Professor Leacock Riddled

(Continued From Page Five)

time? Can we rely upon such a man for an impartial presentation of what he chooses to designate the "Unsolved" Riddle of Social Justice?

"The one thing that is wrong with Socialism," says Professor Leacock, "is that it wont work." The professor writes of Socialism as though it were some kind of a plan of a new society, all sealed and blue-printed and worked out to the final details, and presided over by an ideal State. In fact, he does further on so define the Socialist program, "Let the State take over all the means of production."

Assuming, for the purpose of discussion, that such is indeed Socialism, how does the professor know that it wont work? Has it ever been tried? Has Mr. Leacock ever had the opportunity of observing the results of such trial? Yes, indeed: During the recent war, the "State" in many of the beligerent countries practically took direct control of all the means of production and distribution, and, in fact, extended its control even into the private life of the civilian population. Great Britain is as good an example as any. Does not Mr. Leacock know that a greater efficiency in production and distribution was achieved there by State control than ever before? Does he not know that no less a person than Winston Churchill, observing the successful results of such State control, was moved to publicly announce that he was converted to Socialism as a consequence.—Mr. Churchill's conception of Socialism being apparently on a par with Mr. Leacock's own? Of course the riddle of social injustice was not solved thereby. But the point is that it worked, whereas Mr. Leacock says it will not work. Obviously it is not any particular system which he believes will not work but only anything which has the name of Socialism attached. According to Mr. Leacock, anything that is labelled Socialism will not work, even if the label was stuck there by Mr. Leacock himself and even if that very system has proved that it will work. Mr. Leacock has allowed himself to slip into a position which he will have some difficulty in maintaining.

As a matter of fact, this system of State control which Mr. Leacock seems to imagine is Socialism, is actually nothing of the kind. If Mr. Leacock knows anything about the origin, history and function of the "State," he must also know that State control could never solve the economic inequalities which constitute the main objection to the present system but would more likely operate to intensify them. If State control is all that the term Socialism suggests to Professor Leacock, then he has much to learn.

And the reason why it will not work—this thing the professor has mis-called Socialism—is, if you please, because it is based on Altruism and, moreover, a degree of altruism—"of willingness to labor for the good of others,"—"such as the world has never known nor is ever likely to know." Well, for our part, the professor may base his Socialism on any old thing he likes. His Socialism is no concern of ours. But in the matter of Altruism, we must again take issue with our learned friend. If Altruism is indeed a willingness to labor for the good of others, then what of the modern wage-worker? He is not only willing, but anxious, even eager, to labor for others. And he is by no means particular as to what others. Is this Altruism? If it be, then surely there is enough and to spare even to work the professor's next little system. But perhaps if the professor knew more about the nature and origin of Altruism, or if he were disposed to tell the truth about so much as he does know, he might tell his readers that Altruism is nothing more or less than an instinctive reaction to the associative principle—that principle which teaches that the well-being of the individual is dependent upon the well-being of the group. Hundreds of thousands, perhaps millions of men braved hardships, suffering and death during the recent war in response to the urging of that instinct. There was Altruism in abundance and intensity, misdirected it is true, but Altruism nevertheless. Its direction is largely a matter of knowledge. When those same men who fought so valiantly for Capitalism on the fields of France shall realize that the best interests of society demand it, be sure that they will fight against Capitalism with every bit as much ardor.

And who is Professor Leacock that he should attempt to set a limit to the future development and recognition of the associative principle? It is conceivable that a time will come when a professor of economics will refuse to misinform the public as to the facts of his science realizing that should he misinform them, the progress of society might be retarded thereby and indirectly he himself would suffer. That would indicate a degree of Altruism to which Professor Leacock has apparently not yet attained.

