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Things That Matter

By AMBROSE TREE.

The following article comprises a stenographic report, made by Comrade Mrs. Hollingshead, of a lecture given some time ago by Comrade Tree at the Calgary Open Forum.

I am perfectly willing to admit that although I have the reputation of being a pessimist among many people who know me, yet this afternoon I am feeling pretty good with things in general, not because things in general are good but because I happen to have been in the country for two months and the sole topic of conversation has been on the number of bushels per acre and the prospects of next year's crop. Believe me it is a very pleasant feeling that comes to a fellow when he comes back to town again and realizes that there are—especially in a Forum audience—people who pay some attention to other matters and especially to the social problems that undoubtedly confront us at the present time.

Now, the townsman, because he is living in more or less close quarters with other men, is particularly adapted to thinking upon social problems. It is different in farming districts where the neighbors even are often at a distance. Under these circumstances, in the country we find very little effort on the part of the workers there to try to analyze the conditions under which they exist or to formulate any plan for the solution of their problems. In the towns the working class has in the past struggled considerably with its conditions and as a result of this struggle it has formulated very varied programs for the solution of its difficulties. Not only have the manual workers in the town their different philosophies, we find organizations of many different kinds, catering to many different interests, all attempting to solve the social problems. The Boards of Trade, the Manufacturers' Associations, cater to business people; the Trade Unions to working people. In the country even, though in tactics they are backward, we find such organizations as the United Farmers of Alberta. All these groups are endeavoring to solve the problems of the times according to programs planned for the benefit of the particular group. We are forced, then, to come to this conclusion, that the different policies which different groups have adopted or advocated for the solving of man's problems show conclusively that there are antagonistic groups within society and many schemes are devised which claim to benefit all the groups.

For instance, on the economic field we have lengthy debates on such points as protection. In these the interests of the whole nation are supposed to be taken into consideration. Protection will solve the whole problem, will alleviate all the troubles that arise within the social organism. In the same category we have such reforms as prohibition attempting to remove the evils in society. Such provisions as Workmen's Compensation, Minimum Wage Laws—all these attempt to better conditions, for even Minimum Wage Laws are supposed to reflect on business and the health of the country generally. Now, on close examination, we find that modern civilization as it exists at the present moment consists of a struggle between diametrically opposed interests. Take for instance the national clashes that divided Europe during the Great War when France and England were united by common

interests and opposed to the other group—the Central Powers, then later, as the result of the economic turn of the wheel, we find the relations between France and England strained almost to the breaking point. We find a newspaper, when the subject of restoring the Kaiser was mooted, saying, "It is hard to think of Great Britain and France getting together on a common basis with regard to the Kaiser coming back because their troubles have extended to the point that they won't act together."

It is the same in the commercial field—groups of merchants with antagonistic interests. The struggles between the groups preclude the harmonious working out of the problems between the various merchants. These are now solved to some extent by trusts, and even the trusts have their antagonisms. In the industrial field we find the opposing interests between the employer and the workmen.

Now the fact that individuals in their groups have opposing interests will inevitably lead to different philosophies with different solutions to the problems of life being put forward by each group for the benefit of that particular group. The British Government formulates foreign policies of interest to the British bourgeoisie; the Board of Trade advocates measures to the interests of the members of the Board of Trade. In industry there is precisely the same thing. The working men form their trade unions and the employer watches out in his organization that his interests are looked after. All these opposing interests account for the conflicts existing in society at the present time.

Now, belonging to the working class, it is natural that I, under the circumstances, should be biased, should look at things from the point of view of the worker's material interest, the interest of the group to which I belong. During the war there were very few who could look at things from the German point of view and in the struggles between the boss and the workers, we cannot look at things from the point of view of the boss. This afternoon I am going to put forward a point of view that will not only clear up the contradictions that arise from the varying oppositions of interests but show the cause of the evils that exist in society and the solution to the problem itself. First of all I am looking at things from the working class point of view because I am a worker. That is the practical and only thing for me to do and I find on examination that the working class, being divested of the means of finding out things from a business point of view, is the only class that is capable of looking upon modern civilization in a scientific way, thereby seeing the root of the whole set of problems that arise out of modern civilization. Now we must observe first of all that the working class is the class that produces the wealth of the world. There is no gainsaying that assertion. However much one may smother over the matter with sophistry the fact remains that the wealth of the world is the product of the working class. Nature yields up no wealth without effort and those who engage in the effort of taking from nature the wealth that is so abundant, those individuals comprise the working class. Whether they work with their brain, whether they organize the enormous machines and the complicated mechanism of modern production or whether they ply a pick with their hands, they are the working class.

Now these individuals at the present time receive a very small amount of the wealth which they produce. They are wage-workers. The vast majority who comprise the society of modern civilization are of this class receiving at the end of a certain period their wages. These wages enable them to purchase upon the market a certain amount of the wealth which they produce, a part of this wealth. Now any competent authority, say an economist, will acknowledge that the wage amounts to a living, not a luxurious wage, not a right or a just wage—whatever that might mean—but a living wage. That is a vague way of putting it but it defines the case very well as the fact that we are living proves it. The facts bear out that the working class get merely a living wage. That is to say they withdraw from the market sufficient commodities, a sufficient part of the wealth they have produced, to enable them to live in a manner fitting to the productive process, enabling them to function properly and to leave at the end of one generation another to take its place. We see then, that having a living wage at its disposal the working class exists and is confronted with its problems for solution.

As a result of all this, throughout the ages there have developed among the workers efforts and organizations for the betterment of the conditions of the working class. These questions are the things that really matter to the workers, the things upon which to centre our attention. Discussion on such questions will enable the working class to ameliorate its conditions. Let us look upon the cause of this matter of a living wage. How does it come about that throughout the centuries—six centuries of Work and Wages—the working class, wherever modern civilization exists, whether in republican America, or in colonizing England with its vast areas of undeveloped lands in Canada and Australia, in sunny France, in Germany, Italy or Japan, no matter where, how does it happen that we find the working class getting merely a living wage? The answer to that question leads to some very unpopular consequences and very unpopular conclusions. Nevertheless, I ask this Forum audience to look into this question and accept the conclusions if the facts lead you in that direction. The position of the wage worker is one of propertylessness. From the time that the feudal serf was turned off the land, from that time on has the wage worker stood without any means of producing his own living. From that time on we find the wage-worker propertyless. True, he may own a pipe, or a packet of cigarettes, or the clothes he wears, but he is divested of the ownership of the things that enable him to get wealth out of nature. The one characteristic of the working classes at the present time, their one outstanding feature, is that they own no property in the means of wealth production. It is quite evident that this is the fact. This is the condition upon which their living wage is based—quite clear, quite obvious, no question at all about it. Where the means of wealth production are fenced up, where the working class have no access to them, there they stand incapable of making a living. On the other hand it is quite clear that those individuals who do control the means of wealth production will have at their

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The Economics of Labor

A Lecture delivered by H. Quelch to the Economic Club of the Borough Polytechnic Institute

From a pamphlet published in 1905

HERE can be no more important study than that of economics, and the members of this Institution are to be congratulated upon having formed a club for the consideration of this subject. I am not here to speak as an authority on this subject, or to lay down any dogmas. This is an age of enquiry, and there is no reason why authority, which is being so sharply questioned in other domains of thought, should hold undisputed sway in the field of economics. Yet people who have no hesitation in calling into question Moses and the prophets, seem to feel a thrill of horror if anyone dares to express scepticism in reference to any of the orthodox theories of political economy. Important as is the knowledge of economics, especially to working men, there is no branch of knowledge of which most people are more ignorant. Political Economy has been described as the "dismal science," and it is perhaps for this reason, because they find it so dull and dismal, that so many, even comparatively fairly educated people, are unacquainted with its merest rudiments. Why it is called the dismal science I do not know, unless it is that it has been used to attempt to justify what is most unjust and brutal in human society.

