials from the mine, forests or waters, by transporting them from place to place and by changing their form in order to make them available for consumption. It will be observed that it is the quality, not the quantity of the productive labor that counts.

Some economists distinguish different forms of utility such as:

(1) **Elementary utility.** This refers to the natural properties and qualities of the substance of which the article is formed. That is, for instance, the nourishing properties of food-stuffs, the heat-values of fuels and the chemical and other useful qualities of the metals, etc.

(2) **Form-utility.** That is, the special form given to the matter. For example, wheat must be ground into flour and this again baked into loaves; flax, cotton and wool must be spun into yarn, woven into cloth and made into clothing; steel forged into tools and so on.

(3) **Place-utility.** This is developed wherever transportation is involved as in the case of coal, lumber or electricity.

(4) **Time-utility.** This becomes of importance in the case of such products as are seasonal in their production or uses. For example, ice, which is naturally produced in winter when it is not required may be saved till summer.

All use-values must possess elementary utility and may possess any or all of the other forms. All of which boils down to the statement that an article must be produced in the form and when and where it is wanted. Finally, as Marx observes, "Use-values become a reality only by use or consumption." Marx himself does not pursue this aspect of the question further, probably because he was only concerned with the facts of production, nevertheless, this particular statement marks the starting point for the study of use-values subjectively considered. This leads up to "marginal utility" and the theory of value based upon it. This will be taken up next issue.

GEORDIE.

Newsagents in Vancouver for the Red Flag.—W. Love, Hastings street, next to Royal Theatre. Columbia News Agency, corner Hastings and Columbia. John Green, Carrall street, near Water street.

The Safety Valves of Capitalism

Extract from *The Socialist*, (Glasgow.)

Obedient to the Marxian principle of concentration of capital, the forces of industry and commerce are rapidly moving today in the direction of big business. Such a movement, accelerated as it was during the war in the demand for speedy and large production, in gathering the scattered and separated elements needed for big business was bound to provoke hostility from various quarters. Being now the order of the day, the combines, amalgamations, etc., are sweeping aside the small producer and middleman or else converting them into "tied" or professional wage-workers in the service of the "trust." On the other hand, it has removed the industrial wage-slave further and further away from the owners of capital. In short, there is growing up on all sides the soulless corporation machine, which drags into its maw all and sundry crossing its path, becoming a veritable menace, in its present form, to the whole community.

It was to be expected that those who feel the squeeze should "sing out," and that demands should come from all quarters to shackle the monster. Accordingly, we are not surprised at the present agitation for "inquiry" with that end in view, nor at the futile political safety-valve in the shape of the Government's "Profiteering Bill." Still less are we surprised at the campaign in another camp for "nationalization." Pure and simple parliamentary Socialists who can not see beyond the horizon of bourgeois political society have no other alternative but to plump for State control. All other suggestions are "undemocratic."

We however, have no illusions on that score. "Profiteering Bills," Food Ministries and all schemes of national control are in their very essence quixotic, not to say harmful to the Labor movement. Their harmfulness lies in the failure to appreciate the forces moving for a social change in the basis of society, and, therefore, revolution; they are quixotic, since they can not solve the wages-slavery problem of capitalist industrialism.

That the trust has many evils can not be denied. That it is fraught with social advantages is equally true; chief among these being large scale production. As such, large scale production is welcomed by Socialists, seeing in the monster machine the essential means of satisfying the needs of the community in the minimum of time and with the minimum of energy.

Shall the trust be smashed? If there should be any doubt on that score let the recent Government report on the subject speak for itself. It will be seen from the investigations that we could not if we would. On that score we needn't worry, since we would not if we could. It is only the "artistic" and anarchist utopians, revealing thereby their petty bourgeois ideals, who would smash the trust and go back to small production.

As to nationalization—the favorite dream of lop-sided Socialists—the report just issued by that watch-dog of vested interests, the Federation of British Industries, is a timely document. It reveals in no uncertain manner the vigilance of the ruling class towards counteracting the political demands of Labor generally, while assuming a paternal interest in the welfare of the worker.

The report sounds a warning to those moon-calves who are for ever chasing the bogey of State control as a solution to Labor's problems and indicates clearly that we are up against the fight of our lives.

True to history, the report shows once more how a ruling class driven to the last ditch by the rising slave class seeks to reform itself, to prune the abuses of its system, all in the vain hope of prolonging its existence. The committee pretends to appreciate the evils of monopoly and seeks to curtail these. It dilates upon the value of the State under-

Natural Science Under the Soviets

(From the "Christian Science Monitor," Aug. 29.)