Mr. Leacock devotes practically the whole of this fifth chapter to a discussion of Socialism as a possible solution to the "Unsolved Riddle." Consequently we might expect to find him advising the fullest investigation of Socialist teachings. To understand modern Socialism—not the dummy Socialism of Mr. Leacock but the real thing—it is necessary, one might almost say essential, to have some knowledge of its historical development from the idealistic Utopian Socialism of the eighteenth century to the Scientific Socialism of today as taught by the Socialist Party of Canada, Socialism which is scientific in the highest and completest sense of the word. We may judge then of how desirous Mr. Leacock really is that his readers shall thoroughly understand the subject he discusses when we find him burgeoning forth with such a gem as this: "We may omit here all discussion of the historical progress of Socialism." Quite so! And forthwith the good professor omits it all, except for the statement that Socialism has become "a purely economic doctrine."

Perhaps, if Mr. Leacock had permitted himself and his readers a review of the historical progress of Socialism he would never have had the temerity to make such a statement as this last which, to place it in its proper category, is utter nonsense. Socialism is not a "purely economic doctrine"—or stay, perhaps Mr. Leacock's Socialism is. As heaven is our witness, the more we read of this chapter five, the less are we able to imagine just what weird business this Socialism of Professor Leacock's is. The only thing we feel sure of in connection with it is that it is like unto no Socialism that we care to have anything to do with.

"There is no need to decide whether the Materialistic Theory of History is true or false," says Mr. Leacock. Here again may be noted a pronounced indisposition on his part to state definitely whether he accepts or denies the Materialistic Interpretation. And perhaps he is wise, for, if he denied it, most certainly every other professor on the continent would be laughing at him, while if, on the other hand, he admitted it he would automatically make hash of his whole argument. Consequently he is compelled to "pussy-foot" around the subject, which he does rather clumsily. Furthermore he asserts that "nine out of every ten Socialists have forgotten or have never heard what the Materialistic Theory of History is." It is doubtful if Mr. Leacock could have made a statement farther removed from the truth than this if he had tried. The Materialistic Interpretation is one of the fundamentals of Scientific Socialism. Every Socialist worthy of the name is quite familiar with it and the average wage-worker in the camps, mines and mills of British Columbia has a far better grasp of it than Mr. Leacock appears to have.

Another of the fundamentals of Scientific Socialism is The Class Struggle. Mr. Leacock adroitly evades it thus: "No need to examine whether human history is or is not a mere record of class exploitation, since the controversy has long shifted to other grounds." Quite correct, professor! The controversy has shifted. But why did you shy at telling your readers that, when it shifted it left the theory of The Class Struggle complete victor in full possession of the field? The Capitalist press would hardly be publishing your articles if you had said anything so indiscreet as that, professor. Is it permissible to wonder if that possibility influenced you in any way?

Mr. Leacock then proceeds to review the Socialists "indictment of the manifold weaknesses and obvious injustice of the system under which we live," and admits that the Socialist in this is correct. But it appears that, "He (the Socialist) looks so long that a mist comes before his eyes. He loses sight of the supreme fact that, after all, in its own poor clumsy fashion, the machine does work." We must confess that we were not prepared to hear the Socialist loses sight of the fact that in its own poor clumsy fashion the Capitalist machine does work. This is quite a new one on us. But what if the machine does work? Are we then if our watch, for instance, works clumsily and loses time, to pay no attention to the matter, but be thankful that it runs at all? What kind of logic is this from a professor? Is Mr. Leacock a fool or does he think his readers are fools that he offers them such argument?

From here on, the remainder of chapter five is devoted to a description of a Utopia which according to Mr. Leacock is the dream of the Socialist. In some peculiar manner it has got all mixed up with State Ownership of the means of production. Mr. Leacock appears to have in mind someone who imagines State Ownership to be Socialism. And therein is the key to the whole chapter five. Mr. Leacock has been doing his utmost to demolish us. But we have emerged unscathed except perhaps for a little weariness at having to wade through so much nonsense.

And the explanation? It is quite simple. The good professor has been hurling his bolts at what he imagines to be the Socialist position. Never was man more cruelly deceived. We were not there. We have not been there for some time. As a matter of fact, we left there nearly one hundred years ago. That is to say, Socialism, about one hundred years ago was something like what Mr. Leacock imagines it to be today. Mr. Leacock is very much behind the times. We are tempted to wonder if he believes Ptolemy's theory of the heavenly bodies represents the science of astronomy. It would be just as logical, just as effective, and every bit as dishonest to attack the science of astronomy because it once taught that the earth was the center of the universe, as to attack Socialism in the manner and on the grounds upon which he is attacking it.