It is here that the orthodox economist has forgotten his vocation. An economist, as such, is neither an apologist nor an advocate, he is simply an analyst. And political economy, properly understood, because it explains the action of laws which produce much that is harsh and harmful, is no more a dismal science for that reason than is chemistry a dismal science because it affords a knowledge of the composition of poisons. Unfortunately the orthodox political economist has not recognised this. Generally he has approached his subject with a bias in favor of the bourgeois capitalist system. To him this is the only natural and righteous system, and he has taken upon himself to justify it instead of simply analysing it. To him this is the best possible system in the best possible world. Political economy therefore has been made to fit in with this view, and almost exclusively been presented from a middle-class standpoint. It is for us this evening to consider the subject from a working-class point of view, as the economics of labor.

One result of the false position assumed by ordinary economists is that you find as you pursue the study of the subject that you have to unlearn or reject as fast as you learn. In endeavouring to "square the circle," middle-class economists have promulgated so many fallacies and contradictions that it is more dangerous to accept any authority without strict investigation in this province of knowledge, than in almost any other.

One mistake into which economists seem to have fallen appears to me to be the assumption that the present economic conditions are natural conditions, and that the laws arising out of, or producing, these conditions, are as far removed from the influence of human action as the laws which govern the movements of the heavenly bodies. Now it seems to me that one of the chief points of importance to the study of economics lies in the fact that although many of the laws arising out of existing conditions are inseparable from those conditions, and are inexorable in their operation so long as their source remains unchanged, yet these conditions themselves are largely produced by mankind, and are susceptible of very considerable modification and change at our hands. While, given certain conditions, the laws arising therefrom are absolutely inevitable and inexorable, it is not impossible to so change those conditions as to bring into operation a totally different set of laws.

A study of economics is specially important, fur-

ther, because the economic conditions, that is to say, the conditions under which wealth is produced and distributed, are the basis of our social life and govern all the other conditions and relations of society. The political, the religious, the moral life of the community are all dominated by the economic—the material—conditions. Upon this material basis of life everything else must of necessity depend, wherefrom it results that economic dependence precludes social, political, or religious freedom. "He who owns the means whereby I live owns my life," to paraphrase Shakespeare. Where there is not economic freedom, political liberty is a mere sham and a delusion. It may not be impossible to secure economic liberty by the exercise of the mere shadow of political power which is possible in a state of economic dependence, but it is certain that this shadow of political power has frequently effected nothing in the direction of economic liberty, while it is equally certain that men have never long possessed economic freedom without effectually freeing themselves from all political, social, or religious disabilities. To the ignoring of this (as one would imagine) self-evident fact, that all phases of social life are based upon the material conditions, so many schemes of social reform owe their failure; and through a want of proper knowledge of those conditions, and the laws arising therefrom, so many social reformers have come to grief. I do not believe that any body of men has the right to claim a monopoly of sympathy with human suffering or the exclusive possession of a desire to remedy existing evils. There are doubtless many good men outside the ranks of Social-Democrats, who with sincerity and honesty of purpose, try to remove some of the wrongs they see around them. Their attempts are not only generally failures, but often absolutely mischievous, simply because they have been promulgated in complete disregard of the operation of laws necessarily arising from existing economic conditions. Probably this is one reason why Political Economy is called the dismal science, because it laughs to scorn the well-intentioned efforts of the philanthropist and the reformer—because its laws are unaffected by any mere moral and sentimental consideration.

We are this evening, then, to consider the conditions under which wealth is produced today. We are not, therefore, primarily concerned in condemning, excusing, or justifying those conditions, but simply examining them.

It is first of all necessary to clearly understand the terms we use. The term "wealth," generally speaking, includes all the material things which minister to human wants, which increase our comfort and happiness. Every material thing that is useful, desirable, and enjoyable is included in this term. To many people, and, I think, one might say, the great majority of our class, the term wealth signifies only money; wealth and money and capital are regarded as convertible terms. This is a mistake, and is due to a confusion of ideas arising out of the complexity of our social life. Wealth includes money and capital, but all wealth is not either money or capital. All capital is wealth, but money is sometimes only a symbol or token of wealth, and not really wealth at all. A man may be very wealthy and yet have no money, and he may possess a great deal of money in the shape of mere symbols of wealth and be at the same time poor indeed. Nor is wealth always the same. An article must be possessed of utility in order to be wealth. It will thus be seen that the very nature of wealth very largely depends upon circumstances. A ton of coal is wealth in these northern climes, but in Terra del Fuego it would be esteemed of little worth. With change of climate and taste and custom certain forms of wealth cease to be wealth, that is, they cease to be useful, while other forms of wealth are developed.

Capital, say political economists, is that portion

of wealth which is devoted to the production of more wealth, that is, wealth set aside for reproductive purposes. When I say that it is sometimes sought to include in the terms capital not only the grain used for seed and the fodder for cattle, but also the food and clothing of the laborers, you will, I think, agree that the definition is not sufficiently definite. For this, as well as other reasons, I submit that the proper definition of the term capital is: Wealth used for the production of profit. This is by no means the same thing. Wealth may be directed to the reproduction of wealth and yet produce no profit for the owner or user. On the other hand, profit is often secured by the destruction of wealth. The object of production today—the object of capitalist production—paradoxical as it may be to say so, is not the production of wealth at all, but the production of profit only. The good of capital to its owner is, not that it enables him to produce articles of utility, that with it he can produce things to satisfy human needs, but that it produces for him an increase—profit. It is only in so far as his wealth produces him profit that it is "capital" at all. That it may be used for the purpose of producing good and useful things is merely an incident and does not concern him. Its real function is to breed, to fructify, to produce profit. Whether it is used for the production of things good and useful, or of others which are mischievous and harmful, is of absolutely no concern to him as "capitalist." It may be shoddy clothing, bosh butter, leaden bayonets, or big game, that he is engaged in putting on the market, but the utility or the reverse of these things does not concern him in the least, so long as by producing them he makes for himself a profit.

When a man invests a thousand pounds in a commercial undertaking, he does so in the hope or expectation that at the end of a year his thousand pounds will have increased—will have grown. If at the end of the year there was still only his thousand pounds he would be dissatisfied and disappointed. He would feel that it had failed to fulfil its mission, that he might as well have kept it in his strong box at home. His only object in investing it was to get a profit. Now I want you to understand that just here we are not concerned with the approval or condemnation of this; we are simply engaged in analysing existing facts, and what we must all recognise as a fact is that the investment of capital is dictated by no desire to satisfy human needs; to, in the words of a pushing advertiser, "meet a long-felt want," but only to make personal profit for the investor, and that the true function of capital, therefore, is not the production of wealth, but the production of profit—a very different matter. This function to grow, to breed, to increase, has gained for capital an exaggerated importance in the eyes of bourgeois economists, who have come by long contemplation of this wondrous creative power which appears to belong to their deity, to regard capital as a sacred thing—but withal a timid. They speak of it with lowly reverence, and with bated breath they caution working-men to be law-abiding and moderate in their demands, lest they frighten from our midst this timid, holy dove, capital, which is sometimes described by coarser but not less ardent worshippers as the goose that lays the golden eggs. To them capital is everything and labour nothing. Labour, in their views, is kept alive by capital. It may seem a small matter, but the order in which they place the elements of production shows their relative importance in their eyes. There are, they say, three elements of production: land, capital and labour. Now a very little consideration will enable you to see that the proper order is land, labour and capital. I sometimes wonder that bourgeois economists do not place capital before land. It would be scarcely more absurd than to place it before labour, but I suppose it would make the absurdity

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Exchange Value and Price

By F. J. McNEY

A specter is haunting the economists. The fear that they will not be able much longer to perpetuate the mystery with which they have surrounded the science of economics in general, and exchange value and price in particular. Many economists would have us believe that exchange value is as great a mystery as the one God with three heads, or the three Gods with one head or whatever it is that our Christian friends tell us about. They coin words and phrases that mean nothing, for the purpose of confusing the issue as much as possible. They cite instances of articles that have sold at prices that obviously were not based on the amount of labor crystallized in the articles, in an attempt to prove that labor is not value. They imply that there is no such thing as a law of value, that the exchange of commodities is merely a game of catch as catch can, that "the value of a thing is as much as it will bring," and so on and so forth. Now this kind of bunk indicates one of two things, either these economists are entirely unable to generalize or they absolutely refuse to generalize. When we are dealing with exchange value and price, in the science of economics, we are not dealing with isolated instances, we are dealing with general principles. We know that the capitalist system is a happy hunting ground for all kinds of swindlers and cheats and that many people are swindled and cheated every day. We know, furthermore, that certain persons who own great wealth that they never worked for occasionally pay a considerable sum of money for some article that has little or no value and which is neither ornamental nor useful, just to gratify their vanity and to be able to say that they own something that nobody else owns. But what has all this got to do with the general basis upon which commodities exchange? Just as much as having your pocket picked, or giving fifty cents to a blind beggar has to do with it, nothing at all.