THE progress of scientific research in Soviet Russia was the subject of a report recently read before the French Academy of Sciences based upon the observations of Prof. Victor Henri of the Sorbonne, who visited Petrograd and Moscow on a mission for the French Government. According to the *Paris Temps* (July 16), Professor Henri reported that, despite the deplorable difficulties of intellectual life, Russian natural scientists were working "under satisfactory conditions." New institutes and laboratories have been created under the direction of the Academy of Sciences of Petrograd, which has taken all the existing museums under its protection. A great commission, with 33 sections, has been constituted for the study of Russia's natural resources. Among the newly created scientific departments are special institutes for chemical research, for the development of building materials, for the study of soils and fertilizers, and for the betterment of sheep stock. New laboratories for the study of radium, X-rays, theoretical and applied optics, crystallography, hydrology, have been in operation for several months. The Petrograd Academy of Sciences has begun a series of geodetic studies and is at work upon a magnetic map of Russia. The existing institute of weights and measures has been enlarged by the addition of new laboratories.

Railroad vs. Doctrine.

One of the commissions for the study and development of natural resources left Moscow last winter for Petchora to investigate and report upon the resources of North Russia. According to *Ekonomitcheskaya Zhizn* (Economic Life), the official organ of the Supreme Council of National Economy, the expedition consisted of natural scientists and men of practical experience in northern conditions: "There are among them specialists in deer breeding and transportation by pack animals on the northern highways; expert geologists, specialists in northern agriculture, and meteorologists." This expedition formed a part of extensive plans for the industrial development of North Russia, which include the granting of a franchise to foreign capitalists for the construction of the Great Northern Railway, from the Obl River in Siberia to Murman, via Kotlas. The franchise was approved by the Soviet Government last winter, against the opposition of extremists who protested, according to *Pravda* of Feb. 20, that it amounted to a "peaceable occupation of North Russia by foreign capital." The government, however, held that the immediate construction of the road was of more importance to Russia than a mere doctrinaire adherence to the political theory of state construction. The official report upon the granting of the franchise said: "If the franchise is refused, we shall be unable to build this road ourselves for decades; yet the road is of the utmost importance for the whole economic

taking "services open to the whole community" (presumably railways, transport, etc.) but it takes a definite stand against the State engaging in production for exchange. In other words, while they are not adverse to the State controlling the arteries of production, the ruling class will fight against yielding the workshops, etc.

On the question of the "control of industry" they have no two opinions. There can be no "encroachment upon the operations of the management or the authority of the foreman." The workers are only "hands." These "hands," however, have many social grievances, grievances which, if not removed, become the basis of the class war. Consequently, housing reform, better education, payment by results to put more coins in the workers' pocket, etc., offer safety-valves which are calculated to "ease" the pressure upon capital.

system of Russia." According to information contained in a recent Daily Consular and Trade Report of the United States Department of Commerce, the franchise carries with it vast concessions in timber and mining rights in North Russia.

New Discoveries.

Professor Henri cited among the achievements of the newly created scientific bodies the discovery by the platinum institute of a secret process for separating platinum from iridium, hitherto known only to the Germans. Reports from other sources tell of similar accomplishments by Russian scientists working to overcome shortages due to the blockade. Arthur Ransome, the English writer who visited Moscow last winter, tells in his "Russia in 1919" (Huebsch) of the new "Soviet matches," something like our familiar paper matches in folding covers. They are made of waste paper impregnated with a grease obtained from wool, in substitution for paraffin, of which there is great shortage. "They strike and burn better than any matches I have ever bought in Russia," says Ransome. They were to be distributed by the card system, and to sell for 12 kopecks a package, as compared with the prevailing price in Moscow, of a ruble and a half for a box of ordinary matches. Ransome also reports a notable discovery in the textile field, which helped to meet the cotton shortage. Previously it had been considered impossible to combine flax with cotton in such a way that the mixture could be worked in machines intended for cotton only. But through investigations carried on under the government's central textile department, two professors, the brothers Chilikin, discovered three different processes for cottonizing flax, as a result of which some mills were actually using a mixture of 50 per cent. flax in the old cotton machines, and had even produced materials experimentally with as much as 75 per cent.

