Bolshevist Russia *An American Conspiracy*

Greek S.L.P. Against Russian Intervention

THE RED FLAG

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

VOL. 1 NO. 30 VANCOUVER, B. C., SATURDAY, AUGUST 23, 1919 FIVE CENTS

BRITISH CAPITAL AND INDIAN LABOR

How White Workers' Standards Are Threatened.

By Shapurji Saklatvala.

WE take the following article from the July 24, "Labor Leader." Read and study the contents. They are a revelation of the futility of the Nationalist "Labor" program for solving the working class problem under capitalism. We exist on a close knit world economy. The working class in every country must think internationally and work out an international anti-capitalist program. Edit. R. F.

In economic life and struggle the direct opponent of Socialism is modern Imperialism, which no longer stands for military vainglory so much as for the "commercial needs" of the imperial nation.

How Imperial Capitalism Works.

Nowadays industries, all the world over, have so many common interests and common problems that they form a uniting bond. But powerful nations still endeavor to monopolize to themselves sufficiently large slices of the world to bring within their political clutch and governance areas which will enable them to run their industrial concerns independently of, and even in opposition to other nations.

In each modern Empire, with this end in view, there has come into being a consolidation of the economic position of the principal industries that enrich the few powerful families within the Empire. This position can be and is used as a fortified stronghold against external rivals as well as against internal opponents in the same Empire.

Possession of abundant raw materials, large and extensive markets in conquered territories, where rival production can be stifled by political and educational disabilities placed upon the people, and diplomatic or open shutting out of Free Trade assist the industrial and commercial magnates against outside competitors of their own class.

Finally, abundant cheap labor, kept oppressed and cheap, helps the same magnates to battle with the more advanced Labor in their own countries. This battle is not conducted by importing foreign labor, but is carried on and is continually being won by starting rival works in lands of raw materials and by employing labor on iniquitous terms.

In the "Daily Chronicle" of February 15 last,

(Continued On Page 2.)

Winnipeg Six-Week Strike

(From the "Labor Leader," July 31.)

The New Statesman for July 26, contains an interesting account of the Winnipeg strike, given in a personal letter to a friend by a member of the Canadian Bar, resident in Winnipeg. The writer has no connection with the Labor or Socialist movements in Canada, but as an intellectual, "looked on" and as a lover of fair play was outraged by the methods employed to break the strike by "the committee of 1000" representative of the powerful financial interests.

He declares that the accusation that the strike was intended by its leaders to usher in a physical force revolution or that foreigners (i.e., Bolsheviks) were in any way responsible was "sheer unadulterated moonshine." But the charge was reiterated in hysterical fashion by the heavily subsidized newspapers, with the result that the men of property and their lawyers spent their whole time in barracks learning the use of rifles and bayonets:

> It was known that the strikers were unarmed; they had no supplies of ammunition; they were conducting the most peaceable strike in the history of Canada. Yet the business and professional men of Winnipeg—everyone, in fact, owning a motor—armed themselves to kill their fellow citizens who were demanding the recognition of the principle of collective bargaining.

The masters in the metal industry had been notoriously reactionary, and had refused in any way to recognize the Trade Union or bargain collectively.

A "Minister of Labor," Senator Gideon Robertson, it seems, was brought down to represent the Dominion Government, and at once, as doubtless was expected of him, he proceeded to "smash the strike." A new order of "special" constables replaced the regular police, and dutifully fired to kill when the order was given them—and that on a parade of ex-service men! So the strike, after demonstrating for six weeks, the wonderful sense of solidarity in the workers, was smashed—for the moment. Throughout the Socialist speakers were eagerly listened to by the crowds.

THE FALL IN THE RATE OF STERLING.

(From the "Justice," London, July 24, 1919.)

"Justice" has called attention several times to the position of the American Exchange. This is one of the elements in the creation of our national bankruptcy to which I refer elsewhere. The English £1 is only worth for exchange at the time of writing 4 dollars 28 cents, as against 4 dollars 85-87 cents before the war. This is a very serious matter indeed, and I was anxious that the Consumers' Council should urge upon the Government the necessity for giving to the public a clear and easily intelligible explanation of what this great fall in the exchange means to the country. Our people do not understand. And an official explanation is the more necessary since it is more than probable that, as matters stand, we shall shortly see the value of the £1 sterling fall to 4 dollars (say 16s. 8d.), or even less. This involves a shrinkage in the value of our money that carries with it a very heavy loss in trade.

The Transformed Position in Regard to U. S. A.

Before the war America was heavily in our debt. Now we are very heavily indebted to her. Probably the actual amount we owe her yearly by way of interest does not fall short of £50,000,000. Formerly we did a very great proportion of the American carrying trade. Now American vessels are cutting into our freights in all directions. Yet we have to pay the £50,000,000 due to her in some way, and we have to pay also for the large purchases of food we are still obliged to make from her. How are we to pay for this food? We have no gold to pay with; we have practically no loose securities to sell or hypothecate to pay with. We have no exports to pay with, and if we had, the United States is a highly protectionist country. Hence we can so far do nothing but add continuously to the £1,000,000,000 or £1,100,000,000 which we already owe her. The remittances, in short, are all one way. That is why the exchange is falling so heavily as against the £1. But this can not go on for ever. The sooner the Government faces the possibility of bankruptcy the better, and tells us at the same time how it means to deal with the whole position of food credit.

Hang the Kaiser

(By Jerome K. Jerome, in "Common Sense.")

"Hang the Kaiser" was the demand. Had that demand been granted, and at once, Lloyd George and his Coalition majority would have covered themselves with popularity—for a time. The mistake was in delay. "After political excitement, comes calm reason." Quite an extraordinary wave of "reason" appears to be passing over the country in connection with this Kaiser-hanging business. It is really most helpful. Journalists and politicians who shrieked for the punishment of the ex-Kaiser are now arguing the wisdom of leaving him alone. They do not want him tried. That was not the programme. Trials can be very awkward things, full of surprises; even "fair trials." In spite of the announcement "that in order to prevent unnecessary delay," Herr Wilhelm Hohenzollern will be allowed to call only such witnesses in his defence as his prosecutors will permit, danger appears to be scented. Suppose it transpires that he was not the sole man in Europe answerable for this war? Suppose it transpires that Russian statesmen, Serbian politicians, Italian Imperialists?

Let us stop there. Let us take it as beyond the shadow of a doubt that every journalist and statesman throughout France and England has been working at high pressure for the last forty years to prevent the possibility of war breaking out in Europe. Suppose it transpires that the forces compelling humanity—now forward, now backward, "as some moon-stirred Atlantic"—can not possibly be charged to any one particular individual; that man is the victim of his own passions; that his attempt to make of this individual or that a scapegoat for the race, is sheer cowardice.

BRITISH LABOR.

The proposed "direct action" referendum on political demands was postponed by the executives of labor's triple alliance in London on Tuesday. Changes in the policy of the government, were said to have played an important part in causing the postponement. The triple alliance is composed of the miners, the railwaymen and the transport workers.

British Capital and Indian Labor

(Continued From Page One.)

there is a report of Lord Robert Cecil's speech in Paris in support of the League of Nations, in which his lordship openly admitted that

> bad labor conditions in any country operate with fatal effect in degrading labor conditions in another country.

The Cecil's and their Imperialist friends who run the British Empire with an iron hand, and do their utmost to maintain cheap labor in India, China, and Africa know very well by experience that bad industrial conditions there may be used to depress and degrade conditions here.

A Word to Socialists.

Socialization of industries first requires appropriation of industries by the masses.

Now what are British industries?

The textile industry can not be nationalized or taken over by the workers for the nation by taking possession of empty Lancashire cotton factories without cotton, or of Yorkshire woollen factories without wool. The Egyptian and Indian cotton fields (and sooner or later those of Mesopotamia) and Indian wool must form an inseparable part of this Imperial British industry.

The cocoa works at Bristol are not worth appropriating if the cocoa plantations in West Africa remain in the uncontrolled possession of their present capitalist masters, with a cocoa factory set up there in the bargain.