Socialism today is Scientific. It is not founded upon a dream, a vision, a divine discontent, or a speculative belief. It is founded upon such solid rocks as The Materialistic Interpretation of History, The Class Struggle, The Marxian analysis of Capitalist Production, The Principle of Evolution and the Positive Outcome of Philosophy. It does not build castles in the air or plan ideal Utopias but studies social and organic laws and seeks to understand current events by the light of them. It does not advocate revolution. There is no need. The social revolution is almost upon us. Even now its rumblings can be heard at no great distance. Socialism cries aloud to society, "Your house is falling about your ears. It is for you to discover, while there is yet time, the reasons for its downfall so that you may build better next time."

We would recommend to Mr. Leacock a little book entitled "The Manifesto of the Socialist Party of Canada," and another entitled, "Socialism, Utopian and Scientific." If he will read these he may get a glimmering of what an awful fool he has been making of himself. It may be that he has read them. It is more charitable though to assume that he has not, in which case he is merely foolish to have been led into writing on a subject upon which he is not informed. But if he has read them, he is in the position of a man of some little reputation who has deliberately written for public consumption, upon a subject of vital importance, that which he knows to be untrue.

In any case we are of the opinion that Mr. Leacock might better confine himself to the writing of funny stories. He is more at home there. He is too careless in treatment, too impulsive, and altogether too biased to write on serious subjects.

Next week, we understand, it is Mr. Leacock's intention to discuss Bellamy's "Looking Backward." By which we gather that he intends to set up "Looking Backward" as his dummy representing Socialism for the sheer unhallowed joy of knocking it down again.

We wish Mr. Leacock joy of his task. "Looking Backward," is in many ways a remarkable book. But as a serious contribution to sociological thought it is worthy of just about as much consideration as Mr. Leacock's chapter six is likely to be

C. K.

FRENCH SOCIALISTS AND RUSSIA.

A resolution strongly condemning interference with Russia (says our Paris correspondent) was passed unanimously by the Conference of French Socialists held on Saturday in preparation for the general election. Alexandre Blanc said: "As a deputy and a candidate at the coming election, I align myself with Lenin and Trotsky and the whole Russian revolution."

Economics and Mr. Cox

I.

(By Robert Arch, from "Justice.")

(A reply to an opponent of Socialism. Read this carefully. Edit. R. F.)

There was a time when Mr. Harold Cox was considered the most brilliant of the intellectual opponents of Socialism. It must have been a very long time ago; for everything he writes nowadays produces on me, at least, a deepening impression of senile decay. An article contributed by him to the "Sunday Times" of August 3, entitled "How to Grow Poor," is about the lowest limit yet reached by any reputable controversialist on the subject.

"Socialist policy," Mr. Cox informs his readers, "contains two main ingredients: first, an attack on capital; secondly, a restriction of the output of labor." The attack on capital is based on the "untrue assertion, derived from Karl Marx, that the whole product of industry rightly belongs to the manual worker." The truth is, says Mr. Cox, that efficient means of production or capital, multiply the product of unaided labor a hundredfold or more, and therefore "in strict justice" the capitalist, who provides it, is entitled to the whole increased value due to this factor. That the capitalist does not actually get it all is due to the cheapening of capital by competition among investors. Socialism, by destroying the motives for accumulating capital, will drive the workman back on his unaided labor-power. The second ingredient of Socialist policy—viz., restriction of output—is hypocritically countenanced by "the more intellectual Socialists," although they appreciate its mischief, because they find it useful in their campaign against capital! It now has behind it Parliamentary authority in the shape of the Act re the restoration of pre-war trade practices. The result will be further reduction of output, for which we have to thank Socialism and the politicians. Such is Mr. Cox's statement.

Some Falsehoods On Socialist Policy.