"Two young technicians from the Centro-Textile," writes Ransome, "brought me a neatly prepared set of specimens illustrating these new processes and asked me to bring them anything of the same sort from England in return. They were not Bolsheviks—were, in fact, typical non-politicals. They were pleased with what the Centro-Textile was doing and said that more encouragement was given to research than ever formerly. But they were very despondent about the economic position. I could not make them understand why Russia was isolated and that I might be unable to bring them technical books from England."

Natural Scientists Wanted.

This recalls the experience of Professor Henri, as reported in *Le Temps*: Professor Oldenburg, president of the Petrograd Academy of Sciences, begged Professor Henri to inform French scientific circles and the public that it would be an excellent thing for future Franco-Russian relations if French natural scientists would go to Russia and assist in its scientific development. The Bolsheviks are doing everything possible to get German natural scientists into the new scientific organizations. It would be useful to offset this influence."

Explaining the liberality of the government toward savants and the readiness with which all credits asked for research are granted, Professor Henri pointed out that the Soviets considered that natural science had nothing to do with politics. This attitude is revealed in the words of the president of the Committee on Public Works, as quoted by Ransome:

"If we get peace, don't you think there will be engineers and skilled laborers in England who will volunteer to come out and help us? There is so much to do that I can promise they will have the best we can give them. . . . And of course, they need not be Socialists, so long as they are good engineers."

Ten Minutes' Talk With the Workers

The Socialist, (Glasgow.)

The Bogey of "Increased Output."

YOU will notice a great deal of talk going on at present about the need for increasing production. Since the Armistice this has been the song of all those who are interested in keeping things as they are. Liberal, Tory and certain types of Labor politicians have urged it by speech and pen as the cure-all for our social ills. Some cynics suggest that these gentlemen think that the more attention we are paying to work and the more we exhaust ourselves in the process, the less able we will be to watch and exercise politics. Certainly it is quite a plausible explanation where the politician's advice is not born of sheer ignorance. But when you hear those great industrial magnates who pride themselves on being the "captains of industry" urging the same idea and predicting national ruin if their advice is neglected, it is as well that we should have some definite opinions on the subject.

If you should require to face your employer on some of those irritating grievances which always seem to be with us—and you would do well to be always prepared for such emergencies—it is ten to one he will not let you go without reminding you about the need for working harder, "doing your damndest" he may put it if he is one who likes to be familiar with you for, of course, obvious reasons.

An Economic Fallacy.

Now when you are urged to increase production it is taken for granted that you agree that the more you produce the more you will get. Of course, you know that the best of employers are not philanthropists, although some of them look gift-horses in the mouth. But it is perhaps as well to know that this great discovery of the need for increased production is based upon a fallacy in economics, once popular and current—a fallacy indeed which, though long ago exploded, has simply been dressed up for the present occasion when capitalism has been proven a failure, and there is need to tide over an awkward situation. That fallacy is the belief that your wages can only come out of your product, and, therefore, the smaller your product the less you can get, and vice-versa. Let us examine this.

For the product which your employer sells today he gets a certain price. Now this price must be such that it will replace the raw materials you worked up, the proportion of the tools and machinery used up, i.e., the wear and tear, and whatever other instruments or things that were needed in the labor process. The price must also include the replacement of the wage to you and your mates, also the employer's profit. But the raw materials, tools, etc., used up represent pre-existing values. The replacement of your wages and his profit represents new value added by your own and your mates' efforts. It might appear that since your wages are replaced from the new value, that therefore, the more new value you produce the more wages you will get. This is an illusion, however, since your wage may be paid before the article is sold. Indeed, the article might never be sold. In any case, you know from experience that what you get in wages has always to be fought for. In fact, it is like drawing blood from a stone to get an extra halfpenny of a rise.

Effects of Time-wages.

In this respect time-wages expose the fallacy of the whole argument of increased production as a solution to our bread-line wages, since it reveals at a glance, by the continual strikes that go on, how the amount of your wages depends not so much on what you produce as on the strength of the combined efforts of yourself with your mates to force the employer's hand. This is one of the reasons why employers are so keen on payment by result, premium bonus, piece work, profit-shar-

ing and other methods of paying wages. Such methods of payment give the appearance that wages come from the product, and, therefore, beneficial to the workers because their amount depends on the output instead of time. You would be well advised, however, to spurn such proposals, since it is a case of "heads I win and tails you lose."

Payment By Results a Benefit to Employers.

All these methods are intended to take the place of the bully-ragging foreman as an inducement to "go the pace." But if you examine them and compare them with the time-wage principle you will find that, spread over the life of the worker, the net result is a decided gain to the employer while you are the sooner in your grave.