A biscuit factory in Reading without wheat from India or Canada will be equally valueless as a "means of production." The oil presses of Hull and Grimsby will be lifeless carcases of oil and cattle cake industry if the oil seeds of India are in the hands of the master class, comfortably settled down with a few dozen oil concerns in India run with what is practically slave labor.

Margarine factories in Great Britain without the oil nuts of Africa and cocoanuts of Ceylon and India will be equally useless to workers for continuing further work. Rubber factories similarly require the assimilation of the rubber plantations of the Malay Peninsula. Tea and coffee shops must look across the seas to the tea and coffee plantations of India.

The great leather industry in the Midlands is not made up of factories in Leicester, Northampton, Norwich, Manchester, Bristol, etc., but will have to keep up its organized supply of the raw skins and hides that come from India to the extent of 85 per cent. of the total requirements here.

If capitalistic industrialism rests for its strength upon its widespread ramifications within the Empire, Socialist industrial life will have also to rest on fraternal ties and working unions equally extensive and widespread. If the sources of raw materials are allowed to remain the property of capitalism, when, further, capitalism is busy starting factories under its own control in the countries where the raw materials abound and where labor troubles not, or rather dares not to trouble, all efforts here to organize and prepare to take possession of "the means of production" will end in a hopeless farce.

Socialism must realize that within the inseparable economic unit of an Empire Internationalism is not a secondary and remote stage of evolutionary development, but it is the primary and unneglectable factor of achieving the first stage of success.

Similarly, also, for pure and simple Trade Unionism, a glance over the whole economic Empire is an out-and-out primary necessity. I shall give one pointed illustration.

Indian Workers and Government Orders:—How the "Fair Wage" Clause Is Avoided.

Trade Unionism secures from the Government a promise not to give contracts to firms that do not pay Trade Union wages, even if the employees are non-union men. The Government of India, which is a large purchaser, remains automatically included in this arrangement. Now the Government of India comfortably slips out of this arrangement by purchasing materials from capitalism that rears up factories in India.

> Quite 100,000 tons of iron and steel was purchased from Indian works that pay wages of eightpence to eighteenpence a day!

Millions of yards of tent cloth, army and police clothing material, etc., were purchased from Indian factories that pay 2s. 6d. to 10s. weekly to spinners and up to 17s. 6d. weekly to weavers of the highest grade!

Tons of paper, thousands of pairs of boots, thousands of casks of cement and barrels of oil are actually being purchased from manufacturers who enjoy the proceeds of the shameful standard of a 12-hour day, at wages of eightpence a day and even lower, and that at a time when money in India, as in Europe, has half its pre-war value.

And this is not a passing incident, but a growing situation. Till 1900, it was only cotton cloth, then came in woollens and paper 1900 to 1905, then grew vigorous the leather industry, then from 1912, sprang up the iron and steel products, then began oils, cement, chemicals, etc., from 1913 onwards.

By 1922 there will be large concerns producing edible and industrial oils, chemicals, steam engines, boilers, textile machinery, aeroplanes, electrical machinery, steel vessels, etc., etc.

For the 12 months ending March, 1919, no fewer than 292 new companies registered under the Act, with an authorized capital of total rupees of 213,-800,000, or at today's rate, £17,000,000 and over.

In the previous year ending March, 1918, it was 278 new companies with a total capital of over £20,000,000 (see Times of India, May 17, 1919, page 16.)

From the progress hitherto made with all the after-war activity of capitalism, next year's figure in March, 1920, is fully expected to pass £30,000,-000. Wait and watch it!

Now here is the immediate position of Trade Unionism.

Bengal Miners and British.

Bengal produces 17 million tons of coal, with a rapidly increasing output every year. The quality of coal is six-sevenths of Welsh coal. The output per head is seventeen twenty-sevenths.

The wages today in Bengal, according to the Industrial Commissions Report, p. 21, par. 27) average only 7½ annas per head (i.e., about 5s. weekly.) Railway labor being cheap, Indian railway rates are very cheap too for the merchants, and similarly postage rates and clerical work are all far lower than here.

As a result Indian coal, under British capitalism, enters into a sham capitalist, but a real labor competition, and if British miners demand better terms they are asked to beware of "foreign competition."

The same phenomenon is occurring today in the textile trade. The same position is ripe for action in the steel trade.

I quote the following paragraph from the Mining World and Engineering Record of London, dated November 23, 1918, page 422, par 2:

> I have seen many instances of the way in which Indians learn new trades with success. Previous to the installation of Tata Steel Works at Sakchi (150 miles West of Calcutta) the manufacture of high class and reliable steel in large tonnage in India was unknown. When these steel works were first started a very large contingent of white trained labor was employed; today this white contingent has been mainly replaced by Indian labor now efficiently taking the place of the white trained labor. With raw material at no great distance, cheap coal and reliable, cheap labor, there seems to be every reason why zinc smelting works in India should be a financial success.

THE GENERAL STRIKE IN EUROPE.

(From the "Dial.")

Throughout Europe a general strike was called for July 20 and 21. It resulted only in a few local tieups and stoppages, and the fuse of revolution fizzled into silence. That is the impression of the movement toward international labor solidarity which one gains in the American press. As a tally of intentions and results it has the typical journalistic merit of complying with editorial wishes by playing fast and loose with facts. In the first place a general strike was not called, in France, Italy and Great Britain; what was decided upon at the Southport Conference was a general demonstration, "in the form best adapted to the circumstances and the methods in operation in each country." The purpose of these demonstrations was to manifest international solidarity and goodwill. In no portion of this resolution was there the threat of an international general strike: the whole wording shows on the contrary that none of the labor groups wished to inflict hardship or to court failure by premature action, by attempting to take over an international mechanism which they did not have the force to put into effective operation at this early moment. The demonstration was planned merely as a preliminary step toward organization. Now what was the outcome of this preliminary exertion of pressure without recourse to the general strike? In Italy, despite the absence of an overt revolutionary mandate, if we accept the earliest press reports dealing with the situation, the mere threat of action was enough to wring from the government all that the Southport conference suggested in the resolution reported by The Daily Herald (London,) for June 28: namely, according to the New York Times for July 20, the recall of Italian troops from foreign service in Russia and Hungary, the hastening of demobilization and the breakup of the supreme military command; the liberation of political prisoners on a large scale; and the restriction of profiteering in the necessities of life. What more could a strike have obtained without the complete political capture of the state? That British labor is likely to use industrial action to the same end is shown in the decision of the Triple Alliance to submit a referendum on a general strike against conscription. Whatever the weakness of international labor co-operation, due to the unequal developments of the movement in the various countries, it is plain that labor groups have at hand a weapon by which they may potently influence the conduct of their own government. By exercizing that influence they will be able to control indirectly the counter-revolutionary operations of the league.

What is the Trade Union position?

In the next two or three years the zinc workers in this country will have to make up their minds not to ask for further wages or rights because there will be "foreign competition," before which capitalism here will plead inability, weakness of the purse, though the spirit is willing.

Then, again, under disguise of cheap living, which means a life of misery and penury and a premature death from ill-nutrition and over-fatigue, these millions of Indian workers increase the output, but have no demand of their own to proportionately increase the demand which should give compensating work to industrial workers of the world. The rich Indians themselves do not live on this "cheap living."

My heart is full on this subject, and I can not write with "constitutional restraint" about this game of slow murder.

I present to the readers the following table, which represents the sum total of cheap living for industrial workers (see Calcutta Improvement Trust Report, by E. P. Richards, 1917:)

Infantile death rate in two (working class) wards.

	1907	1908	1909	1910	1911	
Ward V	595	621	580	675	577	per 1000
Ward VII..	619	439	265	505	481	born.

GREAT BRITAIN.

(By "The Christian Science Monitor," Special Labor Correspondent, August 4.)

LONDON, England.—In consequence of the election of the general secretary of the Amalgamated Society of Engineers to the House of Commons, the office has become vacant, it being a rule of the Amalgamated Society of Engineers that no general officer can hold the two positions at the same time. All candidates for the vacant post are given an opportunity of stating their views, qualifications, and general policy in a printed address, and as many of the aspirants are still in the workshop and actively engaged in the various rank and file movements, an analysis of the election addresses will indicate pretty faithfully what the engineers consider to be the most pressing and vital questions.