It will be noted that the statement begins with a falsehood—viz., that Socialism proceeds from an untrue assertion of Marx that the whole product of industry rightly belongs to the manual worker. This falsehood is probably not Mr. Cox's invention, since it has previously been put forward by Mr. Mallock and other writers, and is eagerly believed by ignorant members of the "educated" classes who have never read Marx. Marx made no such assertion. It was not his object, as an economist, to say how the product of industry ought to be apportioned, but to investigate how it was apportioned. Those people (very few, I fear) who have taken the trouble to read Marx's chapters on capitalist production, will remember passages in which he expressly points out the necessity, under organized industry, of classes of workers, other than manual, for the efficient direction of labor. This obvious fact was subsequently trotted out by Mr. Mallock, in a series of ponderous tomes, as if it was a brand-new discovery of his own, which all previous economists, including Marx, had ignorantly missed. The self-important Mallock tried to buttress his previous "discovery" by falsely attributing to Marx an assertion that all wealth was the exclusive product of manual labor, and ought therefore to be assigned exclusively to the manual laboring class. Mr. Cox may have copied this falsehood from Mr. Mallock.

Mr. Cox, however, is not concerned with the claims of the non-manual worker, but with those of the capitalist. He therefore puts forward the thesis, that, the bulk of wealth being due to improved means of production, it should "in strict justice" go to the provider of the means of production—the capitalist. He illustrates this by comparing the product of a man cultivating a field with only a spade, and of a man cultivating a field with a plough and horses, or a motor-plough driven by petrol. He concludes that the difference belongs to the man who supplies the plough. Now this kind of sophism—the sophism which tries to lay down the portion of the product due to a particular factor by asking how much could be produced without it, and then assigning it the remainder—can be made to prove anything the demonstrator wishes. Mr. Mallock uses the same sophism to prove that two-thirds of modern wealth is due, not to manual labor, nor to the provider of means of production as such, but to "directive ability." I could match the two of them, if I chose, by proving that every atom of wealth is due to manual labor, and that directive ability and means of production add nothing, inasmuch as they would product nothing without manual labor. Which of us is right?

A Dialectical Juggler's Trick.

In truth, none. The whole thing is a dialectical juggler's trick. Every useful material thing, under modern conditions, is obviously a joint product, in making which human labor, mental and manual, has been assisted by natural and mechanical resources; and it is no more possible to isolate the single effect of each cause than it is to discover whether the barrel or the hole is the more essential part of a gun. Practically, however, economists are concerned with the distribution of wealth among human beings; and in assessing their claims, we confine our attention to the human factors in production, and ignore for the moment the causality of machines and so forth. Accordingly, we repeat that all wealth is produced by human effort or labor, and that all parts of the total product, paid to persons not contributing to that joint effort or labor, are necessarily deducted from the portion payable to labor. This is not metaphysics; it is mere commonsense.

"Oh! but," says Mr. Cox, "you have forgotten the man who supplies the means of production." A blessed word, "supplies!" Let us consider. Who does supply the means of production? The means of production consist of land, buildings, mines, machinery and the rest—useful material things, which, so far as they are not derived from Nature (like virgin soil,) are, like other wealth, joint products of human labor and natural and mechanical resources. The means of production, in short, are produced by labor just like other wealth; and the "man who supplies" them is the worker. But Mr. Cox, when he speaks of the "man who supplies" them, means the owner—a different person altogether. We are indebted to Mr. Cox for a new summary of capitalist economics. "Do not work—own. 'Supply,' the wise it call!"

What the Capitalist Is "Morally" Entitled To.

