

# WESTERN CLARION

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EVENTS

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## Kodaks by the Way

LABOR Parties, like Cleopatra, have "infinite variety." And also, like her, they cause much confusion among their admirers. They come and go, wavering like moonlight on a lake, with every disturbance of the moment, until the wood of the class issue disappears in the forest of emergency legislation.

Why this confusion? Why this running after false gods? Patently, lack of knowledge of the class issue. For, if that issue were understood, the passing incidentals of labor exigencies would melt like mist in the morning sun. Yet that is but a statement carrying no explanation. Since, if that issue were understood, we should be on the verge of the new society. And conversely, not being understood, the new society is not a thing of the immediate future. It is a more dilatory affair than we thought.

Most of us came out the "last war" with the feeling that the capitalist system was done for. We could not see—perhaps do not yet see—how it could stand the shock and strain of peace dissensions. Yet it stands, apparently more concentrated in the means of life and power than ever. That had to be accounted for. And accounting it earned for the purely Socialist Parties the heavy-weight title of "reactionary." From the alleged failure of the Socialists to "make good," to profit by the capitalist "crisis," to "lead the masses to victory," came new bodies with weird methods of attack, and still weirder notions of virility. Not that the Socialist Parties could make good, not that there was a crisis, or the slightest chance of victory. The idea itself proves its own futility. But because that hope and belief was there and was found wanting; progressive reaction discarded the old propaganda of knowledge and turned to the more alluring vintage of direct means. And direct means led—as it could not fail to lead—by the meandering usages of opportunism, to the blind alley of compromise. Reform of parties; reform of program and policy; reform of method and tactic—all were called to book, and new views of attack and initiative were culled from the drastic change and sad experience that confronted the decaying hopes of that "new world after the war." So we stand to-day, divided and embittered, each nursing his own prejudice and animosity; each "under his own vine and fig tree."

But the vine and fig tree of individualism has completely gone by the board. Our issue, the class issue, is a social issue, caring nothing for man or group. It is an international society, heedless of nation or empire, or their exigencies. And in the terms of social unity it must proceed. There is no room for this or that idealism; for this or that panacea; for this or that pursuit of eclectic good; for this or that visioning of common aim. That is but begging the question. For the common aim is of the blood of unity, and unity pulses with the vim and strength of social vicissitude. That unity is to be achieved through the burning experience of social conditions, the similitude of aim mirroring the similitude of condition. It is not the progeny of reason, though reason is a factor in its promotion. It is not the result of force, though force may be a side-issue of its progress. It is not a medley of contrivance, although it has human directness. It is born of the compelling agencies of social forces and conditions. It is vitalised by the hardening antagonisms of the class struggle, and fanned continually by the abortive restrictions of imperialist necessity. We are

pried loose from our ancient preconceptions by the new order of living conditions. Our individualist traditions are scattered by the trade winds of monopolist activities. Our cherished convictions and their visible institutional forms are laid low by the expansive forces of the developing machine, and driven more and more insistently into the orbit of high finance. We are drawn into a common plane of social perception, as we have already been herded in the common reality of economic necessity.

We may say what Socialism is, but who can divine the changes and chances on the road of its accomplishment? Because Socialism (as a concept) is static and factual, while the detail of its becoming is dynamic and circumstantial. And it is just this circumstantial negation of our social theorising which has divided us into weak and struggling factions, and has turned the one time comely edifice of the socialist conception into a hissing and a bye-word. And because of the disappointments engendered by a vanishing ideal we turn to other and seemingly more promising means for its fulfilment, seeking in the darkening conditions of our time the proofs to justify our new conditioning of things.

But it is forgotten that the circumstantial negation of our theorising is not the same thing as the circumstantial negation of reality. It is not the socialist conception which requires whitening; it is only our concept of it which needs to be brought into harmony with the facts. The fact itself is true enough. It is our idea that is at fault, a matter abundantly evident in the shifty programmes and emergency policies of the labor parties of to-day. And by the same token, until that harmony is effected we batter at the doors of method in vain. For, just as we do not get Socialism, because we do not understand it, so we do not get a united front because we do not understand our social organisation and its necessary relationships. The one is a consequence of the other. And it is just as futile to expect Socialism without understanding it as it is impossible to obtain unity without the precognition of our social status, and its resultant clear cut issue of class. We are slaves in bond, and our first necessity is to crush the lie that we are free. That done, the scales shall fall from our eyes. That not done, we are blind men, wandering among the tombs of tradition.

To crush that lie brings us to the Socialist position and its tactics. Since the question is immediate: How is it to be done? Clearly not by trying to hammer into the head of a soc-disant freeman the notion that he is a slave. Clearly not by expecting the schools of initiative to accept a philosophy apparently antagonistic to experience and training. Clearly not by offering us certain plants from the tatter demotion rafts of expediency, in hope that thereby we may occupy a common platform. And, just as clearly, not by counting the particular heads of specific politics, in the belief that custom shall vindicate our choice. That is not the role of custom, but of material fact, out of which proceeds both the custom and its necessity. The teaching of Socialism is that out of the whole body of historic material of the time, develop the forces and influences which negate the conditions of the time, abrogating their basis use and necessity, and thereby annulling their power, and developing through the stress and strain of new needs and new necessities, the forces and influences which secure and fulfil their satisfaction.

And that the agents of this process—those forces and influences—are the material conditions and capacities of production, and the human interests of the several components of the social organisation. And it teaches further—directly or by implication—that the human element does not impose its will or control upon the process, except and until it becomes conscious of the impinging contradictions of the conflicting forces of society. That is to say that man reacts to the stubborn momentae of conditions only through the modus vivendi of experience, modifying those conditions through the thwarting interventions of classic inheritance.

We may be glad and rejoice that labor has achieved a revolution, and a government; has increased its representation, its vote, and its spectacularisms. But only as they bear witness to the indomitability of humanity. They are not indicative of the near triumph of Socialism. Rather they are symptomatic of the gathering oppressions of the great steam roller of capitalism, crushing the life of the peoples in the bloody wine press of its accumulations. Nor need we fix our eyes upon them to profit by their mistakes. For assuredly the future shall not be called upon to do what it is required of the present. The one lesson they convey is the utter failure of the cross-roads system, and the futility of the forced marches of misunderstanding. Society is a protean complex in motion, and the forces of tomorrow will be arrayed and deployed quite otherwise than those of today. Different conditions must call for different modes of procedure, and different answers must be given to their appeal. And if we hope to answer their questioning we must be prepared, not with the simple intimacy of their phenomena, but with the deeper fundament of their conditioning.

Out of that complex will come the forces to vitiate and overrule the capitalist system. It will generate its conflicting interests, crushing the weak in the triumph of the strong. Changing methods will make class interests more desperately implacable; necessity make them more irreconcilable. Thus it shatters the social concepts of "right," "justice," "fairplay," "morality." As it has blotted out individual enterprise with its ruthless competition so the continuation of the process will extinguish the lesser group. Thus "freedom," "initiative," and the "reward of endeavor" wilt in the hot glare of its rivalry. In the pursuit of imperialist ambitions it will subvert the probity of every parliament, as it has already whelmed the vaunted honor of every state. So "liberty" and "democracy," and "social service" are flouted and disrupted. So society becomes more corrupt and vicious; its morals being shaken, its moral code vanquished. So its life becomes more precarious and despicable, its notions of value distorted, the whole fabric of its cherished institutions traduced.

But society cannot continue to exist in depravity and distortion. It is the subvertisation of the very thing it was organised to achieve: social preservation. The social interests and satisfactions voided and set aside, gather to themselves out of the mighty magma of progress, the means and powers of their preservation. While the vitiating of the old system is going on above, the sublimation of the new is being accomplished underneath. And when the countermining of conflicting vested interests has ruined

(Continued on page 6)

# Political Representation

All true political representation must be, and can only be based on definite economic interests.—(Marx).