Perhaps it would be well before going any further to explain what the science of economics really is. To begin with, let us take a definition of economics from Webster's dictionary. Webster's could not be called a radical dictionary, so we cannot be accused of prejudice, when we use this definition. Here it is:

"Economics. The science that investigates the conditions and laws affecting the production, distribution, and consumption of wealth, or the material means of satisfying human desires."

Everybody will admit that is a good definition of economics. It is, at the same time, a good definition of wealth, the subject matter of the science of economics. You will notice that wealth is not only "the material means of satisfying human desires," but it is also subject to the process of production, distribution, and consumption. This means that wealth is something that is continually produced, or reproduced, from day to day, and from year to year, and placed on the market in sufficient quantity to supply the demand, and then some. Wealth is the aggregate of all commodities. Now anything that is not subject to this continual process is not a commodity, is not wealth and, consequently, is no part of the subject matter of economics. This excludes not only air, but also every old fashioned freak of a thing that has nothing to recommend it but the fact that it can't be reproduced. So when some rich man sees fit to pay a large sum of money for Napoleon's hat, or the fig leaf that Eve wore in the garden of Eden, that is his own business, but it has no more to do with explaining the basis upon which commodities exchange than if he had thrown the same amount of money into the sea, and that is that.

"The value of a thing is as much as it will bring." What a profound philosophical observation

that is. If we assume that a thing, in this case, means a unit of a commodity, then we may let it be granted that its price represents its value on the average. But our next question is, why does a thing bring a certain price? Why, for instance, does one pound of tea bring about ten times as much as one pound of sugar in Vancouver at the present time? Is it because the demand for each pound of tea is ten times as great as the demand for each pound of sugar? Or is it because there is not enough tea to supply the demand? Again, if there is no such thing as a law of value, why is it that old Tom Lipton and the rest of the boys who have charge of the tea business don't raise the price of tea up to—say ten dollars a pound? Or, why is it that the people who buy tea don't insist on getting it for five cents a pound and refuse to pay more? A few years ago, for a few months, the price of sugar was about thirty cents a pound; surely it was a clear case of generosity on the part of the Sugar Trust when it brought the price of sugar down to eight cents a pound instead of raising it up to fifty cents, or a dollar a pound, if there is no such thing as a law of value.

Speaking of supply and demand, we hear a great deal at times about demand at a certain price, meaning that the demand for a commodity increases when there is a fall in price and decreases when there is a rise in price. In other words, when the supply is greater than the demand the price falls and the demand increases, and vice versa. True enough, but on the other hand, when there is an increase in the demand the price rises and when there is a decrease the price falls. This indicates that the price of a commodity is continually fluctuating around its value.

As I pointed out before, the tendency of value is to find its level, but there is no dead level of value any more than there is a dead level of price. Both value and price are different in different places at the same time, and different in the same place at different times, and continually fluctuating. But there is no mystery about this at all, it is easy to explain, in fact it could not be otherwise; that is why we must always deal with exchange value and price as a general law.

Then there is the great hullabaloo that is made about monopoly prices, or what is called the great contradiction. Marx said that in any monopolized industry where a large percentage of the capital was invested in buildings, machinery, raw material, etc., and a small percentage invested in labor power, the price of the commodity would have to be kept permanently above its value in order to pay the average rate of profit on the total capital invested, or words to that effect. By this statement, we are told, Marx not only contradicted himself but at the same time smashed the labor theory of value all to hell. Well I am not from Missouri, but I would like to have somebody show me. It is obvious, that if some commodities exchange above their value they must do so at the expense of other commodities that exchange below their value. So where is the contradiction? And where are the smashed pieces of the labor theory?

ROCKFELLER'S PLAN TO MAKE TRADE UNIONS SUPERFLUOUS MISCARRIES.

(L. F. T. U.)

Much interest has been aroused in the United States by a report issued by an impartial and scientific observer, Mary von Kleck, director of the Russell Sage Foundation, on the working of the Rockefeller and Atterbury Company Unions. The Rockefeller Plan which was introduced into the coal mines of the Colorado Fuel and Iron Company in consequence of acute labour troubles in 1913, was the forerunner of the "company union" introduced by General Atterbury of the Pennsylvania Railroad and by other railroads. The Rockefeller Plan provided for an equal number of representatives of the company and the workers to hold regular meetings and also for joint committees in each mining district to discuss safety, sanitation, recreation and education, and industrial co-operation and conciliation. The scheme, which has some features in common with the British Whitleyism, differs from it in that it ignores the trade union, upon which British Whitleyism is based.

The present report, which has the advantage of being quite impartial, and based on long and careful investigation, declares that, although the system has improved working and living conditions, yet "the miners are not satisfied that their representatives have the power to protect them in decisions regarding wages and conditions of work." Another defect of the system, according to the report, is that it "does not develop leadership or stimulate interest among the wage earners," and the "worker's representatives do not feel free to act in opposition to the company's interest in defence of fellow-employees." Then "the issue of trade unionism is kept constantly alive by, inter alia, frequent instances of antagonisms to unions, and the company's policy of accepting the wage scale of its competitors which has actually been set by unionised companies through negotiations with the United Mine Workers, while refusing to deal in any way with the miners' union."

As for the "company union" of the Pennsylvania Railroad, the offspring of the Rockefeller Plan, it has gone wrong altogether: it has actually voted for the wrong people—that is—for members of the bona fide union instead of its own.

THE ECONOMICS OF LABOUR

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too apparent. Land, which, as an economic term, includes all raw material, must, in the natural order of time, precede all other things, seeing that it is the material basis of existence.

But, while it is obvious that the land must have existed before either labour or capital, one would have imagined it to be almost equally obvious that the existence of labour must precede that of capital. Capital, say the political economists, is the result of saving. Saving of what, but the result of past labour? Capital, we have seen, is wealth used reproductively—wealth which, instead of being consumed, is devoted to the production of more wealth. But whence did this capital arise. Capital, say the economists, is the result of thrift and abstinence. But thrift and abstinence, however admirable they may be, are but negative qualities; they do not create anything. One may be as thrifty and abstemious as it is possible to be and yet possess nothing and even die of starvation. Something more than thrift and abstinence is needed to create capital. If a man earns a pound in a week and spends only ten shillings, you might describe the ten shillings he had left as his "capital—the result of his thrift and abstinence." But really it would not be the result of his thrift and abstinence; it would be part of the result of his past labour. By saving it he is, perhaps, able to turn it into capital, but this fact by no means changes its source, which is the common source of all wealth—labour.

(To be continued in next issue)

ECONOMIC CAUSES OF WAR

By PETER T. LECKER

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CONSTITUTIONAL ILLS.

APPARENTLY the Canadian Labor Party in British Columbia is suffering from itch and irritation. Already it has found a way to violate its own constitution, the same having been formed last May. At first glance the trouble seems to be that, constitutionally, the C. L. P. comprises a central organization made up of working class groups composed of political parties and trade unions, to one of which latter an individual must belong—there being no direct individual membership in the C.L.P. It now appears that, in face of quite constitutional opposition from the F. L. P.—an affiliated group—the C. L. P. has troubled to organize ward groups in and around Vancouver and district and seeks to pursue a similar course elsewhere in B. C.