"In strict justice," says Mr. Cox, "the capitalist who provides the instruments of production is morally entitled to the whole increased value which those instruments produce." I will not enter here on a digression as to the difference between value in use and value in exchange, but will take for granted that Mr. Cox means that the capitalist is entitled to all the increase of wealth due to modern mechanical invention, and leave it at that. Look at this proposition, comrades and friends: read, mark, learn and inwardly digest it—and laugh! In strict justice, and as a moral right, the capitalist class ought to have received the whole increase of wealth since, say, the beginning of the industrial revolution. The working class, in strict justice, ought to receive today the total they received in 1760, and not a tin-tack more. For the difference, look you, is due to the capitalists who "supply" the means of production; the workers have contributed nothing. Think it out, and laugh! Or rather, don't laugh at Mr. Cox, but pity him and take warning; for this is what comes to prostituting a decent intellect to the service of an economic creed in which no one any longer believes whose range of information and intelligence exceed that of a Sunday journalist.

The capitalists, then, ought to receive this share of the national income. But they do not. It is a hard world, my masters! The capitalist is docked of his just reward. And why? Because "most people, as they begin to grow richer, save much of their money for the sake of their children or for their own use in old age. Those savings are invested, with the result that in normal times of peace, capital tends to grow cheaper, and thus the manual worker can obtain the use of mechanical instruments of production at an ever-diminishing cost." The capitalist class, condemned to cut-throat competition among themselves, are exploited and fleeced, while the bloated proletarian squanders his ill-gotten gains at Monte Carlo and other Continental sinks of vice!

Economic Methods Exposed.

It would be difficult to compress a greater quantity of economic untruth into a single sentence than Mr. Cox has done in that quoted above. "Most people, as they begin to grow richer, save," etc. Most people don't, for the simple reason that they don't grow richer. That, owing to the operation of the system of property defended by Mr. Cox, is the privilege of the few. The result of saving, and the consequent "cheapening of capital," is, says he, that the worker obtains the use of instruments of production "at an ever-cheapening cost." It isn't. Mr. Cox is here forgetting the existence of two classes of capitalist—the money-lender or financier, who lives on interest, and the entrepreneur, who lives on profit. The entrepreneur, or actual owner of means of production—the employer, as we commonly call him—is the central figure of the economic process, and all analysis ought to start with him. The result of saving is not to enable the worker to gain cheaper access to the means of production, but to enable the employer to gain cheaper access to the means of exchange—a very different thing. But I defer further elucidation of this till next week.

(To Be Concluded.)

INDIA.

Hindu Labor Politically Conscious.

The masses in India, and among the factory laborers, said Mr. B. P. Wadia, president of the Madras Labor Union, before the Joint Committee of the British Parliament, had a power of understanding political and economic issues. The Indian laborers loathed the idea of slavery in any form. There were, he said, some 17,515,000 workmen employed in industries, of whom 950,000 were in large establishments. There was an Indian Factories' Act, which was originally passed in 1881, and which was last amended in 1911. The law permitted 12 hours work a day. Women were worked 11 hours and children between the ages of nine and 14 were worked for six hours. Wages and sanitation were beyond human calculation.

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British Strangling Hindu Editors.

How the British strangle Hindu editors will be evidenced from the order served by the British magistrate on Mr. D. Shahbaz Akhgar, late editor of the "Punjabi," a daily published in Lahore, India. Mr. Akhgar was ordered to abstain from sending or receiving personally or through a third party, by post or by telegraph, or by hand or by any other means, direct or indirect, any written communication or other matter of like nature to or from any person whether within India or without, until such communication shall have been seen by the Deputy Commissioner of his district.

The League of Nations

There is quite a little controversy going on just now, relative to what is called "The Freedom of the Seas," and a "League of Nations." Now what exactly does those two phrases connote? What is their significance? Let us take a look at the latter phrase first. When we understand that, the former will become clearer.

According to its sponsors, a League of Nations seems to connote an agreement, to be entered into, between a number of nations, for the avowed purpose of settling amicably, whatever disputes may arise between them; and as a corallary, to abolish war. Let us bring the terms a little closer, ask, what is the nature of the disputes occurring between nations? How comes it that disputes arise at all? Why can not they be settled peaceably now? And what occasions war? To answer those questions with any degree of explicitness, we must first understand the nature of our social fabric. This is where I propose to help stir the tea-cup.