CIRCUMSTANCES (camp conditions principally) operate against my desire to reply to my critics and at the same time push on to more considerations of ways and means of social change. In this pass I propose to resort to wholesale quotations of matter needful to support the positions I assume in regard to working class political strategy, Socialist and Labor. It is the immediate future I have in mind in reasoning on this strategy, particularly in Canada and the United States. Farmer-Labor parties, politically representative of the chief producing elements of those national communities, have been formed in certain localities, while in others such coalitions are either agitated for or else close affiliations of existing farmer and labor political parties are advocated. The desire in these proposals is for a larger mass of co-ordinated radical elements in the struggle against the more powerful business interests who exercise preponderating controls as to the formation of public opinion and over state policies in both home and foreign affairs. Chiefly, the basis of unity of the economic groups is claimed on the ground of common interests as against the exploiting business elements; and on the possession of a common psychology as producers, having concepts of the superior functional worth to society of the producer and his rights as such.

Many socialists disagree with the attempt to foster or form these hyphenated Farmer-Labor parties on the ground that farmers are employers of wage laborers and that therefore there inevitably arises a conflict of interest between the two classes which is bound to have its political reflex. On the whole I see the matter in the same light though I am inclined to have some greater regard than some of them for the integrating power of the interests and mental traits held by the groups in common. Though the proposal for the amalgamation of Farmer-Labor groups in one political party may have its virtue, I can not see that it would have any chances of permanency. This, partly because of the conflict of interest alluded to as wage workers and employers, and partly—perhaps mainly—because the groups are of different occupational interest to a great degree. The problems of the farming class in the future will have to be dealt with by themselves with a minimum of interference from those who have no first hand acquaintance with the facts of agricultural technology and economics. Better each group have its own party so that conflict of interest between the groups may be fought out without impairing organization, while there is nothing to prevent them acting together spontaneously or by arrangement when common interest prompts them so to do. Such promptings, we may predict, will become more frequent with the spread of socialist ideals and as needs dictate. My belief is that there is a period of development in political formation along the lines of economic group representation on the North American continent, tending to take some such shape as follows: a political party of the bourgeois interest, a party of the agricultural interest, and a party of the wage-working interest, the two latter parties making up the progressive left and becoming, in course of time more and more impregnated with socialist ideals.

Here then I propose a discussion for two issues of the Clarion, dealing with the inherited system of political representation whose seeming breakdown, due to the deflection of Farmers and wageworkers from the old-line parties to parties of their own interest, is the occasion for my prediction of a development of political representation by economic groups. Other issues will contain a review of the structure and working of a group system once obtaining in Medieval times. I elect Professor Charles A. Beard, historian of high reputation. I lift Beard from the pages of his "Economic Basis of Politics," a series of four lectures given at Amherst College, U.S., in 1916, the last lecture revised in the light of

later political experience, the whole published in book form in 1923 by Alfred A. Knopf, New York:—

## The Doctrine of Political Equality.

THE great political philosophers, with few exceptions, have regarded property as the fundamental element in political power, and have looked upon a constitution as a balance of economic groups. The governments founded and developed before the nineteenth century were in fact complexes of group interests. Nowhere was the representative system, in its origin, designed to reflect the opinions of mere numerical aggregations of human beings considered in the abstract apart from property and employment. On the contrary, it reflected the sentiments and views of different sorts and conditions of men, estates or orders: clergy, nobility, burghers, and peasants.

In the United States where there was no clerical estate or established nobility to be represented in the government, the existence of the two fundamental property groups—the owners of realty and the owners of personality—was taken into account in positive constitutional law or in the check and balance system provided by the separation of powers. If the first American constitutions were more democratic than those of Europe, the fact is not to be attributed to radical changes in human nature, induced by a voyage across the Atlantic, but, as the great Webster pointed out, to a very wide distribution of property, due mainly to cheap land.

So things stood in the closing years of the old regime. They suddenly came two great revolutions, one in economic fact, and the other in political theory. The first was brought about by the invention of the steam engine and machinery, creating an immense amount of property which had hitherto existed only as a minor element in economic life, namely, industrial and mercantile capital. So rapidly did this new form of property accumulate that even in the United States, by the middle of the nineteenth century, it exceeded in value the agricultural land of the country.

Being more mobile and more easily concentrated than land, a vast portion of it quickly fell into the hands of, relatively speaking, a small portion of society. As land was the great stabilizer of the old order, so capital became the great disturber in the new order. Like a mighty giant tossing to and fro in a fever, in its quest for profits, it tore masses of men from the land, from their sleepy villages and hamlets, and hurled them here and there all over the globe. Under its influence the old sharp class differences were disarranged. The peasant might become a successful cotton spinner, a financial magnate, a contributor to party war-chests, a peer of the realm. The Manchester individualists, Cobden and Bright, looking upon the new order which they had helped to create, pronounced it good and declared that because any hustling individual might rise from poverty to wealth, the era of individual equality had arrived. Instead of studying the new groups, the new class divisions, more subtle and complex than ever before, they proclaimed the glad day of equality.

While James Watt was experimenting in Glasgow with the steam engine, and thus preparing to blow up the old economic order in the realm of fact, a French philosopher, Jean Jacques Rousseau, was experimenting with ideas scarcely less dangerous to the ancient regime than the operations of the Scotch mechanic. Unlike his distinguished predecessor in political science, Montesquieu, Rousseau did not search assiduously among the institutions and habits of mankind to find a basis for his political philosophy. Rousseau was not a man of science or a detached scholar. He was a passionate propagandist. He formulated the sentiments and views of the third estate in France then beginning to thunder against the monarchy, which was buttressed by the special privileges of the clergy and the nobility. In his Social Contract he set forth the moral and philoso-

phic justification for the revolt of the third estate.

In his system of political thought, Rousseau, in effect, advanced several negative propositions. He denied that there was any inherent and essential connection between economics and politics. He repudiated the idea that the nature and amount of men's material possessions and the character of their occupations could have any substantial influence on their political sentiments and their political actions. He rejected the age long view that the transmission, alienation, accumulation, and distribution of wealth bore a fundamental relation to the form and practices of the government. He denied the doctrine that society is a complex of more or less conscious groups and interests. For the group or class-man he substituted the abstract, the cosmopolitan, the universal man.

In order that we may get the essence of this new political philosophy, let us make a somewhat close examination of the doctrines laid down by Rousseau. He simply cannot be ignored, for his Social Contract became the text book of the French Revolution and of that world-wide equalization movement which has in our day penetrated even the heart of China, preparing the way for the overthrow of absolutism and the triumph of the third estate.

The origin of the state Rousseau finds not in a divine command that one should rule over others, or in the fusion of estates, but in a voluntary union of free men. Of course Rousseau knows that this was not true, in point of fact, and respect for the truth compels him to admit it. But he cannot allow the matter of historicity to interfere with the foundations of his system of political ethics.

In Book I of his Social Contract, he says: "If, then, we remove from the social contract all that is not of its essence, it will be reduced to the following terms: Each of us gives in common his person and all his force under the supreme direction of the general will; and we receive each member as an indivisible part of the whole."

"Immediately, this act of association produces, instead of the individual person of each contracting party, a moral and collective body, composed of as many members as the assembly has votes, which receives from the same act its utility,—its common being, its life and its will. This public personage, thus formed by the union of all the others, formerly took the name of city, and now takes that of republic or body politic. This is called the state by its members when it is passive; the sovereign when it is active; and a power when comparing it to its equals. With regard to the associates, they take collectively the name people, and call themselves individually citizens, as participating in the sovereign authority, and subjects, as submitted to the laws of the state. But these terms are often confounded and are taken one for the other. It is enough to know how to distinguish them when they are employed with all precision."