The range of candidates is a very wide one embracing, as it does, the extreme Syndicalist who has no place in his scheme of things for parliament, to the plain trade unionist, keen and anxious to maintain the present constitution and to effect all changes and reforms by peaceful methods of negotiation in the industrial and political field.

No Politics School.

In distinct contrast to the addresses of a decade or so ago is the absence of any opposition to politics in the union. The "no politics" school have entirely abandoned the field, that is, no politics in the sense that they argued that it was not the function of a trade union to concern itself with matters other than wages, hours and general workshop or factory conditions, coupled with hostility to the creation of a Labor Party independent of the old orthodox parties.

Almost without exception the candidates express their belief in developing the political side of the union and in favor of the Labor Party. The single exception being convinced that "salvation lies in the industrial field, and that we must build up a structure apart from and independent of Parliament or any other capitalist institution." . . .

. . . Brought forward from his retirement in the heart of Kent, where he has been following the peaceful calling of a poultry farmer, for which friends in the Labor movement subscribed, is Mr. Tom Mann, who has achieved some amount of fame as an agitator in almost all parts of the world where the English language is spoken.

Tom Mann has been a strenuous fighter in Labor's ranks for close on 40 years, and will, as on a previous occasion, receive considerable backing. He stands, of course, for "direct action by the workers in all industries," and is "not afraid of the terms Socialist, Spartacist, Bolshevik, or Syndicalist," as they mean in essence the thorough application of the policy and practice of "true co-operation."

FINLAND.

On Monday, news of an extraordinary situation in Finland arrived. On July 25, the Finnish Diet proceeded to the election of a President. Humanite had, for a long time, reported that Mannerheim (the general of the awful "White" massacres of the surrendered Red troops and their families) was so unpopular that his election was practically impossible, and as a matter of fact, the Diet elected Professor Stahlberg to the Presidency by 143 votes, against 50 votes cast for Mannerheim.

One's first impression on reading the news was that something would have to be done by Mannerheim and the Allies to deal with this very awkward situation, and a later Reuter message states that Professor Stahlberg will not take office, and that it had been reported that Allied financial assistance would be refused to Finland unless Mannerheim was elected.

We may, therefore, find that Allied financial pressure has been put on the Finnish Diet, or on Professor Stahlberg, to keep Mannerheim in power against the wishes of the Finnish people.

Clippings From the Press

INDIA.

Scaffolds Busy In the Punjab—How India's Rulers Celebrate the Peace.

(From a Correspondent to the "Daily Herald.")

The last Indian mail to hand brings details of the victims of militarism and oppression in the Punjab.

It shows that out of 596 persons prosecuted before the court-martials in the province, 77 were sentenced to death, 147 to transportation for life, and 158 to various terms of imprisonment, and that in six cases the property of the accused was also confiscated. The rest were acquitted. The government was pleased to commute sentences only in 42 cases, including seven in which capital sentence was reduced to minor punishments.

Such a state of things would in any country have caused a tremendous uproar. For what is called rebellion in Punjab was nothing more than a preparation for passive resistance to the Rowlatt Act.

Montagu's Playing With Reform.

While these scenes are being enacted in India, Mr. Montagu is engaged in discussions of the microscopic reforms in the constitution of the government of India. Who can wonder if Indians lose faith in the bona fides of their government when they see that, while no substantial reforms are even so much as attempted, the government is engaged in brutally crushing down all spirit of freedom in the land?

Demonstration for India Needed.

Here is a case within the empire itself, where militarism is tyrannizing even people who greatly assisted the empire in the war. It is a telling commentary on British liberalism.

Sir Rabindranath Tagore, the great Indian poet, is so disgusted with it that he has surrendered his knighthood, and Sir Shankir Nair, the Indian Member of the Supreme Court, has resigned his high office. Further remarks appear unnecessary.

IRISH FREE SOON, SAYS F. P. WALSH.

(From the "Christian Science Monitor.")

BOSTON, Massachusetts.—The cause of Irish independence was linked by Frank P. Walsh, addressing a large meeting in Mechanics Hall last night, not only with the fundamentals of political liberty as enuciated by allied statesmen, but also with the great struggle throughout the world for industrial and social freedom. In fact, Mr. Walsh went so far as to declare that the civilization of the western world might depend on the answer given to the demand for recognition of the so-called Irish Republic.

This conclusion Mr. Walsh deduced from the general unrest in Europe and the United States. He thought it likely that the workers of France and of England soon would take over the government of those countries into their own hands, in which case, he believed recognition of Irish freedom would be automatic.

MERCHANTS' ARRIVAL IN RUSSIA REPORTED.

(Special cable to The Christian Science Monitor.)

LONDON, England (Sunday)—A German wireless message states that the German press displays a great interest in the reported arrival at Archangel of a commission of American merchants in order to negotiate with the Soviet authorities for the resumption of regular commercial traffic. The report states that the commission has agreed to supply provisions, agricultural machines and raw materials while Russia will grant concessions to the great American industries in connection with reconstruction and communication enterprises.

BOLSHEVISM IN THE STATES.

The word Bolshevism will soon loose its effectiveness as a bogey. A United States Senator speaking in the House on the railroad situation—and referring specifically to the Plumb plan for a triparite directorate of control, said:

Plumb Plan Opposed.

"Accompanying their demand for increased wages, is a demand that the industries of the country be Sovietized. This demand also is accompanied by threats of dire disaster to the country if the so-called Plumb plan is not accepted.

"I do not favor Sovietizing the industries. If the railroads are Sovietized, that will be only an entering wedge. It would turn the railroads over to a favored few, who would fix their own wages and then fix the rates and income to be derived from the public. The railroad employees would be made absolute monarchs to take whatever they want from the public. Congress each year would then have a threat of dire disaster if it did not appropriate money to meet losses the Plumb plan would bring.

"After the railroads were Sovietized, then these same people would next Sovietize the steel industry and then all the other industries would be Sovietized. A vast propaganda is being carried on with the Sovietizing of all industries as the end in view. The country would be thoroughly Russianized if the Plumb plan were carried out to its ligical conclusion.

"It falls to the railroad brotherhoods to present to this country a concrete case of Bolshevism as against Americanism. It must be met and decided now. It can not be sidestepped or dodged.

"There has been a sinister campaign of Bolshevism conducted in this country openly and in secret for many months. The network of this propaganda has been thrown over the entire country. It has finally found expression in the plan for the Sovietizing of the railroads."

CRITICISM IN THE "PROLETARIAN."

In an article in the August number of the "Proletarian," John O'London takes exception to the activities of members of the Socialist Party of Canada in connection with the late strike and also on their connection with the O. B. U. movement. Unfortunately his strictures appear to be based on data, incorrect, or incorrectly digested. He will be replied to and better informed. The reply will be published in the "Red Flag" in any case whether it is published in the "Proletarian" or not.

For some reason the American Socialist press is notoriously irresponsible and unreliable in its treatment of current affairs in other countries. Doubtless this is due to the over hasty use of unverified reports and partizan bias.

Aside from that, however, John O'London adds but a fictitious strength to his argument when he rings in an inuendo about job-hunters. That is matter not pertinent to a discussion of fundamental Socialist principles and tactics. In any movement where there are positions to be filled, men must be found to fill them.

We take it the issues raised by John O'London, which are worthy of discussion are, the consistancy of the activities of S. P. of C. men in the late strike, and also their connection with the O. B. U., with the principles of scientific socialism and the responsibility of the Socialist Party of Canada for these matters.

ANOTHER OF "OUR" ALLIES.

A London despatch in the Christian Science Monitor, for Aug. 4, reports that troops of General Gregorief surrounded the Jewish quarter in Odessa, and for three days and three nights carried on a massacre. The report adds that not one escaped.

THE RED FLAG

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

Published When Circumstances and Finances Permit By The Socialist Party of Canada,

401 Pender Street East, Vancouver, B. C.

Editor ..... C. Stephenson

Subscriptions to "Red Flag" . . . 20 issues $1.00

SATURDAY.....AUGUST 23, 1919

A Warning

WE have received no details as yet of the trial of the Labor officials in Winnipeg, other than those furnished by the Capitalist press. The prisoners are committed for the Assizes in October, and bail has been disallowed. No doubt, deceived by the silence of the press on the matter the Government's decision is due to what it thinks is a lack of interest by the people at large in the fate of the men.