In the case of the Trade Union principle of a uniform standard wage for its adult members, what the experienced middle-aged worker—i.e., within the average life in the trade—loses because of any artificial restraint of the Union he gains at both ends, either as an inexperienced youth or when he is coming up for his superannuation. Under payment by results what he gains in this middle period, he loses at both ends since his inexperience and youth is a handicap; while as soon as he has crossed the hill he is thrown out as useless, the net result being that more of his life has been used up, and that quicker than if he had followed the standard-wage principle.

In any case it makes little difference whether you are robbed two-thirds of the week as in time-wages, or only paid one-third of the value of your product as in the piece system. In both cases the profit you allow to go to the employer comes from your efforts and industry.

Crises Intensified

What you would do well to fix in your mind is the fact that it is from our labor-power, applied to the natural and social agencies of today, that all wealth, including profit, is produced.

There is no real co-ordination today between production and consumption as would be the case

in a community whose first consideration was social need instead of private profit. Production being carried on for profit it is your employer's business to squeeze as much out of you as he can. The more he squeezes out of you compared to what you get as wages simply means that the harder you work—i.e., the greater the output—the sooner the markets will be glutted, and there you are back again to crises, epidemics of unemployment, etc.

Again, take care you are not misled by specious schemes, which, though actually putting more coin in your envelope or tin on Saturday, still leaves a greater margin in the bank-balance of your "boss." If, for instance, you increase your normal output by ten, but only get three while your employer gets seven, then, though you are getting more, relatively speaking your position is worse, since your employer is now in a position to lord it over you with more power at his disposal than before.

Not only must you have regard to your nominal, i.e., money wages, or your real wages, i.e., their purchasing power, but you must always have an eye on your relative wage, i.e., what you get as compared with profit.

The Real Incentive.

In a little booklet which forms the substance of a lecture delivered a long time ago by Karl Marx, and named "Value, Price and Profit" there is an illustration which compares the national wealth to a huge bowl of soup. Marx very aptly puts the case in a nutshell by saying that it is neither the narrowness of the bowl nor the scantiness of its contents that handicap the worker, but the smallness of their spoons. Not until the bowl and the soup are at the disposal of the community, instead of a class, will there be a real incentive to increase output.

Till then the appeal of employers for increased production will remain what it is today—a bogey to mislead you and I and the class to which we belong.

T. B.

PACIFIC PENETRATION OF JAPANESE.

Five years ago the Japanese and their wares were unknown in the Marshall Islands, and it might be added, anywhere in the Central Pacific Islands. Australian trade, despite German ownership, was paramount. Today the Japanese hold the trade of the whole of the Marshall group entirely, a loss of over £200,000 a year to Australia and Britain. This year will see the end to Australian trade in those islands, after a faithful service of over 25 years. Japanese trade is spreading rapidly in the British Crown Colony of the Gilbert and Ellice Islands, and mainly through the apathy of the Colonial Office, which is well acquainted with the facts.

Five years hence the Marshalls will be a populous and prosperous New Japan. Commercial magnates of Japan have already planned to put these islands, which by ignorant people were supposed to be commercially unimportant, on a progressive commercial basis, and several industries in connection with the coconut palm and its products will be established.

In preparing for the future, the Japanese authorities are looking far ahead. A line of modern tourist steamers of 2000 tons, specially built for the trade, plies regularly between Japan and the Marshalls returning via the Carolines and the numerous adjoining islands.

American Imperialism at Work.

Mr. R. Lundquist, resident representative in South Africa for the Commercial Department of the United States, has during the past few months been making a complete tour of British East Africa, Rhodesia and Uganda, with the object of encouraging the expansion of American trade with

these British Protectorates. He is reported to have been most successful in his efforts.

Railway rolling stock in large quantities continues to arrive from New York at Beira for the Beira-Mashonaland and the Rhodesia Railways.

A Hint to Lancashire Cotton Workers.

In the three years, 1916 to 1918 inclusive, the imports into China of plain cotton cloth manufactured in Japan exceeded the imports of similar cloth made in England! Here are the quantities as given in the report on the Foreign Trade of China in 1918, just issued from the Inspectorate General of Chinese Customs. The figures indicate pieces:

	1916.	1917.	1918.
British	5,452,573	4,397,411	2,634,432
Japanese	5,588,895	8,045,816	7,007,488

KOLCHAK ASKS JAPAN.

LONDON, Sept. 10.—A Bolshevik wireless despatch from Moscow asserts that Admiral Kolchak has applied to Japan for help, offering as compensation the Russian portion of the Island of Saghalien and the Ussuri region.