Having found the origin of society in a general agreement of free and equal men, Rousseau naturally places sovereign power by moral right in "the people"—a collectivity of all the individual members of the state. The law of the state is therefore not the will of some class (like the landed gentry) imposed upon all others, or a compromise rule produced by a balance of conflicting group interests, but is, according to Rousseau, an expression of "the general will." This alone is its justification. If it destroys the rights and property of the individual still he must abide by it. "In order then that the social contract may not be an idle formula, it includes tacitly this engagement, which alone can give force to the others, that whoever shall refuse to obey the general will, shall be compelled to it by the whole body. This signifies nothing if not that he will be forced to be free; for it is this condition which, giving each citizen to the country, guarantees him from all personal dependence—a condition which forms the device and working of the political

(Continued on page 8)

# Was Marx a Reformer?

BY J. A. McDONALD

**N**UMEROUS have been the attempts, in recent years, to pin the badge of reform on the lapel of Marx. Spargo, in his "Marxian Socialism and Religion," went so far as to emasculate the Communist Manifesto in order to produce a Marx of his own calibre. Hillquit, in several of his books, classifies Marx among the advocates of reform, while carefully refraining from any quotations that would support his contention.

Now, it is our comrade "C" who attempts to perform the Herculean task. His efforts are crowned with no more success than those of his predecessors in the same endeavor. Although we can unreservedly concede that "C" has made a more profound study of science and philosophy than either Spargo or Hillquit, yet his self-imposed labors have failed to attain the objective. The reason for all these failures is found in the fact that the works of Marx are not susceptible to such treatment.

Let us examine "C's" contribution. After quoting two whole pages of the preface to Cap., Vol. I. with four specially emphasized sentences, he sums up with the following statement: "If read carefully, my quotation shows that Marx was far from hostile to parliamentary procedures and reforms and did not regard them as necessarily inimical to the progress of the English working class, even when reforms were brought in under the auspices of the bourgeois parties. Indeed he expresses a desire for them in Germany as a necessary phase in the development of the German working class."

Now, who in the world ever contended that all social reforms were necessarily inimical to the progress of the working class? "C" has been a member of the S.P. of C. for some years. He has at his disposal all the party literature. May I ask him to point out where any official statement has ever been rendered to the effect that the Party considered all reforms inimical to working class progress?

If he can produce such a document, then he is surely entitled to his premise. If not, then he is simply beating the air. We cannot eliminate the human factor and proceed with an argument. It requires at least two to conduct a debate.

I will shoulder the responsibility of stating that the Party has never been anti-reform, but rather anti-capitalism. Every propagandist, to my knowledge, has admitted that certain reforms, under certain conditions, may prove conducive to working class progress. If we find them useful we adapt them to our needs as a class.

But this concession by no means implies that our energies should be directed to striving after remedial legislation. Here is where "C's" postulate falls to the ground. He assumes that Marx was a reformer instead of a revolutionist.

There is no desire on my part to enter into a quibbling competition over the fine points of distinction between reform and revolution, nor to show, Dietzgen-like, that a reformer is a revolutionist and vice-versa. The generally accepted definition will suffice. The differences between the position of revolutionist and reformer are well exemplified in the Labor Party and the Socialist Party.

What, then, was the attitude of Marx? Was his stand synonymous with that of MacDonald, Schiedeman, Vandervelde, Branting and other errand boys of the bourgeoisie? Or did he take up a clear, definite revolutionary position and leave the extension of reforms to the ruling class, whose citadel was being bombarded?

Any student, who has paid strict attention to the teachings of Marx, should have little difficulty in arriving at a conclusion. A perusal of the animated pages of the Communist Manifesto, the Criticism of the Gotha Program, the Civil War in France or the Eighteenth Brumaire, leaves little doubt of the fact that "C" is up in the air.

Space prohibits a lengthy series of quotations from the works mentioned, but the final paragraph

of the Manifesto can be taken as a good example of where Marx stood. Here it is—"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. Let the ruling class tremble at a Communist revolution. The proletarians have nothing to lose but their chains. They have a world to win." (Special emphasis superfluous.)

To substantiate his point of view, "C" promised to quote Marx and Engels. Not a line was adduced from the works of Marx. All we are given is a vague, indefinite quotation from Engels' preface to Cap., Vol. III, written back in 1894. This selection means nothing. At that time there were no labor parties as such. The English Labor Party did not have its inception till years afterwards. Engels was obviously referring to organizations like the S.D.F., which had at that time an avowed revolutionary objective. He termed them both labor parties in the same way that we could call the Socialist Party a party of labor representing the working class.

As to Marx on parliamentary procedure, well that is another story. Marx well understood the value of parliamentary action to the revolutionary movement. Quotations much more emphatic in this respect than the one given by "C" could be introduced to present his attitude. But this is unnecessary as the point is not in dispute.

A few facts, however, will not be amiss anent the introduction and operation of the Factory, and Factory Extension Acts. It must not be thought that those Acts were the result of working class pressure or capitalist generosity. They were the outcome of the inter-action of a complicated series of factors. The struggle between landlord and capitalist and later, similar conflicts between the various sections of the capitalist class made it possible for certain benefits to accrue to the workers.

Neither can it be contended that those acts detrimentally effected capitalist development. On the contrary the opposite was the case. The report of the factory inspector, 1865, states—"The inconveniences we expected to arise from the introduction of the Factory Acts into our branch of manufacture, I am happy to say, have not arisen. We do not find the production at all interfered with; in short, we produce more in the same time" (Cap. vol. 1, p. 522) Where the Acts did pinch the capitalist he found means of circumventing them. (See Cap. vol. 1, p. 265.)

As for the differences between English and German conditions regarding reforms of this nature, had Marx been writing thirty years later his conclusions would have been vastly amended. The greatest of all socialist reformers—Bismarck—found favorable conditions, following the Franco-Prussian War, for placing on the statute books legislation of a nature much more advanced than anything found in England or elsewhere. The Workmen's Compensation Act, the Old Age Pensions Act, etc., all had their birth in Germany and not England. But even these drastic measures and almost six years of social democratic administration have not solved the workers' problem. They still have need of a forcible revolution to abolish capitalism and its hideous effects.

Now, I am asked to present my "point of view" on the British Labor Government. With pleasure! But would it not be apropos to have, first of all, the S. P. of C. "point of view?" Regardless of its anti-working class character, the advent of a Labor Government was a great event. Practically every working class organization in the English speaking world has voiced its opinion either in favor or opposed.

It has been officially admitted that the many contributions of "C" present what the Party does not stand for. What could be more appropriate than an article showing what it does consider in this respect? Such an effort might obviate the necessity

of my "point of view." Being official it would have greater influence.

Of course, references of a vague, non-committal kind have been made in the editorial columns from time to time, but the whole policy of the Clarion has been to pussy-foot across the issue while allowing "C" to wander in the paths of reform without as much as an editor's note to caution him, or show the erroneous nature of his numerous "By-the-Ways." For the past couple of years the Party has been in reality the S. P. of "C."

It is time we turned a new leaf. To function properly in the revolutionary movement, a Party must be something more than an economic class. It must drive home a scientific conception of the class struggle, and strive to lead the workers into those channels, which history has shown to be best adapted to a revolutionary purpose. This the S. P. of C. has lately failed to do. The failure is reflected in the present disintegration of the Party.

## 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-swelling 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 upon all workers to organize under the banner of the Socialist Party of Canada, with the object of conquering the political powers 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.

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922

VANCOUVER, B. C., AUGUST 16, 1924.

### POINTS OF VIEW.

THE present attitude of the S. P. of C. and the Clarion toward labor parties and the like is a matter of comment in our pages, and we take it that our attitude has not been sufficiently definite in the form of its utterance to emphasize the hostility of the S. P. of C. to all other political organizations "allegedly labor or avowedly capitalist," or words to that effect—as in past days.

It is quite true that recently we have been hesitant in criticism of, say, such newly arrived appearances as the British Labor Government, or the cutting edge of our remarks has not been so keen as has been hitherto usual when dealing with people whose outlook has not been precisely like our own. Likewise in the local field of endeavor, although we have not sunk our organizational identity in associating with other groups in politics we have taken action quite contrary to the action taken in the previous B. C. Provincial Election.

In the local action we had little or no alternative confronting us otherwise than to play the part of a non-participant negative, and when the situation is looked at now the election is over we are unable to see that any harm has been done or that our tradition as a factor in the education of the working class has been amended or detrimentally affected in any way. Otherwise than that we have reached more people than has been usual at our election meetings and our propaganda has suffered no hurt.