In the present organization of society, those things essential to the maintenance of life, are produced, quite naturally, under the terms of that organization. And the terms are: that the resources and machinery of production, and distribution, as well as the total of what is produced, are wholly owned and controlled by one class in society, the capitalist class, and that no other section of society can have access to those means of supporting life, saving upon the condition imposed by capital-production for sale, at a profit. Unless, therefore, capital derives a profit from the operation of industry, that industry comes to a standstill. But if capital sees that profit forthcoming, it will put forth every effort, apply every invention; adopt every device; to operate that industry to the fullest limit of capacity, with the object of increasing the volume of production, since the greater that volume is, the greater is the profit thereof.

But before profit—which is contained in the commodities produced—can be realized, those commodities must be sold. But where sold? Not at home, certainly, because owing to the competition of the workers among themselves for jobs, that portion of them, actually engaged in the production of commodities, receive as wages the mere subsistence necessities of life. And since those wages, by no means represent the value of what is produced, and since the purchasing power of the market is measured by wages capacity, capital is left with a vast surplus to dispose off elsewhere. And elsewhere can only be the international market.

Since, however, all countries produce under this system of capitalist commodity production, then, necessarily, all countries must look to the world market for the sale of their goods; necessarily the capitalists of all countries must compete, not only as rivals for the sale of their goods, but also for possession of the market itself, and necessarily again not all of those capitalist countries can be successful competitors. Two supremacies can not exist in one market. And it is never to be forgotten, that in this relentless and merciless rivalry, there is no sickly sentimentalism of "live and let live," "enough is as good as a feast," and other similar hoary platitudes. There is but the stern 'must,' of irrevocable necessity.

Again, successful and efficient production, involves the co-ordination of the productive forces. The capitalist class of any country must so adjust its internal economy so as to produce in the most efficient manner, the maximum of production, with the minimum of friction. If not, it can not possibly be a successful world competitor. It is with this end in view, (bungling as it may be,) that industrial commissions, arbitration, wage boards and other capitalistic contrivances are organized under the supreme control of the central executive government. And precisely as co-ordination of function and relation, is an indispensable condition of industrial efficiency, so, co-ordination of the machinery, requisite for the disposal of the surplus becomes likewise an imperative need. For, just as friction is the certain concomitant of capital in the realm of production, so is it the unavoidable accompanyment of capitalist rivalry in the commercial sphere.

It is at this point that the central government comes into play. It establishes a foreign office; organizes a foreign service; appoints foreign ministers; sets up embassies and legations; has its advisory councils; listens to the behests of foreign syndicates; all organized and adjusted by the capitalist class executive government, in the sole interests of the capitalist class; for the express purpose of controlling the world market. All the powers have representatives at every court where there is any bearing of interest, and it is their business to see that the government to which they are accredited does not overreach the government they represent in the diplomatic quities of "concessions," "spheres of interest," and other such slave guarding schemes. When this over-reaching is successful, it involves, of course, greater freedom of the market for the state which secured the favorable deal and obviously, a limitation for the loser.

The small States, because they are small States, and live off the rivalry of their big brothers, are compelled to listen to the "advice" and "suggestions" of the foreign office of the great powers, insofar as the policies of the little States conflict with the capitalist interests of the great powers. If they do not show inclination to the "reason" of the great powers, there is a change of government in that country, and the new executive is, of course, (since it is amenable to "advice,") "safe," "honorable," "appreciative of order," "with democratic principles" and so on, ad-nauseum. This is where secret diplomacy gets in its fine work. But this political method of action does not obtain—it can not indeed, between the great powers themselves, knowing each other's methods and objectives. They possess huge fighting machines; mobilizing organization in instant readiness; vast stores of reserves of all kinds; almost unlimited resources. They are ready to resent and prepared to "defend" any infringement of what they call "right," with powerful self-contained organizations of prostitute press and rostrum, to help along the due appreciation of "democracy," and if a breach is opened, and beyond the power of diplomacy to stop it up, war is the inevitable result.