There is really nothing about this that is of very serious moment as we see it, because constitutions are made of flimsy material when they deny a proven need and will be thrown down or at any time adjusted to suit that need. But there appears already evident within the C. L. P. an unhappy antagonism existing among the careerists who dabble in trade union politics and the genuinely earnest people who are interested in maintaining an existence in politics independent of the influence of the orthodox parties and of what they have to offer. It is no secret that the careerists have already registered worry over the failure of the labor M's. L. A. to sacrifice enough of their independence to bring the plums low enough down to be within reach. Such matters as these lie behind the troubles over group organizing by the C.L.P., besides some others that are more serious. These latter concern the difficulties experienced by propaganda groups such as the F.L.P. in recruiting enough workers to cover the ground and to convince the C. L. P. itself that a policy of education and propaganda should not be neglected for what is called political organizing, useful though the latter may be.

Concerning those constitutional adjustments required by the C. L. P. to permit the doing of what has been done already, namely, the organizing directly by the C. L. P. of groups, "The Labor Statesman (Vancouver) March 27/25 has this to say editorially:—

The Alberta Section of the C. L. P. has its constitution so arranged that it can, and has, organized branches. The same thing should be done in B. C. The B. C. Section of the C. L. P. could then put an organizer in the field and help organize the rest of the province. As the situation now stands there is only about two constituencies organized politically. It is imperative that the Canadian Labor Party should extend its activities to all parts of the province, especially among the farmers. Several years before the war this province was well organized by the Socialist Party and a large vote was rolled up at election time. Candidates were run in dozens of farming constituencies and the returns were encouraging. Since that time the Socialist Party has fallen from grace. It has lost the confidence of the workers and become apathetic. There is now a splendid opportunity for the Canadian Labor Party to swing the province into the premier labor position it once held. Let the C. L. P. constitution be changed and the province organized.

Now we are not going to hotly defend ourselves and register our title to success. Besides, often enough this column in the "Statesman" has a quite enviable tinge of "You know me Al" which should not be harried. The last sentence in our quotation attracts us, however, "Let the C. L. P. constitution be changed and the Province organized."
 Just a little thing like that and it's done.
 We'd say, "Change that constitution at once."

CIVIL LIBERTIES.

TOWARD the close of 1918 Count Michael Karolyi became prime minister of Hungary. Later he became first President of the Hungarian Republic. Still later his administration fell before the upsurge of the populace and the Communists had a brief innings. Karolyi fled to Switzerland and has since been exiled by the Horthy regime.

A month or more ago this man sought entry into the United States, apparently to see his wife, who lay ill in New York. As the price of his admission to the U. S. the Department of State imposed the condition that he must not speak or write on political matters while in the country, invoking as authority one of the many handy, moth-eaten statutes useful for such purposes. Quite irrespective of the personal history or political affiliations of Count Karolyi the American liberals have taken the opportunity to protest the ruling of the Department of State on this matter and others of a like kind, and at a meeting convened by the Civil Liberties Union in New York, March 7th, Professor Charles A. Beard comprehensively voiced his protest, saying (in part):—

The present case is but one straw showing the winds of tendency. During the past decade, officers of the government of the United States have bullied and beaten citizens and aliens beyond the limits of decency. They have arrested persons without warrant, on gossip and suspicion. They have inflicted cruel and unusual punishment on them. They have entered houses and searched premises and documents without any shadow of justification or authority. They have destroyed and carried off private property. They have coerced and terrorized prisoners, innocent and guilty alike. They have held citizens in prison without granting them the right of immediate communication with friends and counsel. They have made wholesale raids worthy of Huns and Cossacks. They have let loose thousands of irresponsible spies to hound and persecute innocent citizens engaged in attending to their own business. They have employed provocative agents to stir up some of the crimes they are charged to prevent. They have admitted favorites to the files of the department in search for evidence to employ in satisfying hatreds. They have engaged agents to compile memoranda designed to brand loyal citizens with the horrid taint of treason. They have allowed their lower minions to blazon on the first pages of the newspapers as outlaws and moral lepers citizens whose sole offense has been the exercise of lawful rights in a manner not pleasing to the powers and potentates in Washington. The present occupant of the White House has set his name and his sanction to an article filled with false and outrageous insinuations against American citizens as loyal and devoted to our country as he is himself. He has allowed the spokesmen of the War Department to harry American women engaged in the lawful—if unwise—business of appealing to the humane sentiments of the American people.

And where have been the pillars of society—the bishops, the clergy, the college presidents, and the self-constituted guardians of American institutions? Where have been the great lawyers—the Erskines of America—ready to dare the wrath of kings and the stones of men and write immortal pages in the history of the Anglo-Saxon jurisprudence? Where have been the judges of the high courts? Echo answers "Where?"
 Quotation from "The New Student," (N. Y.)

Where, indeed? Those of them who don't feel like risking it have been sitting tight and earning their bread and butter, thereby establishing a jurisprudence that suits the times. Actually, Count Karolyi landed on easier ground than the average conscientious Wobbly who never heard of Erskine but who has experienced the actual workings of the civil law and knows it very well thereby. Incidentally, Erskine in his day talked law and civil liberty in defence of Thomas Paine for many hours, yet Paine was plainly adjudged guilty before Erskine had done. Liberty and law go together, if liberty can manage it.
 Nevertheless, we suspect Dr. Beard knows all

about that. It is a matter for congratulation that he is willing to uphold traditional rights and to express his convictions in so able a manner.

DOPE.

EVERY day we read in the press harrowing details of the effects opium has on its addicts and always there is great rejoicing when some poor wretch, operating generally in the lower reaches of the traffic, goes to jail. The cities are full of social workers and moral crusaders who will never be out of employment so long as there is profit realized through the production of opium at its source.

For just such people, "Freedom," from which paper we have reproduced in this issue "Why the Opium Conference Failed," has reproduced a little detail in past and present history. The Vancouver police are forever catching a Chinaman and jailing him for selling drugs, and the Vancouver patriots are forever howling the Asiatic exclusion refrain. Keeping the Oriental "out" is the popular cry among the little business men now-a-days, but really, serious effort to exclude "dope" is decidedly unpatriotic and detrimental to British "industry."

HERE AND NOW.

Our cash returns show no very great increase over what has become normal, but we are in hope that they will increase in time to come. It's a long time since it was a popular pastime to rustle Clarion subs. Try it again and see it revive. A little increase is better than none and it won't take much effort to beat this record:—

Following \$1 each: C. Luff, W. K. Bryce, W. B. Bird, P. Wallgren, T. Shaw, F. Donohue, L. T. Morgan, Miss Williamson (per Miss Bell), J. Schulthers, R. Watt, C. Lestor, P. Mytton, A. Osterberg, L. Sickle, H. Wilmer, A. MacInnes, F. W. Parsons, John Anderson, C. Crooks, R. Marshall.

Following \$2 each: E. W. Bacchus, R. C. Twist, C. E. Scharff, W. Balderstone, G. Beagrie.

D. R. Lloyd \$3.52; Gust Varga \$1.50; A. Mathieson \$3.

Above, Clarion subs. received from 1st to 30th March, inclusive, total \$38.02.

IMPENDING 'ATTACKS ON LABOUR

Great Britain (I. F. T. U.)

A private member will shortly introduce a bill into parliament to reverse the existing procedure of the trade union levy for political purposes. If such a law is passed, members of trade unions would be compelled to intimate in writing their willingness to pay a political levy, instead of, as now, merely sending in a notification when they prefer not to pay it. The intention, as "The Labour Press Service" points out, is to "drive a wedge between the trade unions and the Labour Party, in order to injure both." All the weight of Big Business is said to be behind this move. Moreover, a branch of the National Union of Manufacturers will press the government to repeal provisions in the Trade Disputes Act of 1906 which legalises peaceful picketing. There are also indications of intentions to attack the co-operative movement, by making the surpluses of Co-operative Societies subject to taxation. Attempts are being made by the capitalist press to create an atmosphere favorable to these changes. There is some danger that the government may give facilities for the bill to proceed, and that it may win support from the Liberal Party.

Note: The bill referred to above proved unsuccessful and was voted out.—Ed.

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The Dawes Plan

By J. A. H. HOPKINS

FEW people understand the significance of the events which led up to the adoption of the Dawes Plan. Fewer still, in all probability, have had the time or the opportunity to read the full text of the Dawes Report and to realize what it means.

Its Chronology.