The war years and the years after have brought problems of party attitude and tactics to us which hitherto we had escaped. The war years brought official hindrance to our activities in various parts of the country, brought a censorship on the party organ and tended to disintegrate the organizational machinery of the party. Following upon that when we had begun to rebuild after the war the industrial union enthusiasm pervaded the western Canadian atmosphere, and its organizations, in building themselves up, tended to weaken our own by recruiting to their work the energies of many of our people. The Russian revolution and the literature that came from it set our membership, in common with other people, in a turmoil, and the whole movement seems to be at the present time suffering apathy which may be accounted the opposite extreme from those days of expectancy. The matter of the Third International affiliation brought forth a split in the party and divided opinion among workers generally. Those were different days from these. Revolution was abroad then. Party loyalties were suspended or broken throughout the European world. Capitalism had lost its grip. And ideas were losing their rigidity, a rigidity which they have not regained.

Afterwards, we have not had the same inclination to be dogmatic in our attitudes and we have welcomed various points of view.

In the practical play of politics any body, labor or socialist, will sooner or later find itself confronted with circumstances which will tax its resources or overcome, consistently with ideas prevailing inside and out of its body as to its principles, aims and the nature of the groundwork it has already laid down. So far as the Labor Government in Great Britain is concerned its own back benches appear to be very much concerned with this very matter at the present

time. Their criticism of their own government's action concerning the adoption of the recommendations of the Dawes Report is a case in point. Yet the government received the support of its own party. It is so with all its problems, and these problems will be set before it as hard fact matters wherein theory and practice must get along with the best possible grace.

In our own case, we have the relationship of our past and present attitudes to work out, and if we are in no special hurry to decide upon definite courses it is an indication of the fact that while we can teach we can learn, and perhaps gather strength as we go along. One thing is certain: in the past we have succeeded in imparting to the workers at large in Canada where we have effected contact with them an idea of the value to be gained in study and reflection and the worth of such an attitude in meeting the problems of working class life and aim. For the moment we are somewhat introspective.

Perhaps our attitudes have become less mechanical. At anyrate we are working them out as best we can.

### SECRETARIAL NOTES.

Writing from Nanaimo, Comrade Arthur Jordan, Secretary of the S. P. of C. Local there, advises us as follows:

"We are holding a joint picnic at Oyster Bay, Labor Day, September 1st. The workers of Cowichan-Newcastle and Nanaimo Electoral Divisions have amalgamated for this big picnic. I have been made secretary and Comrade Ratlef is chairman, along with a live committee from Nanaimo, Ladysmith, Northfield, Extension Mines, South Wellington, etc.

"I was instructed to invite Comrade W. A. Pritchard to speak, also Frank Brown, M.L.A., and R. L. Neelands, M.L.A. All workers in Vancouver who are interested are invited to come and join the crowd. Oyster Bay is close to Ladysmith. If enough comrades can be gotten together in Vancouver they may be able to charter a boat and make the trip together."

We have given this such publicity as we have been able to among our own membership in the hope that it might be possible to muster a sufficiently large contingent from Vancouver which would warrant chartering a boat for Ladysmith on that day. The obstacles are many, however, and at this time of writing the likelihood is that we shall not succeed in organizing the needed number. The return trip can hardly be made in one day, leaving time and energy for the pleasures of the picnic. However, this is an earnest of the organizing capacities and enthusiasm of the Vancouver Island workers, and it seems to us to be a good sign. Whoever gets to that picnic will have a good day of it and a good welcome.

Comrade C. Lester is at the moment in Edmonton. In the past few months he has covered many hundreds of miles of prairie country talking in the farming communities. Recently he was in Drumheller. He says District 18 is suffering from the initiative of the mine owners at the present time in the tendency to provoke trouble. Lester has had meetings there which have been attended by police armed with smoke bombs. At Drumheller there was arranged a meeting and demonstration in Elgin Field, Saturday, 2nd August, and on the following day a meeting was held in the Regent Theatre, Com. Lester being the speaker on both occasions. There and at Wayne the police seem to have deemed it their duty to attend in number. The miners have been five months on strike. Lester reports that the excitable sort of propaganda among the miners is not what is wanted, and this they are beginning to see. He says his meetings were well attended and that his talks were well received.

Calgary, Alberta.—At the headquarters of Local Calgary every Thursday at 8 p.m. there meets a class for the study of economics. Everybody is welcome. Come to this address and hear working class matters and problems dealt with in a manner of

moment and interest. Address, 134A 9th Avenue West, Calgary, Alberta.

### VESTED INTERESTS.

MODERN social problems are an especially good field for the study of factors affecting cultural changes. For, in the first place, there is a wealth of material, because at the present time many social problems are occasioned by the frequent cultural changes. Furthermore, the student of modern social changes has a certain advantage over the student of changes in earlier cultures because of the greater detail and fuller record. Of course the factors in modern social changes are not instantly clear, but they are certainly not as obscure as the forces of the remote past. Very probably, therefore, an examination of some present-day changes may reveal additional factors affecting cultural change. It is not necessarily true, though, that the same forces operating today to effect or resist cultural change have operated at all times or operated in earlier cultures.

One factor affecting change in modern society that is quite easily observed is the power of a particular economic class. Modern society is differentiated into economic classes. Wealth and income are quite unequally distributed, so that one class or group has a very large proportion of the total amount. And there is plenty of evidence to show that the group or class that has the major portion of "the good things of life" is not so eager for change as those whose incomes and material possessions are scant. Those who derive exceptional benefit from rent, interest and profits resist changes that endanger or affect adversely these sources of income. The interests of these groups have been referred to as "vested interests." Groups not benefiting so much but suffering from the existing disposition of property are more likely to institute and support changes. Two other points should be noted in this description. One is that the possession of money and property in modern society is closely correlated with power. The other point is that economic conditions are closely interrelated with many other cultural features, so that many suggested changes today affect the economic situation and the effect of the economic situation in modern society reaches far into other fields of culture. The result is that an economic class is in powerful opposition to a great many forces of social change.

It is also true, however, that the power of this economic class has been very influential in promoting change. As employers they are in large part responsible for business enterprise, which has materially transformed the American continent in a very short while. Of course this material progress is not to be accounted for wholly as a result of the ability of the class of entrepreneurs. Much of this material change, through inventions, was inherent in culture; that is, such material changes as the development of steam and electrical power would probably have occurred under various systems of property distribution. Still, in the past, the opposition to business enterprise on the part of the wealthier class has not been conspicuous save in exceptional cases. In a society differentiated into social groups, some group will be identified with the forces of change while another group with interests more highly vested in the existing culture will resist the forces of change.

Opposition by the vested interests to change has not been so frequently observed among the simpler cultures. However, a somewhat similar opposition to change among peoples with more primitive cultures seems indicated by Dr. Parsons in her study of custom. She points out that there is a "will-to-power" element in custom, which resists a change in the custom. This will-to-power is, however, rationalized, so that the true motive is not apparent. Thus certain rules of obedience for children seem designed for the comfort or power of the adult. The perpetuation of such rules may have utility for the more powerful class; how the parents and adults. So that in primitive society power is unequally distributed. The elders, males, warriors, religious leaders, may have much power, while slaves, women, or children

(Continued on page 7)

# The Evolution of Industry

BL W. McLAINE.

**I**F Rome were not built in a day, what can be said of the great fabric of modern industry? That certainly is not a product of mushroom-like growth. Rather is it the result of centuries of development, and of the operations of forces which have transformed continents, annihilated distances, and brought well-nigh the whole world under contribution for the purpose of supplying the means whereby those forces can continue to operate. It is perhaps more necessary today than ever that industrial workers should realise how industry has repeatedly changed its form, because there appears to be a tendency to regard present day changes as being of a character separate and distinct from anything that has gone before, and as something in the nature of a movement from a fixed condition of things to a state of fluidity and uncertainty. It would be much more correct to regard the present changes as a continuation of past movements, directly connected with and related to all past development.