That organ of the vested interests, the press, thoroughly fulfilled its function during the trial, as the vehicle of misinformation and moulder of public opinion. It carried on a propaganda of one-sided and partial reports of the proceedings, which was calculated to estrange the workers from the men on trial, in obedience to the Macchiavellian precept of divide and rule. Nor can the Government itself be absolved from contempt, for it allowed to be published a letter, under the flaring caption, "Bolshevik Money, Received in Winnipeg," in which the term, Bolshevik money, had been jocularly applied to moneys collected and remitted to the Winnipeg strike fund, without publishing the real source of the money, which was the unions in Alberta. How fundamentally weak in equity must be the case against these working men when the prosecution seeks the collusion of the press in such shystering work!

The whole Dominion has been searched for scragends of the unconnected writings of men, unknown to each other, upon a hundred different subjects, and into which no rational mind could read a common understanding or conspiracy. Evidence they call it!

Their blanket laws themselves, indeed, raise even the most common acts into treason. Who is safe under them! No one can tell what they are or what defence to make to them. The country is flooded with spies and informers, an infamous trade, followed by men generally of abandoned characters, whose interest is to make their cases good. How can men defend themselves against mere phrases torn out of their context, the arbitrary meanings fastened onto aubigious and general words, or against conjectural assumptions or inferances based on the wit and invention that is the general stock-in-trade of such accusers.

We desire to warn the people that there is being built up a gigantic secret machine of oppression which will ever be the party tool of those in power.

Untoward things have happened in this country of late. New and sinister forms of power have been called into being. Co-partnerships have been entered into between elements hitherto supposedly antagonistic. Ceorcion, political and economic, has been brought to bear on large numbers of workers to force them into Alien labor organizations.

Take heed! These matters strike at every individual in the country, therefore, it is for the people as a whole to speak. In speaking for those men in Stony Mountain penitentiary or elsewhere, you are speaking for yourselves also. Eternal vigilance as of old, is the price of liberty.

Take up collections at your union meetings, picnics and at the workshop.

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

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

Central Collection Agency: J. Law, Secretary, Defence Fund, Room 12, Labor Temple, Winnipeg.

Contributions will be acknowledged through Labor and Socialist Press.

Lawyers for the defence in Vancouver, Bird, Macdonald & Earle.

W. A. P.s address is Stoney Mountain.

• • • •

Do not let the boys think you have forgot them. Drop a word of cheer.

• • • •

"They march their armies through the land and there is peace; but such peace as there is in Vesuvious or Aetna."

• • • •

Mrs. Jiggs, of Canada, will have the time of her life this next month. Wonder if father can resist peddling oil or real estate to the tourist.

• • • •

"It is impossible to subdue the human mind by making war against opinions, it may succeed for a season, but the end thereof is death. Milton has truly said, that a forbidden book is a spark of truth that flies up in the face of him who seeks to tread it out."—Erskine.

• • • •

"Unblest by virtue, government a league
Becomes, a circling junta of the great
To rob by law; religion mild a yoke
To tame the stooping soul, a trick of State
To mask their Rapine, and to share their prey,
Without it what are Senates, but a face
Of consultation deep and reason free,
While the determined voice and heart are sold?
What boasted freedom, but a sounding name?
And what election, but a market vile,
Of Slaves self-bartered?"

Method of the Proletariat

IF men have grievances calling for redress it is well that they have the courage to attempt the task.

The capitalist press, since the strike have been advising the workers to abandon that method and to resort to the parliamentary field, giving very plausible reasons why they should do this. They point out that the working class are in a majority and that anything they vote for may be theirs within reason of course. Of course, within reason. A capitalist paper in Eastern Canada said recently: if the working class fancied they could vote capitalism out they would find they had made a mistake, as the bourgeoisie were a more military class than the working class and would fight to retain their property and would very probably win. But that is by the way.

That the workers do not use the parliamentary method is not because they are inferior to the bourgeoisie. On the whole they are probably just as intelligent. A majority of both these classes are inert and politically unintelligent. Both of them contain a minority active, and in degree, educated politically. In varying degree this condition of the classes is likely to continue. Knowledge will increase of course, but largely under the agonizing pressure of material conditions.

We might in passing, point out to our bourgeois advocates of parliamentarism that they themselves, though having what is practically an absolute control of the political machine, yet do not appear to be satisfied. Apart from labor troubles, look at the mess in the countries affairs. Side by side with the very article advocating their panacea we may always find a dozen others bitterly railing at the results of its practice. Parliament in Canada is 100 per cent. bourgeois and has been since the country was opened up. Having absolute sway, we yet find among their class as great and as bitter a discontent as among the workers. Evidently, without expecting perfection, there is something wrong somewhere.

This is not an argument against parliamentarism. We have no particular method to advocate. As Socialists, our work is to bring into the field of discussion, for analysis and explanation, all problems. Society will solve them, understanding them or bear its ills until time solves them for it. There is this to be said though, that a party organized for advocating the taking over of the means of production out of private control into the collective control of society as a whole, must be wholly composed of those holding to that revolutionary principle and as such the party can only operate on the political field. Whatever the special forms its activities may take on this field, they can only have one justification, are they calculated to push forward the education and increase the political intelligence of the working class. The social revolution will not be accomplished by any party or the advocates of a particular school of political thought, but by the working class acting under the pressure of circumstances and according to their intelligence.

To return to the matter of fact present which contains the "strike habit" and the loss of faith in parliament. The present and also the past of Canadian history, contains other matter of fact things. As we said before, the bourgeoisie have had and have now, full possession of the political machinery, both Municipal, Provincial and Federal. How have they used (abused would be a better word) that trust? Politics is an absolutely necessary sphere of activity, yet the word stinks in the nostrils of decent men, even in the ranks of the bourgeoisie themselves. It is synonomous with gerrymandering of electoral machinery and has reduced democracy to a mere matter of phrasology. Of the working class what percentage, even were not interest battered out of them, find it possible to exercise a vote. There are both political restrictions and economic disabilities. The effect of fluctuations in trade on industries, as well as seasonal occupations, compel men to move around. The objection is that such men have no stake in the country and should not have a vote. But verily there would be no industry without them and therefore, no politics except such as an Indian tribe might have.

We need say little more along such lines. Despite plausibilities, the innumerable raw facts of the case are well-known. By what methods parliamentarism has been reduced to an abortion as a means for reforming the conditions of the workers, the scribblers of the kept press know better than anyone. Let them clean out their own Augean stable before giving advice to other people.

But besides what may be termed, from the point of view of "pure" equity, the illegitimate manipulation of the machinery of political democracy by the bourgeoisie, there is another and infinitely more important factor in determining the differant attitudes of the two classes towards parliamentarism. Historically the bourgeois are first in the political field and entrenched in power, not alone politically but socially. The present form of civilization is theirs with its own moral, ethical and religious concepts its art and philosophy, its legal and educational systems and the whole economic and political organization is peculiarly theirs. Society is based on production for sale. This economic fact alone determines the character of all the rest, and that politics shall be predominantly bourgeois politics. Thus the active minority of that class move as upon stage set for them by the processes of history. They are entrenched in special privileges.

The working class is destined to turn them out of that position in order to free society at last from class domination.

But in the meantime, they fight as best they can and fight they must. Their problems press on them daily on the subsistance line of life, touching the basic necessities of food, clothing and shelter, conditions of work, leisure for enjoyment and self-development.

Greek S.L.P. Against Russian Intervention

(The following translation from the Ergaticos Agon, organ of the Socialist Labor Party group in Greece, while somewhat belated serves to show how universal the storm has become against intervention in Russia.—Ed.)

A PROTEST.

In connection with the armed intervention of Greece against the Bolsheviki, Ergaticos Agon (Labor's Struggle) organ of the Greek Socialist Labor Party, in a recent issue expresses its profound indignation in the following terms:—

"The expedition against the Russian people unfortunately is becoming a reality. The historian of the future will stop in the face of this abomination, which adds a black page in the annals of this little corner of Europe called Hellas.