On December 21, 1923, the Reparation Commission appointed Charles G. Dawes and Owen D. Young to serve on its First Committee of Experts. Mr. Dawes (formerly Comptroller of the Currency) was at that time president of the Central Trust Company of Chicago, one of the banks affiliated with the Morgan syndicate. Mr. Young, who has more recently been heralded as the presiding genius behind the Dawes Plan, was the vice-president of the General Electric Company (now under investigation by the United States Government) and a director in the Bankers Trust Company, one of the Morgan syndicate banks.

On April 9, 1924, the Dawes Report was submitted. On April 27 the Morgan syndicate underwrote its financial requirements. In June Mr. Dawes was nominated by the Republicans as Mr. Coolidge's Vice-presidential running mate. Immediately afterwards Mr. Coolidge, in his acceptance speech, enthusiastically indorsed the Dawes Plan. Within a week Mr. John W. Davis (J. P. Morgan & Co.'s legal adviser), the Democratic Presidential nominee, likewise indorsed it, complaining, however, in so doing, that Mr. Coolidge "had only promised the sympathetic support of our Government — but nothing more."

Its Purpose.

A careful consideration of these events and an impartial analysis of the Dawes Report and of the events which preceded and followed its adoption lead to the following conclusions:

First: That the underlying purpose of the Dawes Reparation Report was to gain control, on behalf of Mr. Morgan and his associates, of the banking and railway systems of Europe (commencing with the German banks and railways), so as to establish the Morgan syndicate as the financial dictators of the world.

Second: That in order to establish this dictatorship the Morgan banking syndicate have departed from the indirect methods previously used, by which they have already gained control of our domestic governmental machinery, by nominating their own co-partners for office on both the Republican and Democratic national tickets, thus also securing for themselves the power to control and dictate the policy which we must adopt in regard to our foreign and international relations.

The report begins by stating that the committee's attitude is that of "businessmen anxious to obtain effective results." It then states that since 1919 Germany has spared no expense in improving its railway system, that its telephone and telegraph connections have been equipped with the most modern appliances, that its harbors and canals have been developed, and that its industrial plants are in many instances adapted to produce a greater output than before the war. In other words, the situation presents very tempting possibilities for exploitation by the international banking syndicate.

But successful exploitation pre-supposes effective control of Germany's national credit and of her transportation system. To bring this about the Dawes Report provides for an external loan of 800,000,000 gold marks, which it is said "will serve essential deliveries." This loan is described as "an integral part of our scheme," and its flotation was immediately underwritten by the Morgan Banking Syndicate. This having been provided for, together with an elaborate system of interlocking boards and commissions by which the entire control is centralized in the syndicate underwriting the original loan, the report proceeds to deal with the banking and

railway situations.

Its Bank and Railways.

It provides for a government bank with a capital of 400,000,000 gold marks, which it describes "as a private corporation whose charter shall be for fifty years." This bank will exercise all the functions of government, but "will serve as a bankers' bank, entirely free from governmental control or interference." Of the 4,000,000 preference shares represented by its capital, 3,000,000 "shall be allotted and sold on such terms . . . as are most advantageous to the bank." And at the end of each financial period a sum shall be set aside sufficient to pay 8 per cent. interest, and "the balance of the net profits shall be divided one-half to the shareholders in dividends . . . and one-half to the government."

The report frankly states that under government ownership "The German railroads have not merely been restored to their pre-war state of efficiency but have been brought to a much higher standard, a standard which to the best of our knowledge is superior to that of any other country." It also admits that the invested capital of March, 1920, when the railroads were turned over to the Government, plus the further capital since invested, aggregating 25,860,000,000 gold marks, plus the expenditures for the current year, "represent capital invested, which is sometimes a very different thing from capital value. For," the report continues, "the capital value of the German railway system . . . may be taken to be fully equal to the capital invested." The report also says that notwithstanding the large amounts spent for improvements, the earnings are now equal to the expenditures.

But in the face of these admitted facts it recommends the conversion of the German railways into a private joint-stock company, "because," it says, "the spirit of the government's ownership in the past has been directed to running the railways primarily in the interests of German industry, and only secondarily as a revenue-producing concern."

The report therefore provides for the creation of a company for operating the railways "which shall have a monopoly of all railway extension in Germany," and "shall be entitled to vary the tariffs then in force or any of them from time to time." It also states that the railways "must be worked as a commercial enterprise . . . with the determination so to fix the rates as to produce all the receipts that can be obtained."

It provides for 11,000,000,000 gold marks 5 per cent first mortgage bonds, which are to be sold to the public, with a sinking-fund provision that will gradually retire the whole issue. These are followed by 2,000,000,000 gold marks of preference shares, which, when the bonds are retired, will constitute a prior claim on the entire property. Of these 1,500,000,000 are "set aside in the treasury of the company for sale to private persons," and are subject to a "fixed rate of dividend and entitled to participation in the profits." The remaining 500,000,000 of the preference shares and the 13,000,000,000 gold marks of common stock go to the government.

Its Guaranty

It has been asserted that the United States Government has guaranteed the underwritings of the Morgan syndicate. This has also been denied. But it is a fact that on April 27 last a statement was issued to the effect that Mr. Morgan would participate in the German loan only in the event that it was made part of a genuine reparation settlement. Immediately afterwards the Morgan syndicate underwrote the entire loan, at least implying that their conditions had been met.

Furthermore, an agreement has just been signed (in January, 1925) which makes the Dawes Plan a distinct part of the reparations settlement, as stipulated by Mr. Morgan. This agreement provides that the United States will be paid 55,000,000 gold marks per annum "in reimbursement of costs to the

United States Army of Occupation, and for the purpose of satisfying awards to the Mixed Claims Commission." But these payments are not to begin until September, 1926; and this agreement takes the place of our previous agreement, which has been canceled. It is furthermore provided that before these payments are made all the "sums necessary for the service of 800,000,000 gold marks German external loan of 1924," together with certain other prior claims, shall be set aside.

This is the loan by which the Morgan syndicate took over the German railway and banking systems; and the charge that the United States Government has guaranteed this loan is amply corroborated by the fact that it is made a part of the reparations settlement, as demanded by Mr. Morgan originally; that it is given priority over every other claim, and that the agreement covering these points has been definitely signed by the authorized representatives of the United States Government.

Following this German external loan (upon which the Morgan syndicate's brokerage amounted to \$5,500,000) the French Parliament authorized its government to borrow \$100,000,000 in America, also to be negotiated through the Morgan interests. And it was announced that the Minister of Finance, Clementel, "told how the agreement had been submitted for ratification to the United States Government, and how only this morning (November 21, 1924) he had received a cable that approval had been obtained."

Other loans, constituting a "flood of European financing that is expected to run well up to the thousands of millions of dollars" are under way, and bankers estimate that already there are more than 15,000,000 Americans who have invested their money in such securities, as compared to only 500,000 in 1914.

Great Britain, America's greatest financial rival, frankly admits that "When an English banker makes a loan abroad he does so with the certainty that back of his just interests are the British army and navy."

Can anyone seriously contend that the Morgan syndicate, as intermediaries for the billions of dollars of foreign speculations, upon which they collect toll, will not frankly demand and insist, on behalf of their clients, that the United States likewise back these exploitations—when the necessity arises—with the full force of its army and navy?

Its Dangers

Herein lies the cause of war. For financial imperialism, commercial exploitation, the catch phrase "that the dollar follows the flag" and therefore the flag must follow the dollar, have been the causes of practically every war which the modern world has known. In short, the carrying out of the Dawes Plan means that the devastating effect of the Morgan control, which has already concentrated 60 per cent of our wealth in the hands of 2 per cent of our population, has been extended to Europe, and that Europe will suffer economic and industrial enslavement.

It means that the rising generations in America must face conscription and shed their blood whenever and wherever in the world the friction of politics strikes the spark of war from the flint of avaricious profiteering.

Already we are told that "the attention of Allied statesmen is focused on the problem of preventing Germany from beginning it all over again." "Already "The French seem to think that there is neither peace on earth nor good-will toward man so far as Germany is concerned."

The Nationalists of Germany are quoted as saying: "What is the use of trying to fulfil the Dawes Plan? It was always a pretext to cheat us. We told you so long ago."