It is not possible for us to draw a straight line down the pages of the story of the evolution of industry and to say that development has followed precisely that line and no other. There have been too many wanderings from the path for this to be possible. Too much going over the same ground again, and too many hold-ups and temporary setbacks have taken place, due mainly to the actions of vested interests which from time to time have endeavoured—always in the end without success—to preserve the status quo and to prevent new and striving interests from coming into their own. Similarly it is not possible for the growth of industry to be considered apart from political development. Movements of note in industry have produced new economic classes that, either in town administration, or in national assembly, have used every means that came to their hands for the purpose of maintaining their own supremacy, clinging, even when their day was done to that last refuge of an economically useless class—the political machine. But, in spite of all this, it is possible for a general statement to be made of the lines along which industrial development has proceeded, and for its history to be divided into four periods:—

1. Family Industry—Ending about the middle of the 12 century.
2. Handicraft Industry—From the 12th to the 15th centuries.
3. Domestic Industry—From the 15th to the 18th centuries.
4. Factory Industry—From the 18th Century to the present day.

None of these historical periods can be clearly marked off from the period preceding or following it. How intermingled they are is evidenced by the existence today, side by side with the most modern and up-to-date machine-operated manufactory, of the small jobbing craftsman working up his own materials and selling them, and, of that other industrial anachronism, the worker who takes his customer's raw materials into his own home, works them up into what is required, and is paid for the labour he expends. These survivals of a past age are out of their true economic element, but they are typical of what was at one time the prevailing mode.

## Family Industry.

Each productive system is distinguished as a system by the degree of specialisation attained and by the extent of the market that could be supplied. The essential features of Family Industry were that specialisation was practically unknown and that the market, if there was any market in the real sense, was purely the exchanging of products between people who were personally connected. Each family was a self-contained economic unit. The various members of the family circle tilled the soil, gathered in the crops, tended the sheep, prepared the wool

and made the clothes for their own immediate use. The crops were scanty, the sheep poor, and the clothing rough and coarse, it is true, but the means at the disposal of the people did not permit of a high standard of quality being reached, and there was little incentive to alter the methods of production, even if the knowledge had been there, which certainly was not the case. Custom ruled over all activities, and things were judged from the standpoint of what had been. Any goods that were not required by the family and could be dispensed with in favour of others of more immediate usefulness, were exchanged within the narrow limits of the village, by the process of barter, that cumbersome form of exchange which required not merely that the seller must find a buyer who would purchase what he had to sell, but that he must find a buyer who would make his purchase with goods the seller required. Without money to facilitate the exchange of products, and without a free movement of the people (the Feudal system with its serf-basis and the absence of means of communication between various parts of the country prevented real freedom of movement) trade and industry were bound to keep within very narrow limits. But as the means of producing food improved, it became possible for some members of the household—the most adept members—to give more of their time to special forms of productive activity, and, almost imperceptibly, within the old form there came into existence a body of handicraft workers, the heralds of a new system and the destroyers of the old. The beginnings of a money economy, the visits of foreign merchants bringing with them the vision of a world wider than that circumscribed by the narrow confines of the village, and the agricultural movements which tended—but only in a very small way—to give the enterprising individual greater scope for developing, all helped along the movement, and broke down the family and village organisation which had become too narrow to contain the forces within it.

## Handicraft Industry.

Handicraft industry, as a productive system, though growing out of the family form of production, was yet a long way in advance of it. It needed a form of specialisation wide enough to allow of the existence of men engaged almost wholly in industry and dependent upon the agricultural community for food. It needed also a body of merchants to find markets for the greater volume of goods that the specialisation made possible. Goods were no longer produced to satisfy purely local needs, but for sale in a wider market. The merchants—chiefly foreign—travelled from village to village, met the handicraftsmen at the fairs and markets, took their produce to London or to more distant markets, and brought with them the products of the Far East and of the Mediterranean cities. (The fair of St. Ives was noted in the 12th Century as a centre for the sale of hides, wool and silk; the fair of St. Giles, Winchester, was noted about the same period as being the centre for traffic between France and England; the fair of Stourbridge, in the 13th Century, for embroidery and silk, and so on.) These market centres, it need hardly be said, became the nucleus of many a new town. Merchants settled there, and craftsmen either stayed where they were while the town grew up round them, or they moved to the trading centres and made their homes in districts to which their craft gave the name. The new towns were hampered by the exactions of the Feudal lords who levied toll upon them to such an extent that the merchants whose economic interests were affected were obliged to contend from time to time against them, and were forced to bring pressure to bear upon the central authority in order that greater freedom could be secured. More than one town gained its freedom because a needy king was in want of money and was prepared to sell charters to the mer-

chants who could pay for them. The need for combination amongst those whose interests were identical and who, by combined effort, could achieve what otherwise they would have failed to accomplish, forced the merchants to form those organisations which did so much to build up the towns of the Middle Ages—the Merchant Guilds. The merchants became the leading men in the towns, and though their guilds were distinct from the organs of town administration, they were yet closely connected with them. The leading men in the guilds were almost always also the aldermen of the towns, and they provide us with many an excellent object lesson of how economically powerful groups have, from time to time, gained control over administrative and legislative assemblies, because best noted. Parliament at that time counted for little, if any, more than any of those local regulatory bodies. Indeed, it was only one of a number of organisations which attempted to legislate and control.

When the merchants had secured their freedom and their trading rights, they began to use their power for the purpose of keeping back others who came into competition with them. They refused to allow the craftsmen to take part in trade, their guilds became exclusive and oligarchic, and craftsmen who were members were not allowed a voice in determining the policy of the Guild. The craftsmen, therefore, in their own interests, were forced to form their own organizations, and to struggle for their place in the sun, in the same way that the merchants had struggled for their freedom against the authority and domination of the Feudal lords. Thus did one set of vested interests compete against another, revolutionary when looking ahead, but reactionary when its object was achieved.

By the 14th Century the craftsmen had reached the height of their power. Their Craft Guilds had taken the place previously held by the Merchant Guilds; they dominated in town authority, and their influence was felt to some purpose in the National Assembly. But, like the merchants, when they had secured freedom for themselves, they were by no means anxious to allow others to be free. When oppressed, they were all for the overthrow of the existing order, but when they had secured their emancipation they too began to be restrictive and monopolistic. Produced as a class by economic development, in other words, by the growth of industry, they tried to hold back the very forces which had created them, but which did not cease operating with their emergence from obscurity. Trade and industry were fostered and helped by them. Their guilds regulated industry and framed rules which provided that good work should be done, that periods of apprenticeship should be served by all who entered the craft or "mystery," and which regulated the prices and conditions under which work should be sold. These regulations had for their main object the restriction of the number of people who could enter the particular industry with which the guild was connected, but they nevertheless placed industry upon a much sounder basis than it had hitherto occupied. But, as trade grew, as voyages of discovery opened up new markets and as agricultural changes loosened the manorial ties, the monopoly of the craftsmen was broken down. They did not give way without a struggle, however. By raising the entrance fees to the guilds, by enforcing longer periods of apprenticeship, by more stringent restrictions, such as compelling journeymen to declare that they would not "set up" for themselves and by means of political action, which took the form of Acts of Parliament prohibiting the setting up of industries except in the towns—where they were the dominant element—they sought to maintain their economic ascendancy. But forces were at work greater than they, forces against which they strove in vain. The

(Continued on page 7)

# The Decay of Business Enterprise

BY THORSTEIN VEBLEN.

(Continued from last issue)

The current periodical press, whether ephemeral or other, is a vehicle for advertisements. This is its *raison d'être*, as a business proposition, and this decides the lines of its management without material qualification. Exceptions to the rule are official and minor propagandist periodicals, and, in an uncertain measure, scientific journals. The profits of publication come from the sale of advertising space. The direct returns from sales and subscriptions are now a matter of wholly secondary consequence. Publishers of periodicals, of all grades of transiency, aim to make their product as salable as may be, in order to pass their advertising pages under the eyes of as many readers as may be. The larger the circulation the greater, other things equal, the market value of the advertising space. The highest product of this development is the class of American newspapers called "independent." These in particular—and they are followed at no great interval by the rest—edit all items of news, comment, or gossip with a view to what the news ought to be and what opinions ought to be expressed on passing events.