"What on earth makes the people of Greece march against another people? What reason makes them a tool of the foreign capitalist? Are they really invited by the Russian people? The stubborn resistance of the Russians in Odessa proves exactly the opposite. A lie, such as this, can only be insisted upon by shameless scoundrels and believed only by imbeciles.

"In the eyes of the future investigator such a hideous sin can only be attributed to the blind and unlimited confidence of the rulers in imperialism."

The same paper, in a subsequent issue, referring to the protest of various Greek Socialist organizations in the United States of America, says:

"The protest of the Greek Socialist in the States against the armed intervention of Greece in Russia is characteristic of the spirit animating all those overseas Greeks who hold the belief that Greek interests are identical with that of those other nations abstaining from participating in the criminal expedition against the Republic of the Russian Peasants and Workers.

"The **Socialist Labor Party of Greece** entirely endorses their view, and strongly regrets that the existing martial law restrained it from manifesting more emphatically its protest against the damnable attempt to strangle the first Socialist Republic built with the power and sacrifices of our Russian brethren." C. T. C.

OUR LITERATURE.

The Communist Manifesto, at the rate of $8 per 100. Single copies 10 cents.

Manifesto of the Socialist Party of Canada . . $6 per 100. Single copies 10 cents.

Slave of the Farm . . $6 per 100. Single copies 10 cents.

The Present Economic System, by Professor W. A. Bonger . . $6 per 100. Single copies 10 cents.

Socialism, Utopian and Scientific . . Single copies 15 cents. $13 per 100.

Wage Labor and Capital . . $8 per 100. Single copies 10 cents.

Capitalist Production, being the first nine chapters of Vol. I. Marx's Capital . . Single copies, paper cover, 50 cents; cloth bound, $1.00.

Ten Days That Shook the World, By John Reed, $2.00.

Kolchak, Autocrat and Tyrant. The actual story of Kolchak and his methods told by an American official recently returned from Siberia. With this is included, Anti-Bolsheviks and Mr. Spargo, by William Hard. Taken, with apologies from the July 9 "New Republic" . . $6 per 100. 10 cents per single copy.

Postage Paid.

Make all Money Orders payable to C. Stephenson, 401 Pender Street East, Vancouver, B. C.

Denikin and Dividends

(By J. T. Walton Newbold, M.A., in Labor Leader.)

Who are these shareholders of genuine democracy? Who are these custodians of the lives and honor of working men and women? Who are these patriots of a world-wide Fatherland?

R. W. Barnett, M.P., Russian Petroleum Co., Ltd., (Baku.)

Sir W. W. Rutherford, M.P., Baku-Russian Petroleum Co., Ltd.

Hon. S. Bouverie, Barclay's Bank, Ltd., and Ural-Caspian Oil Corporation Ltd.

E. Caillard, "Sunday Times," Ltd., and North Caspian Oil Corporation Ltd.

A. W. Kerby, Famous-Lasky Film Service, Ltd., and the North Caucasian Oilfields, Ltd.

F. Straker, Strakers and Love (coal owners) and North Caucasian Oilfields Ltd.

Sir J. S. Harmood-Banner, M.P., Pearson and Knowles, Ltd., Low Moor Iron Co. Ltd., and the Kuban Black Sea Oilfields, Ltd.

Col. R. H. Rawson, M.P., Black Sea Amalgamated Oilfields, Ltd.

Davison Dalziel, "The Daily Express" and the Cheleken Oilfields, Ltd.

The Earl of Carrick (address, War Office, Whitehall,) Emba-Caspian Oil Co., Ltd.

Sir Lindsay Wood, John Bowes and Partners, Ltd., and Baku Russian Petroleum Co., Ltd. (1917 share list.)

Sir J. S. Compton-Rickett, M.P., John Bowes and Partners, Ltd., and Baku Russian Petroleum Co., Ltd. (1917 share list.)

Earl of Dysart, John Bowes and Partners, Ltd., and Baku Russian Petroleum Co., Ltd. (1917 share list.)

Lady Joicey, John Bowes and Partners, Ltd., and Baku Russian Petroleum Co. Ltd. (1917 share list.)

Charles Carlow, Russian and Eastern Agency, Ltd. (1917 share list.)

Sir R. Balfour, M. P., Russian and Eastern Agency, Ltd. (1917 share list.)

Otto List (Stubben Strasse, Berlin,) Russian and Eastern Agency Ltd. (1917 share list.) Etc., etc.

The thought in the minds of some of General Denikin's most influential supporters may be gauged from the following statement made by the chairman of four Caucasian oil corporations at the annual meeting of the Bibi-Erbat Oil Co., Ltd. (a company which, according to the city editor of John Bull, has suffered seriously from "the recent troubles.")

In the Caucasus, from Batoum on the Black Sea eastward to Baku on the Caspain, and from Vladikavkas southward to Tiflis, Asia Minor, Mesopotamia and Persia, British forces have made their appearance, and have been welcomed by nearly every race and creed, who look to us to free them —some from the Turkish yoke and some from that of Bolshevism.

The only fly in the ointment is the usual weak-kneed attitude of our own government, who, cowed by the Little England attitude of the masses, have lost no time in announcing that the entry of our troops into these regions implies no intention of permanent occupation.

Never before in the history of these islands was there such an opportunity for the peaceful penetration of British influence and British trade for the creation of a second India or a second Egypt, but the feeble voices of our politicians, under the heel of democracy, drown all such aspirations, and I fear we can take little comfort from the half-promise that the future of Caucasia is to be considered by the Peace Conference.

The oil industry of Russia, liberally financed and properly organized under British auspices, would in itself be a valuable asset to the Empire . . . Russia's oil industry is still, granted normal conditions, the second greatest in the world, and a golden opportunity offers itself at the present moment to the British Government to exercise a powerful influence upon the immense production of the Grozuy, Baku and Trans-Caspian fields, and —still nearer home—perhaps upon the oilfields of Roumania, rich in priceless petrol.

It is an opportunity that our enemy the Germans were eager to seize upon directly they thought they were masters of the situation, and I wish I could think that the lesson might not be lost on our own political rulers.—Petroleum World, Jan., 1919.

AUSTRIA.

The Growth of Soviets.

Austrian Workers' Soviets held their first general Congress at Vienna in the early part of July. The constitution adopted is practically identical with that of the Soviet systems of Hungary and Russia, an Executive Committee being in permanent session, and drawing its authority from innumerable branches.

Adler urged that the purpose of the Soviets in Austria should be to voice the wishes of the proletariat by passing resolutions, etc., for the guidance of the National Assembly or Parliament. More extreme views of the function of the Soviet were put forward by other speakers, but a resolution to the effect that the Soviet should aim at taking over the whole economic and political power of the country was defeated by 89 votes to 27. The detailed Constitution explaining the method of voting and election of delegates is published in the Humanite of July 19. Beyond adopting the Constitution, the Congress seems to have accomplished very little.

A BOSTON CHILD.

The mother was putting her little child to bed. "If you will be real quiet," she said. "I will tell you the story about the prince who killed a dragon and rescued a beautiful princess." "Oh, mother," protested the child, "that story is too undemocratic for the present day. Tell me the fairy tale about the government official who killed the profiteer and rescued the ultimate consumer."

THE MILLIONAIRE HOUSE OF COMMONS.

(From "Justice.")

The present British House of Commons, even taking account of the Labor Party members is the richest that ever sat in Westminster. Plutocracy is rampant, war-contract millionaires and profiteers abound. These money-bag magnates are not in there for nothing.

There is a section of the capitalist class who say that war with Japan is inevitable. That means that they are determined to have it. Get ready you cannon-fodder!

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

Newsagents handling "Red Flag" in Vancouver, W. Love, next to Royal Theatre. Columbia News Agency, cor. Columbia and Hastings. John Green, Carrall street, near Water street.

"TEN DAYS THAT SHOOK THE WORLD."

(By John Reed.)

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

Bolshevist Russia

THE September issue of the Metropolitan contains a further installment of Raymond Robins' experiences in Russia. We extract the following, only regretting we have not space for more.

An Interview With Lenin.

He said to Robins:

"We may be overthrown in Russia, by the backwardness of Russia, or by foreign force, but the idea in the Russian Revolution will break and wreck every political social control in the world. Our method of social control dominates the future. Political social control will die. The Russian Revolution will kill it—everywhere."