(Continued on page 6)

Justice

FOR a generation in Britain, a certain paper published in London, dominated as the only mouthpiece of Socialism. But about 1902 there trickled down south what was called "the unholy Scottish current" which developed into a new paper and party. But its headquarters were in Scotland, as were its mainstays; inasmuch that, to worry the "Southron loons," the editor would sometimes make a reply in his "answers to correspondents" column in Scots Gaelic! Such were the fierce forerunners of the modern Clydeside Reds and Wild Men! But the original southern paper was civilised and sentimental; for it was—and we believe still is—called "Justice."

Now justice is supposed to be a pearl without price; hence its adoption as a paper's name. But again, some people see that it is not without its drawbacks; because everytime the writer went to a certain lawyer's shack to pay a monthly rent, this framed notice met one's view: "A lot of people who are always demanding 'Justice,' are mighty lucky they don't get it!" That too, seems to have been Shakespear's opinion; for when his Hamlet hires players to act a murder scene to test his uncle's guilt, and old, babbling Polonius tells the Prince when the actors arrive, that he will "use them according to their desert"; Hamlet answers "God's bodikins, man, much better: use every man after his desert and who should 'scape whipping? Use them after your own honor and dignity: the less they deserve, the more merit is in your bounty." And when Shylock insists on carrying out the terms of his dreadful bond, Portia makes her famous speech on the beauties of mercy; and later on tells Shylock "as thou urgest justice, be assur'd thou shall have justice, more than thou desir'st."

It appears, then, that there is something higher than justice; and that is generosity, which not only includes justice but goes one or two better than it. Plain people recognise generosity's claims in exhortations such as "Be a sport," and "Make a good fellow of yourself." The merit of the Bible story of the woman taken in adultery, lies in its lesson of "charity," a principle which was given a modern setting by Burns with his "gently scan your brother man, still gentler sister woman," and his "man was made to mourn." Even the lower animals, if we credit R. L. Stevenson, crave something more than justice; for, in his "Memories and Portraits" he describes a dog who always expected certain of his minor offenses to be overlooked in the spirit of Montaigne's "Je ne sais quoi de genereux"—(with, I don't know what of, generosity.)

In his last two articles the writer successfully got away with statements, backed by Marx authority, that if the worker got the full value from the sale of his labor-power commodity, he suffered no injustice. From that it follows that the average capitalist is not "a legalised thief" as he was described by a prominent labor M.P.A., who, in 1919, had been martyred for his opinions and actions. The hardships of capitalism constantly goad socialists to speak thus: and therefore Marx, in his first preface to "Capital" deliberately warns us that capitalist and landlord are creatures of circumstances. Strictly speaking, the capitalist is not a thief, but an exploiter; which means one who makes an advantageous use of anything. Capitalists' profits are not got by a thieving process, but by a "milking" one, a process of exploitation. This is made possible because, under capitalism, the workers do not figure as human beings, but as commodities; whose purchasers are fully entitled to make any and every use of, they see fit. As commodities the workers receive perfect commodity treatment; they get justice and, like Shylock, the dose is more than they desire or relish.

Under another phase of socialist economics Marx appears to base the workers' claims upon generosity rather than justice. That is the case of the relative wage which, with real and nominal wages, make up

the three forms under which wages may be viewed. Hence, even if the worker gets full value for his labor-power and his scale of living is not lowered below the standard he needs, the employer at the same time may, by better organisation and new inventions, increase the amount of exploited surplus value. In that case, says Marx, the worker ought to share in the greater prosperity—not because he is underpaid, but because he deserves a higher proportion of a good thing which he had a share in creating.

There is another and a stronger reason (apart from love and value of Truth) for objecting to indiscriminate denunciation of the capitalists as robbers or legalised thieves. That reason is that if the worker is persuaded that the capitalist is a thief, he naturally thinks the capitalist may be converted to "sin no more" and roll away the burden. That was the old ante-socialist Utopian idea. Let the worker, however, once thoroughly grasp the fact that he suffers no injustice when receiving full value for his labor-power commodity, and it will dawn on him that if, under capitalism, all his sufferings, "by nature's law designed," are unavoidable, and that he neither must nor should expect the capitalists to release him from his harsh fate; then will his class learn to develop backbone and initiative and to rely upon themselves for emancipation from justice a la capitalism! In short, they will respond to one of the few good points of churchianity—the appeal to develop and strengthen the latent potentialities of the individual for their own salvation.

The workers are getting a fine sample of justice now! But what they need to seek for is generosity. That, neither the cynical, callous capitalist system nor the capitalists themselves can afford them so long as the workers function, as they cannot but do, as living tools, exploited conveniences, mere commodities.

Therefore, let not justice, but generosity, be the tailors demand. As "the Lord helps those that help themselves" their next step is to make this possible under the only system that makes a non-commodity working status possible—the Socialist Industrial System of Society. In other words, as Marx advises them, not "A fair day's wage for a fair day's work" should be their slogan and constant guide; but the "Abolition of the Wages System."

At present, by "Hiving" on 17 per cent themselves, and handing over 83 per cent to the capitalists; the workers are, perforce, models of beautiful generosity. Let the tables be turned and a little more to boot, by a "generous" retention of 90 per cent of their wealth production for themselves, and devoting the other 10 per cent to communal purposes. And as their "crowning mercy" and culmination of generosity, they might let all the ex-capitalists in on the new arrangement provided they were willing; and, if not, the latter could betake themselves to some bourn where fuel problems and hard winters never trouble the inhabitants!

PROGRESS.

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Concerning a White Canada

By F. W. MOORE

THE following is a quotation from the letter of a Negro to the Vancouver Star for February 27th, 1925:

"Sir: A news item under caption 'Ban all colored is aim of body' published in your paper recently excites the very vitals of all concerned. May I ask who has made the white man the lord and ruler of the earth? . . . In the name of justice, fair play, and your Almighty, where are you going to send the Canadian born negroes, also those born elsewhere under Britain's flag, who have become domiciled in Canada?"

In connection with the above we strongly suspect that the metaphorical dart in the quotation is directed principally against Orientals, and for that reason we think we are justified in assuring our coloured friend whose fears are evidently founded on a misunderstanding of capitalistic psychology, that the status of himself and of all his race, who are already established in this country, as long as they are loyal to our national institutions, is now, and will continue to remain, on a par with that of other species of the Canadian proletariat. He may rest assured that profit is profit, and that the human being of any description from whose industrial production it may be extracted easily, has the foundation of his citizenship established on solid bedrock.

Once this obvious truth is appreciated it is easy to see why it is utterly useless to appeal to Capitalism to receive with open arms competitors whom it has in its power to drive out of the country. Sentiment in matters of business is always a drug on the market.

There may be, and no doubt, are, tens of thousands of capitalists who are benevolent, but capitalism itself is driven and regulated by the stern emergency of economic necessity and in anything affecting its final struggle for existence it can recognise neither benevolence, nor race, nor yet nationality. The one essential food for capitalism is profit: if that is not supplied the system starves. Hence, following the discovery that Orientals are expert in competition disastrous to Caucasian businessmen, we hear of an agitation for a white Canada.

That is also the meaning of the Japanese exclusion law recently passed in the United States.

There was a time when Oriental competition, materializing in the labor market only, was the indirect source of much profit to certain sections of the exploiting classes: indeed, it must be so, to a certain extent, today, as witness the distress of cannery operators lest the restrictions on Japanese fishermen should deprive them of some of their Oriental employees; all of which goes to show that the colour of a man has little to do with the cause of the attempts either to import or to send him out of the country.

The fact of the matter is that wherever Capitalism flourishes, there distinctions between race, colour, and nationality must be made much of, otherwise there would never be enough money in the world to make workers slaughter each other in cold blood: nor, can such an undesirable condition be ended except by establishing an international industrial government under which the interests of the people would not be sacrificed to those of the few.

Let the members of all races then, when they have gained the little possible for them to gain under Capitalism, study books dealing with the question of "Economic Determinism." In this way they can discover the meaning of their industrial experiences—a meaning pregnant with importance.