The first duty of an editor is to gauge the sentiments of his readers, and then tell them what they like to believe. By this means he maintains or increases the circulation. His second duty is to see that nothing is said in the news items or editorials which may discountenance any claims or announcements made by his advertisers, discredit their standing or good faith, or expose any weakness or deception in any business venture that is or may become a valuable advertiser. By this means he increases the advertising value of his circulation. The net result is that both the news columns and the editorial columns are commonly meretricious in a high degree.

Systematic insincerity on the part of the ostensible purveyors of information and leaders of opinion may be deplored by persons who stickle for truth and pin their hopes of social salvation on the spread of accurate information. But the ulterior cultural effect of the insincerity which is in this way required by the business situation may, of course, as well be salutary as the reverse. Indeed, the effect is quite as likely to be salutary, if "salutary" be taken to mean favorable to the maintenance of the established order, since the insincerity is guided by a wish to avoid any lesion of the received preconceptions and prejudices. The insincerity of the newspapers and magazines seems, on the whole, to be of a conservative trend.

The periodical press is not only a purveyor of news, opinions, and admonitions; it also supplies the greater part of the literature currently read. And in this part of its work the same underlying business principles are in force. The endeavor is to increase the circulation at any cost that will result in an increased net return from the sale of the advertising space. The literary output of the magazines is of use for carrying the advertising pages, and as a matter of business, as seen from the standpoint of the business man's interest, that is its only use.

The standards of excellence that govern this periodical literature seem fairly to be formulated as follows: (1) In each given case it must conform to the tastes and the most ready comprehension of the social strata which the particular periodical is designed to reach; (2) it should conduce to a quickened interest in the various lines of services and commodities offered in the advertising pages, and should direct the attention of readers along such lines of investment and expenditure as may benefit the large advertisers particularly. At least it must in no way hamper the purposes of the advertisers. Nothing should go in a popular magazine which would cast a sinister shadow over any form of busi-

ness venture that advertises or might be induced to advertise.

Taken in the aggregate, the literary output is designed to meet the tastes of that large body of people who are in the habit of buying freely. The successful magazine writers are those who follow the taste of the class to whom they speak, in any aberration (fad, mannerism, or misapprehension) and in any shortcoming of insight or force which may beset that class. They must also conform to the fancies and prejudices of this class as regards the ideals—artistic, moral, religious, or social—for which they speak. The class to which the successful periodicals turn, and which gives tone to periodical literature, is that great body of people who are in moderately easy circumstances. Culturally this means the respectable middle class (largely the dependent business class) of various shades of conservatism, affectation, and snobbery.

On the whole, the literature provided in this way and to this end seems to run on a line of slightly more pronounced conservatism and affectation than the average sentiment of the readers appealed to. This is true for the following reason. Readers who are less conservative and less patient of affectations, snobbery, and illiberality than the average are in a position of doubters and dissentients. They are less confident in their convictions of what is right and good in all matters, and are also not unwilling to make condescending allowances for those who are less "advanced," and who must be humored since they know no better; whereas those who rest undoubting in the more conservative views and a more intolerant affectation of gentility are readier, because more naive, in their rejection of whatever does not fully conform to their habits of thought.

So it comes about that the periodical literature is, on the whole, somewhat more scrupulously devout in tone, somewhat more given to laud and dilate upon the traffic of the upper leisure class and to carry on the discussion in the terms and tone imputed to that class, somewhat more prone to speak deprecatingly of the vulgar innovations of modern culture, than the average of the readers to whom it is addressed. The trend of its teaching, therefore, is, on the whole, conservative and conciliatory. It is also under the necessity of adapting itself to a moderately low average of intelligence and information; since on this head, again, it is those who possess intelligence and information that are readiest to make allowances; they are, indeed, mildly flattered to do so, besides being the only ones who can. It is a prime requisite to conciliate a large body of readers.

This latter characteristic is particularly evident in the didactic portion of the periodical literature. This didactic literature, running on discussions of a quasi-artistic and quasi-scientific character, is, by force of the business exigencies of the case, designed to favor the sensibilities of the weaker among its readers by adroitly suggesting that the readers are already possessed of the substance of what purports to be taught and need only be fortified with certain general results. There follows a great spread of quasi-technical terms and fanciful conceits. The sophisticated animal stories and the half-mythical narratives of industrial processes which now have the vogue illustrate the results achieved in this direction.

The literary output issued under the surveillance of the advertising office is excellent in workmanship and deficient in intelligence and substantial originality. What is encouraged and cultivated is adroitness of style and a piquant presentation of commonplaces. Harmlessness, not to say pointlessness, and an edifying, gossipy optimism are the substantial characteristics, which persist through all ephemeral mutations of style, manner, and subject-matter.

Business enterprise, therefore, it is believed, gives a salutary bent to periodical literature. It conduces mildly to the maintenance of archaic ideals and philistine affectations, and inculcates the crasser forms of patriotic, sportsmanlike, and spendthrift aspirations.

The largest and most promising factor of cultural discipline—most promising as a corrective of iconoclastic vagaries—over which business principles rule is national politics. The purposes and the material effects of business politics have already been spoken of above, but in the present connection their incidental, disciplinary effects are no less important. Business interests urge an aggressive national policy and business men direct it. Such a policy is warlike as well as patriotic. The direct cultural value of a warlike business policy is unequivocal. It makes for a conservative animus on the part of the populace. During war time, and within the military organization at all times, under martial law, civil rights are in abeyance; and the more warfare and armament the more abeyance. Military training is a training in ceremonial precedence, arbitrary command, and unquestioning obedience. A military organization is essentially a servile organization. Insubordination is the deadly sin. The more consistent and the more comprehensive this military training, the more effectually will the members of the community be trained into habits of subordination and away from that growing propensity to make light of personal authority that is the chief infirmity of democracy. This applies first and most decidedly, of course, to the soldiery, but it applies only in a less degree to the rest of the population. They learn to think in warlike terms of rank, authority, and subordination, and so grow progressively more patient of encroachments upon their civil rights. Witness the change that has latterly been going on in the temper of the German people.

The modern warlike policies are entered upon for the sake of peace, with a view to the orderly pursuit of business. In their initial motive they differ from the warlike dynastic politics of the sixteenth, seventeenth, and eighteenth centuries. But the disciplinary effects of warlike pursuits and the warlike preoccupations are much the same whatever may be their initial motive or ulterior aim. The end sought in the one case was warlike mastery and high repute in the matter of ceremonial precedence; in the other, the modern case, it is pecuniary mastery and high repute in the matter of commercial solvency. But in both cases alike the pomp and circumstance of war and armaments, and the sensational appeals to patriotic pride and animosity made by victories, defeats, or comparisons of military and naval strength, act to rehabilitate lost ideals and weakened convictions of the chauvinistic or dynastic order. At the same stroke they direct the popular interest to other, nobler, institutionally less hazardous matters than the unequal distribution of wealth or of creature comforts. Warlike and patriotic preoccupations fortify the barbarian virtues of subordination and prescriptive authority. Habituation to a warlike, predatory scheme of life is the strongest disciplinary factor that can be brought to counteract the vulgarization of modern life wrought by peaceful industry and the machine process, and to rehabilitate the decaying sense of status and differential dignity. Warfare, with the stress on subordination and mastery and the insistence on gradations of dignity and honor incident to a militant organization, has always proved an effective school in barbarian methods of thought.

In this direction, evidently, lies the hope of a corrective for "social unrest" and similar disorders of civilized life. There can, indeed, be no serious question but that a consistent return to the ancient

Continued on page 8)

# On Prices <sup>6 factors</sup>

"A law of Social Science, or a Social Law, is a statement that a certain course of action may be expected under certain conditions from the members of a social group. Economic Laws are those social laws which relate to branches of conduct in which the strength of the motives chiefly concerned can be measured by a money price."—Marshall, Principles of Economic, 3rd ed., p. 105.