A Tokyo despatch says that Japan may find it necessary to despatch more reinforcements to Siberia.

"TEN DAYS THAT SHOOK THE WORLD."

(By John Reed.)

John Reed was in Russia during the Bolshevik Revolution and this book records his observations. He is a journalist, thus a trained observer but besides this he had the advantage of understanding the historical nature of the forces at work. Price, \$2. Postage paid.

"THE UNSOLVED RIDDLE"

THE Vancouver "Province" of Saturday, Sept. 13, contains the third of Professor Leacock's weekly articles on the causes of the social unrest. In this third article he examines critically the "natural liberty" doctrines of individualism which all men held to be "self evident truths" in the 18th and 19th centuries.

The professor tells us that the economists and leading thinkers of that period taught that the greatest possible happiness and social well-being would ensue in a society which adapted its policies to what they conceived as "natural laws." It was conceived that each man, having his "natural liberty" and having entered into free competition with his fellows in the selling of goods and services, would then have allotted to him, as a result of the competitive struggle, just that due reward warranted by his ability and activity. Thus from this premise it is deduced that the laborer for \$2 per day, gets the full value of his labor, that being all the value, it is conceived, that he creates. It is thus with the production engineer or manager or the president of a corporation, each and all are rewarded according to the dictates of a natural law which automatically registers in wages or salary the value of their labors in the productive process.

He shows that this appears to be borne out when we examine any particular business, as no employer can afford, all other things being equal, to pay higher wages than his competitor any more than he can jump out of his skin or if he does pay more he does it at the expense of degenerating into a philanthropist and so to ultimate bankruptcy as a capitalist. Nevertheless, he says, because people look at but a fragment of the structure they draw erroneous conclusions. Because one brick in a wall is immovable, they forget that the wall itself might be rebuilt. "But this," he continues, "as a matter of pure economics does not interest the individual employer a particle . . . it has nothing to do with business. But to society at large, it is of infinite importance."

"But consider for a moment the peculiar nature of the limitations themselves. Every man's limit of what he can pay and what he can take, of how much he can offer, and how much he will receive is based on similar limitations of other people. They are reciprocal to one another. Why should one factory owner not pay ten dollars a day to his hands? Because the others don't. But suppose they all do, then the output could not be sold at the present price. But why not sell the produce at a higher price? Because at a higher price the consumer can not afford to buy it. But suppose that the consumer for the things which he himself makes and sells, or for the work which he performs receives more? What then?" . . . He says, in despair, "One searches in vain for the basis on which the relationship rests. And at the end of the analysis one finds nothing but an anarchical play of forces, nothing but a give and take, resting on relative bargaining strength. Everyone gets what he can and gives what he has to." But, he says "the earlier economist held, so he thought, the thread . . . and this thread was his "fundamental equation of value," whereby each thing and everything is sold (or tends to be sold) under free competition at its cost of production. . . . Here was your selling price as a starting point. Given that, you can see at once the reason for the wages paid and the full measure of the payment. To pay more is impossible. To pay less is to invite competition that will force the payment of more. Or take if you like, the wages as the starting point; . . . the selling price will exactly and nicely correspond to cost. True a part of the cost concerned will be represented not by wages but by cost of materials, but these, on analysis dissolve into past wages. Hence the whole process and its explanation re-

volves around this simple fundamental equation that selling value equals the cost of production."

Just here the professor performs the cuttle fish act. He descends to logic chopping. First he says, the economists proposition is a fallacy. Then he says it is as true as that two and two make four. Then he says that it is like the latter statement and means nothing. "It is not in itself fallacious; how could it be? But all the social inferences drawn from it are absolute, complete and malicious fallacies." Socialist, as well as bourgeois, only more so. He then explains what the economists held was the basis of value. "A primitive savage makes a bow and arrow in a day; it takes him a fortnight to make a bark canoe." In that fact rests the exchange value between the two. The relative quantity of labor embodied in each object is the basis of its value. But the idea that quantity of labor governs value will not stand examination. . . . As long as we draw our illustrations from primitive life where one man's work is much the same as another's, and where all operations are simple, we seem easily able to compare . . . But in the complexity of modern industrial life such a calculation no longer applies: the differences of skill, of native ingenuity, and technical preparation become enormous. The hours work of the common laborer is not the same thing as the hour's work of a watchmaker or an engineer directing the building of a bridge. There is no way of reducing these hours to a common basis." He says, the economists attempted to slip out of the difficulty, but failed, by measuring the quantity of labor by what was paid for it. "Skilled labor is worth, let us say, three times as much as common labor. . . . Hence by adding up all the wages paid, we get something that seems to indicate the total quantity of labor, measured not simply on time but with an allowance for skill and technical competency."