It is only when such meaning is understood; when it inspires men to inaugurate the co-operative commonwealth, that universal freedom will take root. Then, every Jap, Chinaman, Negro, and Caucasian will assume: "A combination and a form indeed, on which every God did seem to set his seal to mark the world the image of a man."

Why the Opium Conference Failed

THE refusal of Great Britain and France to agree to the proposals of the American delegation for the complete prohibition of opium production throughout the world has been followed by the withdrawal of the American and Chinese delegations, which brings to an end the Opium Conference at Geneva. The counter-proposals of Britain and France would have postponed the prohibition of opium production for so many years that they could only have been put forward with a view to defeat the project. The British Government refused to prohibit production in India until the other producing countries did likewise.

Great Britain's attitude on this question was not unexpected. In 1839 the British Government went to war with China because the Emperor ordered the destruction of 20,000 chests of opium, which had been brought into the country by British traders in contravention of the laws of China. British warships bombarded and captured Canton, and in the terms of peace the British Government obtained an indemnity of \$21,000,000 and the island of Hong Kong. Fifteen years after another war took place, and China was forced to pay another indemnity of 3,000,000 dollars. By the Treaty of Tientsin the sale of opium in China was legalised in 1858. In the bombardment of Canton, "field pieces loaded with grape shot were planted at the end of long, narrow streets crowded with innocent men, women and children to mow them down like grass till the gutters flowed with their blood." The "Times" correspondent recorded that half an army of 10,000 men were in ten minutes destroyed by the sword, or forced into the broad river.

In her book on "The Opium Monopoly," Ellen N. La Motte says: "India is the source and fount of the British opium trade, and it is from Indian opium that the drug is chiefly supplied to the world." It is a Government monopoly. "Cultivators who wish to plant poppies may borrow money from the Government free of interest, the sole condition being that the crop be sold to the Government. It is manufactured into opium at the Government factory at Ghasipur, and once a month the Government holds auctions at Calcutta, by means of which the drug finds its way into the trade channels of the world—illicit and otherwise." In the year 1916-17 there were 204,186 acres devoted to the cultivation of poppies. The direct revenue from opium for the same year was £3,160,000, but there was also an indirect revenue in the form of excise. We thus see the British Government fostering and reaping revenue from the production of opium, while, at the same time, professing a desire to abolish its use.

British Colonies in the East derive a steady income from opium in one way or another. In Mauri-

tius, in 1916, the duty on opium was 227,628 rupees. In North Borneo the Government has taken over the sole control of the sale of chandu (smoking opium), owing to the falling off in the receipts. In Singapore there are several hundred Government licensed opium shops and opium dens, a large part of the city's revenue coming from this source. In the Straits Settlements 50 per cent of the total revenue comes from opium. By the Treaty between Siam and Great Britain in 1856, the import of opium into Siam is free—no import duty is allowed. There are over 3,000 retail opium shops in the country, from which much revenue is derived. In Hong Kong "about one-third of the revenue is derived from the opium monopoly." In the colony of Sarawak "the principal sources of revenue are the opium, gambling and pawn shops, and arrack," producing in 1913 \$492,455, just about one-half of the total revenue.

Shanghai, being a Treaty port, is of two parts—the native city, administered by the Chinese, and the International Settlement, administered by the Shanghai Municipal Council, controlled, of course, by the British. In 1907, China enacted and enforced drastic laws prohibiting opium smoking and opium selling on Chinese soil, but was powerless to enforce these laws on "foreign" soil. In the foreign concessions the Chinese were able to buy as much opium as they pleased, merely by stepping over an imaginary line where Chinese laws did not apply. The result was that whereas in 1907 there were only 87 licensed opium shops in the International Settlement, in 1914 there were 663, while the monthly revenue from these shops rose from 338 taels in January, 1908 to 10,772 taels in April, 1914. As fast as the production of opium in China was suppressed, the exports of British opium from India into the Treaty ports were increased, their value rising from £1,031,065 in 1906-7 to £3,242,902 in 1912-13.

We think these facts are sufficient proof of the contentions of the American press that the British Government took part in the Opium Conference merely to prevent its success. And when we read in a daily paper that a Chinaman has been sent to prison for keeping an opium den in East London or Liverpool, let us remember that the opium was produced with the assistance of British capital and sold by a British official in India.

We have never advocated legal prohibition in any shape or form, but simply wish to point out the hypocrisy of the British Government, whose action at the Conference was supported by the representatives of the French Government, whose hands are also soiled by the traffic in opium in their Eastern territory.

—Freedom, (London).

THE POSITION OF TROTSKY

(Concluded from last issue.)

In Russia the revolution was "saved" by Lenin, who overruled Zinoviev, but in those other countries where there was no Lenin to overrule him the attempts to bring about a Bolshevik revolution failed. Says Trotsky:

We have had in the last year (1923) plenty of convincing proof that our October experience (the Bolshevik revolution of October 25, Old Style; November 7, New Style) has not sufficiently entered into the blood and marrow of even those Western countries that have fairly ripe Communist parties, that it is in fact unknown to them in its most fundamental aspects. We have suffered in the past two years severe defeats in Bulgaria. At first the party, because of its doctrinaire fatalistic mode of reasoning, overlooked an exceptionally favorable moment for revolutionary action (the uprising of the peasants after the famine appeared in June). Then, trying to correct the mistake, the party threw all its energies into the September revolt without sufficiently preparing the political and economic essentials for such an uprising.

The Bulgarian revolution was supposed to serve as a sort of a wedge for the German revolution. Unfortunately the ineffective Bulgarian attempt was paralleled by an even worse state of affairs in Germany. We saw in Germany in the second half of the past year (1923) a classic demonstration of the fact that it is possible to lose a very exceptional revolutionary situation of world-wide historic significance. Nor have we yet given ourselves an adequate and concrete account for these revolutionary failures in Germany and Bulgaria.

Zinoviev and Kamenev are not the only Russian Communist leaders who come in for condemnation by Trotsky in his book "1917." Most of the members of the Executive Committee of the party, he declares, were, on more than one occasion during the months before the coup d'etat, at odds with Lenin over his policy and tactics, thinking them too rash and fearing that this recklessness would invite disaster rather than success. Trotsky implies that he was the only one who fully grasped the workings of Lenin's mind, agreeing with and upholding him in every crisis.

Lenin on his arrival in Russia (from his exile in Switzerland) made a quick survey of the situation and decided what course the Russian revolution must take. He was for the unconditioned overthrow of the Provisional Government. But for several months he kept this slogan to himself waiting to spring at the moment when it would find the greatest number of adherents. . . . Following such an overthrow of the Provisional Government, Lenin's policy was to take immediately the reins of government through the Soviets, to institute a revolutionary peace policy and to set in motion the program of a Socialist overturn within the country and of international revolution abroad.

Again and again, Trotsky asserts, Lenin had to bring pressure to bear upon the members of the Executive Committee of the Communist, or Bolshevik Party, as it was then known, to adopt his views, the majority of the committee having been inclined to be much less daring and determined in the revolutionary advance than was Lenin. If this revival of the Zinoviev-Kamenev "mistake" intensified the breach which had long existed between them and Trotsky, the version given by the War Minister of the disagreements, if not actual clashes, between the entire Central Committee of the Communist Party and Lenin lost for him nearly every friend he had ever had among the "Old Guard" of the revolution.