"Magnitude of value expresses a relation of social production, it expresses the connection that necessarily exists between a certain article and the portion of the total labor-time of society required to produce it. As soon as magnitude of value is converted into price, the above necessary relation takes the shape of a more or less accidental exchange-ratio between a single commodity and another, the money-commodity. But this exchange-ratio may express either the real magnitude of that commodity's value, or the quantity of gold deviating from that value, for which according to circumstances it may be parted with. The possibility, therefore, of quantitative incongruity between price and magnitude of value, or the deviation of the former from the latter, is inherent in the price-form itself. This is no defect, but on the contrary, admirably adapts the price-form to a mode of production, whose inherent laws impose themselves only as the mean of apparently lawless irregularities that compensate one another."—Capital, vol. 1, p. 114.

"This balance between goods in respect of their magnitude as output of human labor holds goods indefeasibly, in point of the metaphysical reality of the life-process, whatever superficial (phenomenal) variations from this norm may occur in men's dealings with the goods under the stress of the strategy of self-interest. Such is the value of the goods in reality; they are equivalents of one another in the proportion in which they partake of this substantial quality, although their true ratio of equivalence may never come to an adequate expression in the transactions involved in the distribution of the goods. This real or true value of the goods is a fact of production, and holds true under all systems and methods of production, whereas the exchange value (the "phenomenal form" of the real value) is a fact of distribution, and expresses the real value more or less adequately according as the scheme of distribution in force at the given time conforms more or less closely to the equities given by production. If the output of industry were distributed to the productive agents strictly in proportion to their shares in production, the exchange value of the goods would be presumed to conform to their real value. But, under the current, capitalistic system, distribution is not in any sensible degree based on the equities of production, and the exchange value of goods under this system can therefore express their real value only with a very rough, and in the main fortuitous, approximation."—Veblen, Place of Science, etc. page 420.

FOR the purpose of the present enquiry it is to be understood that the Value (magnitude of value) of any commodity is determined by the labor-time socially necessary to produce it "under the normal conditions of production, and with the average degree of skill and intensity prevalent at the time;" and that the Value, so determined in the field of production, may be thought of as manifesting itself in the sphere of circulation in its phenomenal form—exchange-value. Further, exchange-value is to be considered as the "quantitative relation or proportion in which values in use of one sort are exchanged for those of another sort," that is the quantitative-ratio between commodities in exchange. When exchange-value is expressed in terms of the money-commodity, which is now invariably the case, it is known as Price.

Since, however, there exists, and must exist by virtue of the operation of the Marxian law of value itself, a "quantitative incongruity between price and magnitude of value," so much so that, as Veblen puts it, prices "depart erratically and incontinently from the proportions that would legitimately be given them by the real values whose only expressions they are," it is clear that the immediate determinants of price are to be sought in the field of circulation, that is to say, in the market.

Furthermore, seeing that what is actually transferred in the act of sale is the right of property in the object sold any consideration of the laws governing prices must accept, at least for the purposes of the enquiry, the institutional fabric of existing society, that is, a society of free producers practicing a complex form of division of labor and enjoy-

ing the legal rights of property and contract.

Value is an attribute of commodities and commodities only, that is of labor-products which have been produced for sale. Price, on the other hand, concerns everything bought and sold and, therefore, the law of prices, if such be discoverable, must cover the relations of exchange of many things which are not commodities at all, such things as land and natural agents, stocks and shares, credit documents and claims on wealth of many kinds, unique objects, the rate on money lent and so forth. Prices, therefore, are facts of the market which arise from the action of factors operative in the market. There are a number of such factors and the market price at any given time is the resultant of their combined action. The factors concerned in fixing the price of any given object are found to be: The demand for the object; the supply of it actually placed on the market; the possible supply may also have some effect; the cost of production; the purchasing power of money and the existence or otherwise of taxes and tariffs. All of these factors are variable and their relative variations take effect in changes of price.

This question is usually dismissed by a reference to the so-called Law of Supply and Demand which is often stated in a very misleading manner and there appears to exist, very generally, considerable misunderstanding on the whole matter.

We find, in general, that an increase in price will result from an increase in the quantity demanded; a decrease in the quantity offered, actual or possible; an increase in the cost of production; a decrease in the purchasing power of money and, in most cases, by the imposition of a tax. The opposite effect, of course, is to be expected from a decrease in the demand, an increase in the supply and so on conversely.

On the other hand we find that prices have a reciprocal effect on the quantity demanded of any object, on the quantity which will be supplied and even on its cost of production.

Finally the price arrived at tends to be such that the quantity of any article demanded equals the quantity offered.

It will be necessary to take up separately each of the factors concerned in the formation of prices. Next issue I shall consider the question of demand.

GEORDIE.

## THE EVOLUTION OF INDUSTRY.

(Continued from page 5)

town, like the village before it as an economic unit, was not wide enough to contain all these elements for whom greater opportunities were presenting themselves.

From the earliest times, English wool had been valued on the Continent both for its quality and because France, Flanders, and what is now Germany, had been so often and so continuously the scene of long-drawn-out wars, that sheep-rearing there in large numbers had been almost impossible. In England, comparative peace had reigned from the time of the Norman Conquest, an important factor to be taken into account when considering English economic development. By the 15th Century wool had become the chief export commodity, and the English landowners, scenting greater profits from sheep-rearing than could be obtained out of ordinary husbandry, commenced on a large scale those operations which had before that time been proceeding but slowly, those operations which had such a disastrous effect upon large numbers of the English peasantry. Great tracts of arable land were enclosed, villages depopulated, families turned adrift, the holdings of the agricultural population, together with the common lands, upon which the people had had certain claims from time immemorial, were given over to the rearing of sheep. Robbed of their holdings, thousands of dispossessed labourers roamed about the country, and were brutally punished for being without the means of livelihood—for being

without the means that had been taken from them—punished by the very class that profited by their misfortunes.

(To be continued.)

## HERE AND NOW.

We are enduring in these parts what is termed "Safety Week." Safety week is not necessarily a week of safety, but it is a period of seven days marked off on the calendar wherein everybody is supposed to register a vow that he or she will not knock down or be knocked down. This, of course, in the matter of weapons, has reference to the war-like nature of the automobile. Otherwise there is no connection between Safety Week and the No More War demonstrations.

Thus we get the idea, through reading the detailed items featuring fatalities on the street that there is eternal hope that destruction may be avoided or delayed by focussing attention on a serious matter. And so we suggest that the idea of a Safety Week, Here and Now, would perhaps tend to prevent the world at large from running us down. Safety lies in numbers, they say, and we would add, big numbers:—

Following \$1 each: R. Near, H. T. Spencer, G. R. Williams, W. Power, P. M. Christopher, T. Faulston, J. Adie, A. Hollingshead, J. Sinclair, P. A. Askew, J. Young.

Following \$2 each: H. T. Miles, Wm. Seyer, J. A. McInnes.

J. Musgrave \$1.25. J. H. Richardson \$2.50. G. Kilpatrick \$2.15.

Above, Clarion subscriptions received from 1st to 15th August, inclusive, total \$22.90.

## CLARION MAINTENANCE FUND.

J. H. Richardson \$2.50; "B. L. J." \$2; J. A. McInnes \$1; St. John Comrades (per S. E. White) \$5.50; Alex. Shepherd \$1; P. A. Askew \$2.

Above, C. M. F. receipts from 1st to 15th August, inclusive, total \$14.

## VESTED INTERESTS.

(Continued from page 4)

have little. Such distribution of power may or may not be of value for survival or social welfare. The "vested interests" of these individuals thus favored by custom do not actually appear as inimical to change, possibly because the processes of change among primitive peoples are rare. The resistance of the "vested interests" to change is more evident in modern society.

Those who have "vested interests" derive a differential advantage under existing conditions and if they are likely to lose this advantage to others because of changes in the situation, then the "vested interests" will offer a resistance to change. There are of course "vested interests" in various social conditions, other than the purely economic. There are "vested interests" in schools, in churches, in political organizations, and all resist changes that shake their interests.

—F. W. Ogburn in "Social Changes."