According to Professor Leacock, upon this rock splits the theory of value of the bourgeois economists and all their structure of economic science falls away because of the impossibility, as he conceives it, of measuring the value of a commodity, embodying labor of various degrees of skill by reducing these labors to a common basis of labor time. As the labor theory of value was left by the early economist, his criticism is justified, but, where the earlier economists, Adam Smith and Ricardo, etc., had left the defective labor theory of value, Karl Marx took up the argument. The earlier economists had worked in a vicious circle. They asked what is the cost of producing commodities, and had answered the cost of labor. Then the question was, what is the cost of producing the labor, and they completed the circle without arriving at a determination by saying, the cost of a certain quantity of commodities, as food and clothing, etc. What in fact these economists called the value of labor, was, as Marx showed, the value of labor-power which exists in the personality of the laborer and which he sells to the capitalist as a commodity. The values produced by the laborer vary in any degree from the value of his commodity labor-power, the value of which he may produce in five out of the ten hours which he works, the remaining five hours he produces values for the capitalist.

The problem of reducing labor of various degrees of skill to a common base or multiple in order that they might be compared was also the work of Marx who thus solved the problem left unsolved by the economists and which is now given up apparently in despair by Professor Leacock. This subject of exchange value requires a more extended treatment than we can give it here. For a fuller exposition of the Marxian law of value we recommend a reading of the literature of Marxian economics, and wherever possible, attendance at classes on that subject.

The question is, how can the different kinds of

labor be compared? As different kinds of labor, they do not in fact enter into the role of the formation of exchange value. Commodities are the product of social labor and when brought into relation with each other for exchange, appear in that relation, not as the results of useful forms of labor, as carpenter or blacksmiths skilled or unskilled, but as labor in general, homogeneous, undifferentiated, abstract human labor. As use values they are the result of different kinds of labor, differing individually from one another. But as exchange values they represent the same homogeneous labor, i.e., labor from which the individuality of the workers is eliminated. Skilled labor is regarded as a multiple of unskilled labor. This reduction of differentiated labors to simple, homogeneous undifferentiated labor may be seen illustrated on the market when commodities are brought into relation with each other for exchange. Their value is then expressed in gold prices. Gold, the universal medium of exchange, acting as a looking glass in which all commodities see their relative values reflected as gold values. To quote Marx, (page 66, Value, Price and Profit) "You exchange a certain amount of your national products, in which a certain amount of your national labor is crystallized, for the produce of the gold and silver producing countries, in which a certain quantity of their labor is crystallized. It is in this way, in fact by barter, that you learn to express in gold and silver the values of all commodities, that is the respective quantities of labor bestowed upon them. Looking somewhat closely into the monetary expression of value, or what comes to the same, the conversion of value into price, you will find that it is a process by which you give to values of all commodities an independent and homogeneous form, or by which you express them as quantities of equal social labor." What Professor Leacock says can not be done, is actually done every day when commodities are brought into relation with each other for exchange in the innumerable buying and selling transactions.

The question now is, how shall quantities of this homogeneous social labor be measured? In the exchange relation commodities appear as quantities of labor values whose only distinguishable property is their duration. Motion is measured by time, so is labor measured by labor time.

The Marxian law of value is that the value of commodities are determined by the amount of socially necessary labor involved in their production measured by time. Price, the monetary expression of value, is a variation from value due to the conditions of supply and demand. But over a period of time the mass of commodities exchange with each other at their value.

The Socialist inferences, berated by Professor Leacock, are drawn from the Marxian analysis of the capitalist system of production. The keystone of the Marxian system is the above law of value. Many doughty economists have tried to pry it loose. Before attacking Socialist inferences, Professor Leacock might show the fallacy of their premise.

BULLITT TELLS.

The attempts to deny the Bullitt testimony given before the U. S. Foreign Relations Committee, would be comic were it not for the tragic memory of hundreds of thousands of lives wasted and untold miseries visited on the population of Russia through a starvation blockade, not to mention those in the Allied countries who, because they protested against the attempt to suppress the Russian workers' republic have been subjected to persecution, brutalities, and long terms in prison.

Articles are desired on the Socialist Philosophy or on current events interpreted in the light of its principles.