For months Trotsky's "1917" has been the object of a denunciation to which few books have been subjected. Endless columns have been filled with articles in the Communist newspapers—and all newspapers in Russia are Communist—for the purpose of minimizing Trotsky's statements and charges. The book has been variously characterized. Its brilliancy is conceded, but a correct statement of events, it is emphatically asserted, the book is not. Kamenev answers Trotsky by charging him with trying to substitute his own ideas for those of Lenin. Zinoviev accuses Trotsky of undermining Bolshevism. Others charge the War Minister with trying to place himself on a pedestal beside Lenin, with trying to take the mantle of the dead leader. The most critical and yet a far from uncomplimentary picture of Trotsky has been given by Stalin, the third of the triumvirate with Zinoviev and Kamenev, who is originally a Georgian revolutionary, and whose real name is Djughashvili. Says Stalin in the Pravda of Nov. 26, 1924:

Let us now go over the legend about the special role of Comrade Trotsky in the October revolution. Trotsky's followers very actively spread rumors that Trotsky was the inspired and sole leader of the October uprising. These rumors are spread most energetically by the so-called editor of Trotsky's works, Comrade Lentsner. Trotsky himself, by his systematic overlooking of the party, of the Central Committee of the party and of the Leningrad (Petrograd) Committee, by keeping silent about the preponderant leadership of these organizations in the uprising, and by persistently putting himself forward as the central figure of the October uprising—intentionally or unintentionally—helps in spreading these rumors about his special role in the uprising. I am far from attempting to deny the indisputably important role of Comrade Trotsky in the uprising. But I must say that any special role in the October uprising Comrade Trotsky did not and could not play, that, being the Chairman of the Petrograd Soviet, he carried out the instructions of the Soviet. The Soviet was thus the directing power behind every move Comrade Trotsky made.

Thus far Trotsky has not answered the charges made against him by individuals or by the party. He is described in turn as too sick to answer and as setting his answer down in a new book. Meanwhile, parallel with the attacks on him, a Trotsky "legend" is arising, and becoming ever more widely spread—a legend embodying the view that Leon Trotsky is one of the greatest leaders of the Russian revolution and one of the greatest figures of his time.

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THINGS THAT MATTER

(Continued from page 1)

merely the individuals who do not. Consequently we have in society the two classes.

Now this is so simple, so obviously true, and yet it is so unpopular. That is a contradiction I cannot make out at all. Time and time again do we see the owner of a factory put up a notice to the effect that the factory will close on such and such a date and will be closed until further orders. The men do not like it yet they have to stay out and their meal ticket is cut off. On the other hand when the workers take it into their head to cease work we find that the owners of the means of wealth production cannot carry on the work. The idea of production being carried on by brains is quite obviously incorrect. The works may be filled with machinery and raw material, owned by men with brains, in charge of foremen with brains, yet without the "hands" there is no production carried on. It is quite evident that the individuals who own these things get the benefit of these things. When you go into a store and buy a pair of boots you do not let the storekeeper wear them; you put them on and wear them out. The ownership of the mines, mills and factories by a small group implies that the benefits of machinery, science, and all technical developments go to the individuals who own these things. Now here is a thing that matters, a condition of affairs that must be recognized by the working class if they are going to solve any of their problems. Because, notice this, where you have a small group in control of all the machinery of wealth production, the workers have no alternative but to accept the conditions imposed upon them or starve. Such questions as the benefits of protection inevitably arise. Who benefits from production? The small group in control. They are the people who own the commodities and to whom accrue the benefits of the industrial process. The working class, throughout the whole piece, whether with protection or free trade, with high taxes or low taxes, whether with a measure of republican liberty or under an imperial government of some form, are essentially in the same position. This is the fact that matters. True, prohibition may affect the customs of certain individuals, so may protection or taxation.

But the ownership of the means of wealth production by small groups and the consequent taking away from the working class of the wealth which it produces is the pivot upon which the problem of the workers depends. That leads inevitably to the question of methods. When once the workers appreciate the importance of ownership the next consideration is the method of solving the problem, of wresting the means of wealth production from the owners thereof. As a result of this condition of affairs and a growing knowledge we have a conscious organization throughout the civilized world with the object of changing human society fundamentally, that is to say, in a revolutionary way, altering the organization of human society from this method of production to a different one. We must recognize this, that class society, that is to say, society in which there are antagonistic groups has existed for a long time. It is true that the feudal method of production differed from the present method under which individuals are free before the law, their differences being merely ones of property rights; a few the owners of the means of wealth production, the others propertyless wage-workers. We distinguish between this free method of exploitation and the earlier method during which the serf worked for the lord. Nevertheless we can trace throughout the development of the various stages a general tendency for the two classes to become more clearly separated. The interests of the working class under the present system are quite distinct from the interests of the owning class. In feudal society the serf had certain rights and certain duties but his welfare appears to have been bound up in the welfare of his lord. Even in the slave days it was the custom generally for the master to look after his

slaves. They were indispensable to the property and consequently were fairly well looked after. Under capitalism we find uncertainty and worry to be the characteristics of the age and as a consequence we see that the working class is becoming more and more conscious of the effort required to emancipate itself—it is developing a class-consciousness. We also see the class that dominates the workers organizing means whereby its position of privilege and its point of view may be maintained.

In this condition of affairs the state must be reckoned with as one of the things that matter to the working class. It does not require very many illustrations to show you that the State exists to maintain the property rights in the means of wealth production to the ruling class. In 1919 there was a strike called a revolutionary strike in Winnipeg, but as a matter of fact it was nothing of the sort, but merely a question of collective bargaining. But immediately any section of the working class get together on a common platform as in that instance, with a definite aim in view, there you see the powers of the State lined up on the side of the owning class; you see the leaders of the workers arrested, the forces of the state lining the streets, the strike being suppressed by those methods as well as by the starvation of the workers due to the fact that the workers have no means of production of their own. In Germany, even after the expulsion of the Kaiser you find the same, the forces of the state at the beck and call of the industrial magnates of Germany to hold in check all those elements amongst the German working class getting hold of Germany for the German workers. It is the same in France and the United States. There are all sorts of repressive measures upon the propaganda activities of those who seek to expose the nature of capitalism and attempt to make their fellow workers understand that their troubles arise out of these property rights of the ruling class. These conditions inevitably leave the workers stripped of all power to control their own destiny.

These are the important matters that the workers must recognize before their problem can be solved. Throughout their daily life, in their talks with their fellowman, in their criticism of the press, the parsons, the politicians, it is absolutely necessary

that they understand clearly their position. This point of view must be, "Is our interest going to be affected by such and such a policy? will it alter our status? is this measure or that going to lead to the point where we shall be emancipated through the control of the ownership of the means of production or will it leave us still with a mere scrap of paper entitling us to a living wage?"

The capitalists have their problems too. How are they to dispose of the millions of tons of flour, bushels of wheat and potatoes, the piles of blankets? The politicians institute a foreign policy hoping to interest the workers because the policy will enable the British manufacturers to dispose of their goods and thus provide work for the British wage workers. These are not matters for us. The one thing that matters is to solve the problem once and for all, to eliminate the basis of the trouble. The politicians will offer you protection, prohibition—always the worker having his attention diverted from the things that matter. It is unpopular, nasty, not respectable, to point out to the working class that the troubles in human society result from private ownership. It is disagreeable to the master class. Not to us. It is the one vital thing, the one virile doctrine in civilization at the present time and it is slowly but surely permeating working class organizations. The cobwebs are being swept away and the workers are learning that the trouble with civilization is a matter of the economic structure of society, not prohibition, foreign policies, women's suffrage, republicanism, but the solution of the great economic problem, the distribution of the wealth which the working-class produces.

THE DAWES PLAN

(Continued from page 5)

And the French are saying: "Voluntary contribution, special taxation, and even a capital levy would certainly be preferred to a Dawes Plan which would operate with regard to the French railroads in the same way as has been done with the German railroads."

"Business men rather than diplomats," it is stated, are arranging an international conference for the purpose of establishing the Dawes Plan in China and the Far East.

Hardly a day passes without additional appropriations for naval, military, and airplane equipment; and the whole world is busily engaged in developing poison gases—even "mad" gas, the breathing of which produces permanent and incurable insanity.

Yet Mr. Seymour L. Cromwell, formerly president of the New York Stock Exchange, has said that "The recent export of American funds to all quarters of the world constitutes a fundamental step toward the elimination of warfare"; on the strength of which Messrs. Dominick & Dominick, a well-known bond house, have issued a leaflet entitled, "Wall Street a factor in Securing World Peace." —The Nation (N. Y.)

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AGARTA NOTES

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Literature Price List

Table with columns: Cloth Bound, Paper Covers, Per Copy. Lists various books such as 'Revolution and Counter Revolution (Marx)', 'Capitalist Production (First Nine and 22 Chapters)', 'Vital Problems in Social Evolution', etc., with prices ranging from 10c to \$1.15.