"Consider your states of New York and Pennsylvania. New York is the center of your banking system. Pennsylvania is the center of your steel industry. Those are two of your most important things—banking and steel. They are the base of your life. They make you what you are. Now if you really believe in your banking system, and respect it, why don't you send Mr. Morgan to your United States Senate? And if you really believe in your steel industry, in its present organization, why don't you send Mr. Schwab to the Senate? Why do you send men who know less about banking and less about steel and who protect the bankers and the steel manufacturers and pretend to be independent of them? It is inefficient. It is insincere. It refuses to admit the fact that the real control is no longer political. That is why I say that your system is lacking in integrity. That is why our system is superior. That is why it will destroy yours."

"Frankly, Mr. Commissioner," said Robins, "I don't believe it will."

"It will," said Lenin. "Do you know what ours is?"

"Not very well yet," said Robins. "You've just started."

"I'll tell you," said Lenin. "Our system will destroy yours because it will consist of a social control which recognizes the basic fact of modern life. It recognizes the fact that real power today is economic and that the social control of today must therefore be economic also. So what do we do? Who will be our representatives in our national legislature, in our national Soviet, from the district of Baku, for instance?

"The district of Baku is oil. Oil makes Baku. Oil rules Baku. Our representatives from Baku will be elected by the oil industry. They will be elected by the workers in the oil industry. You say: Who are workers? I say: The men who manage and the men who obey the orders of managers—the superintendents, the engineers, the artisans, the manual laborers—all the persons who are actually engaged in the actual work of production, by brain or hand—they are workers. Persons not so engaged—persons who are not at labor in the oil industry but who try to live off it without labor, by speculation, by royalties, by investment unaccompanied by any work of management or by any work of daily toil—they are not workers. They may know something about oil, or they may not. Usually they do not. In any case, they are not engaged in the actual producing of oil. Our republic is a producers' republic.

"You will say that your republic is a citizens' republic. Very well. I say that man as producer is more important than man as citizen. The most important citizens in your oil districts—who are they? Are they not oil men? We will represent Baku as oil.

"Similarly we will represent the Donetz coal basin as coal. The representatives from the Donetz basin will be representatives of the coal industry. Again, from the country districts, our representatives will be representatives chosen by peasants who grow crops. What is the real interest of the country districts? It is not store-keeping. It is not money-lending. It is agriculture. From our country districts our Soviets of peasants will send representatives chosen by agriculture to speak for agriculture.

"This system is stronger than yours because it admits reality. It seeks out the sources of daily human work-value and, out of those sources, directly, it creates the social control of the State. Our Government will be an economic social control for an economic age. It will triumph because it speaks the spirit and releases and uses the spirit, of the age that now is.

"Therefore, Colonel Robins, we look with confidence at the future. You may destroy us in Russia. You may destroy the Russian Revolution in Russia. You may overthrow me. It will make no difference. A hundred years ago the monarchies of Britain, Prussia, Austria, Russia, overthrew the Government of Revolutionary France. They restored a monarch, who was called a legitimate monarch, to power in Paris. But they could not stop, and they did not stop, the middle-class political revolution, the revolution of middle-class democracy, which had been started at Paris by the men of the French Revolution of 1789. They could not save feudalism.

"Every system of feudal aristocratic social control in Europe was destined to be destroyed by the political democratic social control worked out by the French Revolution. Every system of political democratic social control in the world today is destined now to be destroyed by the economic producers' social control worked out by the Russian Revolution.

"Colonel Robins, you do not believe it. I have to wait for events to convince you. You may see foreign bayonets parading across Russia. You may see the Soviets, and all the leaders of the Soviets, killed. You may see Russia dark again as it was dark before. But the lightning out of that darkness has destroyed political democracy everywhere. It has destroyed it not by physically striking it but simply by one flash of revealment of the future."

This utter assumption of the inevitability of things was naturally appalling to Robins. It was a denial of the essence of Americanism. The essence of Americanism is an utter assumption of human free will—of human free will determining human fate by its own visions of its own moral preferences. It follows in complete Americanism that we have to consult the conscience of every citizen, irrespective of economic or other status, and that we have to proceed in the light of the accumulated consciences of the nation, as revealed roughly in majorities.

"THE COMMUNIST."

(Official Organ of the Communist Party of America, Aug. 2.)

Twenty-five thousand copies of The Communist proved insufficient to meet the demand from all sections of the country. Because of the lack of funds we were unable to print a greater number. You can assist in the establishing of a communist weekly, by sending in immediately your own subscription and securing the subscriptions of others. Write at once for subscription blanks. See that your Local or branch places an order for a bundle each week.

Subscription: $2.00 per year. $1.00 for six months. Single copies 5 cents. Bundle Rates on application. Published weekly by The National Organization Committee, 1221 Blue Island Avenue, Chicago, Ill. A. J. McGregor, Business Manager.

More than 35,000 Comrades have already answered the call for the organiation of a communist party. Join with them! There is no time for hesitation or delay. Start practical organization work at once. Communists the world over are succeeding because they do not hesitate—they ACT!

Yours for World Communism,

National Organization Committee,
Dennis E. Batt, Secretary,
Alexander Stoklitsky, Organizer.

REASONS WHY THE BOLSHEVIKI SHOULD BE STARVED.

(From the "Dial.")

One of the reasons why the Bolsheviki should be starved is that they are bent on destroying the family. It is said that they have nationalized the women and institutionalized the children of Russia. The first of these two myths has been disposed of—and redisposed of—until it has become a propagandist chestnut. The second is as easily handled, now that the facts are known. A traveller just returned from Petrograd brings some interesting information acquired during a personal inspection of the children's institutions of that city. The scarcity of food, caused by the blockade, is the chief reason for the widespread inability of parents to keep their families intact. No child is received into the Petrograd institutions until the case has been studied and reported upon by professional social workers representing the institution, by a committee of neighbors of the family, and by a second committee representing the citizens of the political district in which the family resides. Measured by the standards of the Charity Organization Society of New York, such an investigation is more than adequate. Similarly, many of the Russian institutions compare most favorably with those of highly civilized countries. In the matter of food distribution an earnest and successful effort has been made to secure to the children of the city a major share of the supply. These measures have done much to keep down child mortality in the face of the blockade, although ten per cent. of the adults of Petrograd are partly disabled by malnutrition, and an additional ten per cent. are confined to bed from the same cause—that is to say, starvation. The process of careful apportionment of food becomes meaningless, however, when the supply of a given article is entirely exhausted; The Dial has first-hand information that there are sick babies in the hospitals of Petrograd for whom no milk whatever can be had. And at Jamburg, seventy miles scuthwest of Petrograd, are the officers of the American Relief Administration, safe within the counter-revolutionary lines, while in the Gulf of Finland "there is sufficient American food available to supply Petrograd and its suburbs for three months." Whose war is this anyhow—this war for the preservation of the family? And above all, whose blockade?

SOCIALISM IN BOHEMIA.

Sweeping Socialist Victory at the Polls in Czecho-Slovakia.

PRAGUE, July 21.—The complete change in the internal policy of Czecho-Slovakia came as an utter surprise. One-half of the electorate, composed of men and women on an equal footing, cast their vote at the municipal elections for Socialism.

These elections have had a great effect on the Government. The plans for Socialization are seriously meant. The more so as they represent the emphatic desire of at least 50 per cent. of the electorate. Socialization, however, will not be carried through all at once. Very likely the banks will be allowed to remain in private hands, but with reduced statutory profits.

In the meantime a long series of obvious reforms has been carried out. State and Church are separated, religious teaching in the schools is no longer obligatory. The abolition of celibacy for Roman Catholic priests is strongly advocated. A policy of conciliation of all minorities within the republic is one of the planks in the platform of the Labor Party, and, moreover, of the majority of the people and of the Cabinet.

There is one item in the policy carried out by the Czech delegation in Paris, concerning which the Cabinet and the majority of the nation have taken a decided stand. This is: an anti-Kolchak policy and the absolute rejection of any armed intervention in Russia.

Corrupt Courts (?)

Suit Against Machinists Union.