While MacDonald and Herriot were conferring in London troubles were accumulating behind their backs. The shadow of Poincare has overcast Herriot's mind ever since he took office, and neither on the Ruhr nor on domestic questions such as the amnesty law has he acted as a free man. MacDonald has imperial worries. The Sudan question has stirred since peace-conference days, and Premier Zaghlul is on his way to London to seek an understanding. Egypt, which has provided and paid for the bulk of the army which has kept the Soudan quiet, is not satisfied with the present status of the "condominium" in which she shares the name but not the reality of rule. For England the Cape-to-Cairo route is at stake, and with it a measure of imperial prestige; there is the usual white-man's-burden claim of solicitude for the natives; and the British capitalists who have invested in cotton developments dependent upon the new irrigation projects are active.

—The Nation, N.Y.

## KODAKS BY THE WAY.

(Continued from page 1)

the system by which alone they live, the new social interests, servitors of the new humanity, now developed and organized, take control and build, like the fragile corals, a new life and nature on a wider cycle of development, on the ruins of the old that has perished.

Obviously man plays a part—and an increasing part—in the drama. Yet, so far, the limitations of his ancient heritage confine him to the role of creature. The game itself, its power and sense and sweep is latent in the environing media. Within that environment man is compelled to act, and to act in accordance with environing need. So he is the child of his circumstances. He does not contrive; he follows. He does not devise custom; he submits to it. He does not create his conditions; he accepts them. Out of his ever great and changing necessity he is forced to struggle against his conditions. And in this struggle he learns both to contrive, to devise and create. But he is also forced, by the laws of his development, to create, along with his devices, a new web of circumstance which enmeshes him as irrevocably as the series that went before. While at the same time the law of his being urges him to prune the rose bush of desire to the contour of his vocation. It is only society itself, threatened in its satisfactions and preservation, that can inaugurate the tremendous task of widening the borders of its habitude. And then only when its life forces, driven in on themselves, are compelled to new outlets for their spontaneous energies, new vestments for their modified progeny.

As a working class party, a party claiming the interests of the wealth producers, i.e., therefore, Socialism, is it not evident that if we must play within the rules of the game we cannot dance to the piping of exigent opportunity? Non-socialist parties cannot serve the workers and retain political place. Even if their policies did contain gems of value they would be useless; because, if they were not truly evaluated by those who must give them effect, they would be jockeyed out of court and memory. If such contrivances were useful would we be the "intelligent electorate" of today? Or conversely, would an intelligent appreciation of political society require such devices? Every party going its own way, after its own light, and functioning, is neither a help nor a principle. Such division is only another sign of the incidence of Capitalist oppression that, in growing extremity, forces man self interested against man, and group in conflict against group. Primarily it will neither be our arguments nor our appeal than can weld their refractory antagonisms. It will be the mighty Napoleon of finance that will whelm in defeat those separate interests and merge them in the percept of a common ideal. To function together in unity we must have a common principle. And a common principle implies a common thought. Without that thought, function and principle are but masks, jostling in the market place of opportunity. Indeed, the function of an organization derives from its principle. It serves its interests; gives it vitality. It is the spring on which its objective turns; and (socially speaking) if it does not pivot on fact, it will pivot on confusion. All labor bodies are but vendors of commodities, mercantile or political. As such they function, for such is their principal. And in the act, they betray themselves—and us. And to dream of collusion with such is to prove ourselves quaint votaries of Queen Mab.

To get Socialism we must want it. To want it we must know it. And the teacher who must prove it to us is social experience. There is no short cut to it. It cannot be forced upon us. It is not a chance resultant. It will not descend upon us like the mantle of Elijah. We cannot jump the wall of environment; and we will not take it from a plate. That is, we will not accept it—in the mass—by argument. It must spring, like Athena, grown and panoplied, from the jealous monster who would stifle its advent. It must come, like an armed man, conscious of its power. It must come, clear eyed, passionate with reality, out of the fever and tumult of

common life, that withers our every hope; thwarts the simplest desire; seduces the most reasonable expectation; that makes merit and initiative a laughing stock; that brings the most earnest endeavor to a piece of bread; that corrodes with the vitrol of gain the home, the heart, the soul, even life itself; and destroys in the dripping crucibles of Capital the image of humanity.

To advance the cause of labor is to advance Socialism. And to serve Socialism is to plead the cause of Socialism. Not fraternity or affiliation; not conciliation or custom; neither expediency nor compromise. None of those things. But what it is;—the democratic control of the common means of social life, for the single heritage of society. Most workers will listen; for it pulses with terrible reality. Some will accept for their life proves a witness to its truth. And those who turn away from our paltry logic with disdain will give ear to the impregnable logic of time. When we do that, we do all the conditions will effectively allow. When we see that, we can be sidetracked no more. And when we have that, we have all.

## POLITICAL REPRESENTATION.

(Continued from page 2)

machine, and alone renders legitimate civil engagements which without that would be absurd, tyrannical, and subject to great abuse."

In the formulation of this general will, all individuals share alike. Here Rousseau proclaims the doctrine of absolute political equality with a vengeance. If the state, he says, is composed of ten thousand and citizens, then each member of the state has one ten-thousandth part of the sovereign authority. If the people is composed of one hundred thousand men, then the citizen's suffrage is reduced to a hundred-thousandth part, and he has obviously ten times less influence in the formation of the laws. Hence it follows, declares the philosopher, "that the larger the state becomes, the less liberty there is."

But Rousseau is face to face with the fact that unanimity among citizens is impossible and that the general will cannot be the will of the whole ten thousand or the whole hundred thousand, as the case may be, but must, perforce, be the will of a certain fraction of the citizens. He boldly meets the problem, and following the old philosophers he holds that the exercise of sovereignty is by majority. The general will of which he makes so much, is in practice, the will of the majority. With fine confidence he contends that the will of the majority is right and works for the good of the state. The minority is wrong; it is nothing, because it follows from the nature of the social contract that the minority must accept the decrees of the majority. With courage of his convictions, he says: "When, however, the opinion contrary to mine prevails, it only shows that I was mistaken, and that what I had supposed to be general will was not general. If my individual opinion had prevailed, I should have done something other than I had intended, and then I should not have been free."

As he contemplates the consequences of this bold doctrine Rousseau shrinks a bit. There is a limit even to the self-abnegation of the reformer. In Chapter VI of the Fourth Book Rousseau safeguards the oppressed minority in certain fundamental matters by requiring an extraordinary majority of two-thirds—even three-fourths in some cases. But this is rather an afterthought, though a very serious one. It does not vitally affect his extreme doctrines of individualization. Neither did it check materially the fateful consequences of his general doctrine of universal male equality. Rousseau is aware of the dangers of mere numerical majorities, but he cannot escape altogether the results of his general levelling down. There is simply a limit to which he can allow the logic of his argument to carry him. Just as he excludes women from his "people," so he sets some metes and bounds to the doings of the mere majority.

Nothing further need be said to show how revolutionary was Rousseau's doctrine for the old order, or for any order. Under it the rights and property of all groups and all classes become subject to the will of the numerical majority. Any system of

government founded on a compromise, or a balance of interest, in defiance of mere numbers on the one side or the other, thus becomes not only indefensible, but immoral and undemocratic. Written to exalt the individual, it subjects him to a new tyranny—the will of the majority. For his sufferings in conscience or in property, it offers him the consoling information that his individual will, being contrary to the general will, is wrong, and, in fact, not his intention at all!

(To be continued.)

## THE DECAY OF BUSINESS ENTERPRISE.

(Continued from page 6)

virtues of allegiance, piety, servility, graded dignity, class prerogative, and prescriptive authority would greatly conduce to popular content and to the facile management of affairs. Such is the promise held out by a strenuous national policy.

The reversion trend given by warlike experience and warlike preoccupations, it is plain, does not set backward to the regime of natural liberty. Modern business principles and the modern scheme of civil rights and constitutional government rest on natural-rights ground. But the system of natural rights is a halfway house. The warlike culture takes back to a more archaic situation that preceded the scheme of natural rights, viz. the system of absolute government, dynastic politics, devolution of rights and honors, ecclesiastical authority, and popular submission and squalor. It makes not for a reinstatement of the Natural Rights of Man but for a reversion to the Grace of God.

(To be continued.)

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