WATERLOO, Iowa.—Damages of $400,000 for ach of contract by employees of the Waterloo soline Engine Company, following the precedent the Danbury hatters' case, are asked in a suit d by the company against the International Mainists Union, its organizer, officers and members. nspiracy to unionize the factory, change hours d terms of labor and working conditions, and aking of contracts by individual employees are eged."

The above news despatch calls to mind various -headed denunciations, which from time to time hurled at the Supreme Court, for handing down isions in favor of the employers. The courts are arged with being biased in favor of the emyers, or the judges with being corrupt, etc., etc. little enquiry, however, would show that the deions are correct within the law, which is all that courts are concerned with. Sentiment being a erogative of the political platform.

All the offences charged against the union menned in the above news item, appear to be of the ture of infringements on the principles of natural liberty," the "rights of property," and reedom of contract." These principles lie at the sis of the bourgeois legal system.

That the modern legal superstructure based on e above principles had its birth in the circumances of small industry and petty trade of the th century, and that the machine process has proced another set of circumstances is no concern the judges of the 20th century.

In the 18th century, production being on a small scale, the means for it, in comparison with today, ere more easily acquired by the employee. and nsequently those means were distributed among greater number of employers. Thus, in the matr of buying and selling labor power, there was, mparatively, a greater alternative choice either f employers or of escaping from the ranks of the age workers into that of the employers. The prinple of freedom in the making of a contract beween employer and employee therefore had some rounds in fact as well as in law.

But the machine process came and changed the ircumstances under which the laborer contracts to ell his labor power. Modern processes of producion require huge capitals, thus one avenue of freeom for the modern wage worker is closed. In addition, control of industry is centralized, comparatively to the number of workers, the employrs are fewer. Whole populations must sell themelves to established industries. In consequence here is nothing but a threoretical freedom left, which the judges, in giving decisions must interpret n law as existing in fact. In short, a juridical iction is called into play, upon which to base decisions, on matters vitally affecting the welfare of the workers. But if the workers accept the capitalist "right" to ownership of the means of production, then they must respect the "rights of property" in law, or put up with the consequences.

We take the following from the chapter on "Business in Law and Politics" in Thorstien Veblen's "Theory of Business Enterprise," as throwing light on the question.

"It may be remarked by the way that, while the charge of partiality or corruption, often heard as against these higher tribunals, may in a few scattering instances be founded, that is after all not much to the point as regards practical consequences. The greater number of the courts, indeed virtually the entire judiciary, are no doubt above substantial suspicion in the premises. And after all, if they were not incorruptable—if the common run of the tribunals were corruptly working in the interest of the employers or owners,—that need not seriously affect the outcome as regards the general tenor of the decisions handed down. If they are corrupt or biased, they will decide in favor of the owners, who can afford to pay, and they will be under the necessity of finding plausible reasons in law for so doing. Such reason can be found only in the metaphysical natural rights basis of the law; and if it can be found by the help of such legal ratiocination, then it is a valid ground of decision, that being the peculiar merit of metaphysical grounds of decision. On the other hand if the court is a 'learned, upright judge,' he will look for the grounds of decision in the same place and find them in the same shape. Necessarily so, since the point in dispute is almost invariably a question of the legal rights of property as against the material requirements of comfort or of livelihood; and the rights of property are the foundation of modern law and order, while the requirements of comfort or livelihood passed out of the scope of the law on the abrogation of the outworn system of mandatory prescriptions governing industrial and trade relations in early modern times. Since the disputes rarely if ever arise out of a breach of contract on the part of the employer—owner, the decision can ordinarily, in the nature of the case, not go against him, inasmuch as the foundation of economic law and order is the freedom and inviolability of pecuniary contracts. It should, in fact, be nearly a matter of indifference to the 'popular' side of this class of litigation whether the courts are corrupt or not. The question has little else than a speculative interest. In the nature of the case the owner alone has, ordinarily, any standing in court. All of which argues that there are probably very few courts that are in any degree corrupt or biased, so far as touching litigation of this class. Efforts to corrupt them would be a work of supercrogation, besides being immoral."

An American Conspiracy

"If our American employers would awaken to the fact that it is to their own interest to abandon the autocratic attitude they are assuming toward labor, and co-operate with Organized Labor in its desire to establish friendly relations between employers and employees, whereby each side may be given a voice in establishing rules and regulations governing their relations, industrial strife would cease at once, or would be reduced to a minimum, and American industry will beat the world. No country will be able to compete with us and all will share in America's increased prosperity, which will follow as a matter of course."

The above quotation is taken from the editorial in the August issue of the "Machinist Monthly Journal," official organ of the International Association of Machinists of the American Federation of Labor. The editorial states the "Machinists" association has a membership of 350,000 members. Altogether we believe the A. F. of L. claims to have some three million members and that it is gaining accessions to its ranks at a tremendous rate. This number is almost equal to half the population of Canada. We should like to know how our Canadian A. F. of L'ers square their loyalty to the British Empire, and their affilliation with this foreign organization whose expressed ideal is a closer co-operation with the capitalists of the United States, for the purpose of "beating the world." The editorial further states that, "No country will be able to compete with us." What does that mean? That frankly expressed declaration means that the British Empire and the rest of the world, if not their economic organization wrecked, are at least to be reduced to a subordinate and tributary position to the United States through the collusion of the A. F. of L. and the American capitalists.

What has that section of organized labor in Canada which is affilliated with the foreign A. F. of L. to say to that? Their loyalty to their own country is now challenged. What percentage do they constitute of this foreign organization? "Can the tail wag the dog?" Is the touring of Canada by swarms of A. F. of L. international organizers part of a big conspiracy to suborn the Canadian organized labor movement to the uses of a foreign and declaredly hostile country? Are Canadian A. F. of L'ers dupes or their leaders even worse? However, that may be, a reconsideration of many things is evidently in order in view of the strained international relations today. The feeling between the United States and our Ally Japan is none too good.

Now that Peace is signed, and the manouvering has started for the next war, we advise the Canadian Government to set its secret service to enquiring into the activities of this foreign organization. It has always had the name of being an extremely patriotic organization and under the control of the capitalist interests of the United States. It is also to be noted that its chief Canadian officials and supporters have the reputation, to put it mildly, of being opportunists and not men who are guided by principle.

Having done our duty as a good citizen in calling attention to these matters, we will leave the Canadian organized labor movement to square up these contradictions. The point of main interest to us is what we may call the "Labor" point of view in regard to capitalism in contrast to the one held by Socialists. Those who hold the former point of view are committed to the capitalist system and to an alliance with the capitalists of their own country in a war on the world's market against all other countries. The Laborites only quarrel with their own capitalists is over what they regard as a division of the spoils. They figure they are not getting their fair share.

The Socialist point of view is that it is not to the true interest of the working class of any country that this war on the world's market should go on. They hold that the results of this struggle are antisocial as entailing imperialistic aggressions by the advanced capitalistic countries against backward and weaker countries, also rivalries and wars among the leading nations and, for the masses of the people in all countries, poverty and endless miseries. Socialists hold that from the point of view of the productivity of modern labor that this struggle is not necessary as we are capable of providing abundance for all, but that this struggle only becomes necessary because of the organization of present society on a basis of capitalist class ownership of the means of production for the purpose of profit.

HUNGARY.

No amount of word mongery can hide from the world that the Supreme Council of the Allies in Paris is organized for the suppression of Socialist working class republics. The setting up of a member of the Austro-German Hapsburg family as the dictator of Hungary, by the aid of foreign bayonets, against the wishes of the Hungarians proves that.

A Vienna despatch received in London on Monday announced that, since the overthrow of the Soviet Government, "the Allies had lifted the blockade against Hungary."

Beaten to its knees by starvation, and foreign bayonets at its throat, what could the working class republic do further. The shameful responsibility for the surrender of the Hungarian working class rests elsewhere, where they are squabbling over hours and a few cents more a day in wages.

"EAT LESS, WORK MORE!"

An age-old slogan, the workers have been following since slavery began, "Eat less, work more." It is to laugh.

EXCHANGE

A Consideration of the Money-commodity—Its Properties and Functions.

V.

IN the following remarks I shall find it necessary or rather, convenient to use the customary term, "paper-money." This, however, is done with certain reservations. In the first place, the documents so called are not money at all, being, generally speaking, merely promises to pay money on demand at a certain place or places. Secondly, not being a commodity and possessing no "intrinsic" value, they can not act as money in respect of those functions which require this quality, such as being **a measure of value**. Paper money, in fact, serves as a token of, and substitutes for the money-commodity in the field of circulation, acting as a medium of exchange, and this only to within the limits of the country in which it is issued. It would probably be more correct to call it **currency** but this is a term which may properly be applied to anything, such as silver, which serves as a circulating medium. The bank-note, which is the typical form of paper-money, may be classed as an **instrument of credit** which, being payable on demand, bears no interest. As such it had its origin in the infancy of the capitalist system as a part of that system of credit which is peculiar to capitalism. The existance of a strong, stable and centralized government is a necessary condition for the development of capitalism. The capitalist system is based on contract; contracts for the delivery of goods, for the payment of money, for the performance of services. Cash payment is the social nexus. An instrument of credit such as a bill or note is a document embodying a definite contract. It is the function of the government to guarantee the due performance of the terms of all legal contracts. It will thus be seen why the maintenance of a sane and stable government is such a paramount necessity, in Russia, for instance. The "confidence" of which we hear so much is not, therefore, based on the belief that people will pay but is derived from the knowledge that they can be made to pay; that is, that the terms of the contract can be enforced.

Very well then, at the rise of the capitalist system when life and property were not so secure it was the custom of the merchants in the trading cities of Europe to deposit such money as they had with some individual or institution for safe keeping. In London, it was the custom to deposit specie in the mint. This practice, however, was somewhat discouraged when King Charles in 1640, appropriated some £200,000 so deposited. The merchants then had recourse to the goldsmiths who were in a position to undertake this sort of business having, of course, to make provision for the storage and protection of their own stock in trade. This practice led to the establishment of regularly organized **banks of deposit,** which received bullion and specie giving therefore a **deposit receipt.** It was very soon found that the transfer of money could be made much more readily by the delivery of such certificates than by actual payment. It was found to be safer and more convenient seeing that the certificate had no value in itself and was much more portable.

We have in these deposit receipts or certificates the origin, not only of the bank-note, but also of the **cheque,** which has become such a factor in modern business. Later on, with the establishment of regular banking institutions, we find growing up the practice of issuing promissory notes expressly for the purpose of serving as currency and carrying a claim to definite sums of money in convenient quantities.

As currency, paper has many advantages. It is portable and convenient. It saves the loss, a very considerable one in the aggregate, which is incurred through the wear and tear of coined money. It makes up for the deficiency of money as a circulating medium; a deficiency which increases with the development of the capitalist system. It has the enormous advantage, for impecunious governments that they can, by its use, make a forced loan on their subjects which, moreover, carries no interest.

There have been, and are, many kinds of paper currency. It is usual, however, to distinguish three principal kinds.

(1) **Representative** paper money, which merely represents the equivalent amount of metallic money deposited in the government treasury or in the safes of a bank, where it serves as guarantee. The United States gold and silver certificates are of this nature. There is never any trouble about this sort of currency.

(2) **Jiduciary,** paper money, which takes the form of a credit instrument, or promise to pay a certain sum of money. The value of this promise, of course, depends on the solvency of the institution issuing the bills, and this latter is usually required by law to maintain a reserve of money or bullion amounting to a certain percentage, sometimes very small, of the amount of notes issued. So long as such bills are freely convertible, that is, can be redeemed in money, they are perfectly sound, and are not subject to depreciation. It may be observed here that depreciation of the currency does not depend on whether the reserve be large or small. In case of a panic, of course, the size of the reserve will determine how long the bank can hold out and, in the long run, determine its solvency. This, however, is a matter of all or nothing not a question of depreciation, that is, of more or less.

(3) **Conventional** paper money, which represents nothing at all. This form of currency consists of pieces of paper issued by a State which has no money on which are stamped some ambiguous phrase such as: "Good for five dollars." They have thus the appearance of promissory notes but, for the very reason that they were issued, that is, because the State has no money, they are **inconvertible** and can not be redeemed in real money. Paper of this kind, issued by the State is, of course, legal tender and, therefore, has compulsory circulation. Under certain conditions, even this form of currency can be kept approximately at par and many devices have been used to this end. It may be given a measure of convertibility by making it receivable for taxes and customs duties or it may be restricted in amount so long as any premium on gold is apparent or so long as an unfavorable rate of exchange exists. Issued under stress of circumstances by States in dire need of money it is very seldom indeed that any such restraint is used and, as a general rule, paper money is over-issued and becomes subject to depreciation.

"A law peculiar to the circulation of paper money can spring up only from the proportion in which that paper money represents gold. Such a law exists; stated simply, it is as follows: the issue of paper money must not exceed in amount of gold (or silver as the case may be) which would actually circulate if not replaced by symbols**** If the paper money exceed its proper limit, which is the amount of gold coins of the like denomination that can actually be current, it would, apart from the danger of falling into general disrepute, represent only that quantity of gold, which, in accordance with the laws of the circulation of commodities, is required, and is alone capable of being represented by paper. If the quantity of paper money issued be double what it ought to be, then, as a matter of fact, £1 would be the money-name not of a quarter of an ounce, but of an eighth of an ounce of gold.

. . . Those values that were previously expressed by the price of £1 would now be expressed by the price of £2." (Marx.)

So soon as it is divorced from the money-commodity paper, having no value of its own, can only reflect the value of the commodities it circulates, no matter what its quantity may be. As Marx has it: "Gold circulates because it has value; paper has value because it circulates."

The behavior of paper money under these circumstances gave rise to the **quantity theory** of money, which, briefly stated is to the effect that: Every variation in the quantity of money involves a directly proportional variation in prices. The theory is really a variation on the law of supply and demand, the amount of money in circulation being regarded as demand for goods and the quantity of commodities for sale being regarded as supply. It is argued that an increase in the quantity of money will, therefore, increase the demand and enhance prices. A diminution in the quantity of money would have the opposite effect.

This theory is a bone of contention in bourgeois economics. Naturally enough, seeing that while false fundamentally it is superficially true. As a matter of fact, the law of supply and demand acts here as it does all through economics; it is the means by which the **cost of production** makes itself effective.

"The value of commodities being given, the quantity of gold in circulation depends on its value; the value of the paper in circulation on its quantity. The circulation of commodities can absorb only a definite quantity of gold, but any amount of paper." (H. Cahn.)

"The erroneous opinion that prices are determined by the quantity of the circulating medium, and that the latter depends on the quantity of the precious metals in a country; this opinion was based on the absurd hypothesis that commodities are without a price, and money without a value, when they first enter into circulation, and that, once in the circulation, an aliquot part of the medley of commodities is exchanged for an aliquot part of the heap of metals." (Marx.)

So far we have dealt with those aspects of this question which flow from the functions of money as a **measure of values** and as a circulating **medium.** Remain now to be considered those forms of exchange based on the third great function of money as a **means of deferred payment,** that is, the credit system, manifesting itself as **money of account** and in the "cheque" and "clearing" system. This I hope to take up some time when I know more about it. In the meantime I shall have to find something else by way of a change.

GEORDIE.

WHO BACKS KOLCHAK, CLEMENCEAU SAYS IT IS GREAT BRITAIN.

July 21.—The French labor officials interviewed Clemenceau on Friday, after the general strike was called off.

"As to Hungary and Russia, the Premier declared that France was not now intervening, save for the one or two unimportant battalions in Kolchak's rear, and that such supply of troops and munitions as was going on came from the British.

FINNISH POLITICS.

HELSINGFORS, Finland, (Friday).—A dispatch states that General Mannerheim had refused President Stahlberg's request to retain the command of the Finnish army. The President afterwards issued an open letter thanking him for his valuable service as regent. The Minister of Justice, Mr. Soederholm, and the War Minister, Mr. Walden, have definitely expressed a wish to resign.

The Baku oilworkers, writes a correspondent, have issued a protest to the British Army against the order forbidding the export of oil to Astrakhan, because the Soviet is in power there. The reservoirs are overfull, and this order has meant starvation for hundreds of thousands.