Now let us look at the "League of Nations" in the light of this philosophy. The statement, that this league will be capitalistic, needs no defence. Being capitalistic, it implies the old anarchy of industry, production for sale, and as already pointed out, production for sale, entails a market to realize the profit. The existence of the small States in this league (or out of it,) has no influence in this matter. Therefore the great capitalist power, daily comes into closer contact and ever-sharpening antagonism, with another similar power, and soon or late, out of their necessarily conflicting interests, a clash is bound to come. They can not avoid it, because the tremendous forces of social production, generated within themselves, compel them to obtain a market for their goods, in order to keep their wage slaves working, or else—the inevitable alternative—those slaves, co-ordinated and organized by capitalist industry, in enforced idleness and facing starvation, will abolish both the capitalist State and its markets.

And the "Freedom of the Seas," what of it? Simply this, that the great power, alive to its interests in the world market, must control the trade routes leading to that market, on penalty of losing its commercial supremacy. For whatever may obtain in times of peace, when the clash comes, the power controlling the trade routes at once cuts off all communication of external resource; shuts off Allied assistance; bars all outside supplies. And the beleaguered one, must adopt every device that ingenuity can devise to break that blockade. Just as nothing can prevent the natural rivalry of capital, so nothing can offset the tactics of military necessity and, just as no law can obviate the irresistable economies of the machine, neither can any league, or covenant, or treaty, or guarantee, however solemnly engaged upon, turn aside the titanic necessities of social production. R.

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.

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SPAIN.

(From the "Daily Herald," Aug. 26.)

The Barcelona correspondent of the "Pacse," a Madrid Republican paper, makes a sensational exposure of the part played by the Employers' Association in the recent disorders, wires our Santander Correspondent.

The assassinations of Sabater and the rest, and the bomb explosion seem to have been the work of a gang of ruffians, some of whom were members of the police force.

It has been virtually proved that this gang was paid by members of the Employers' Association to create a reign of terror in Barcelona, which would bring about military suppression of the Unions.

Professor Leacock Riddled

(Continued From Page One.)

least more honest for Mr. Leacock to have refrained from implying that which his knowledge of the facts will not support.

And again, "the whole history of human civilization was denounced as an unredeemed record of the spoliation of the weak by the strong." Just exactly what Mr. Leacock may conceive to be the redeeming features in this record we do not know. But if it is his intention to deny that just that—"the spoliation of the weak by the strong"—is what stands out above all else in the history of civilization why does he not be honest and say so—or is he afraid that his brother professors will laugh at him?

Once more, "Even the domain of the philosopher was needlessly invaded and all forms of speculative belief were rudely thrown aside in favor of a wooden materialism." "Even the domain of the philosopher," mark you. Is there any good reason known to Mr. Leacock and intelligible to the rest of society, why, in the search for truth, the domain of the philosopher should be inviolate? And what have they done, these impendent invaders of the musty sanctity of the abode of metaphysical befuddlings? They have rudely thrown aside all forms of speculative belief. Not speculative thought, mark you, which, in its place, is quite legitimate and useful, but speculative belief.

Of all the milestones which mark the progress of human knowledge can Mr. Leacock point to one which has not been set up in the place once occupied by a "speculative belief?" Can Mr. Leacock advance any good reason why any speculative belief should not be thrust aside to make room for another milestone standing for positive knowledge? As for the blind, metaphysical vaporings, which once occupied what he refers to as the "domain of the philosopher," has Mr. Leacock found a resting place for them within his cranial cavity or is this another of his little jokes?

The materialism which he characterizes as "wooden" is in essence that same Materialistic Interpretation which Mr. Leacock takes frequent occasion to attack by implication but in no place is honest enough to deny openly; which he frequently uses without acknowledgment, but readily abandons when it can not be twisted to serve his arguments—a very unethical proceeding which, we will wager, does not raise him in the estimation of his fellow scientists, even though they may lack the courage to rebuke him.

However, impartial Mr. Leacock may have seemed to be in his previous chapters, however, apparently disposed to concede two sides to an argument, it is evident that in this fifth chapter, he has set out to argue himself into a certain conclusion and intends to permit nothing to stand in his way. Neither truth nor logic nor any consideration of the intellectual rectitude incumbent upon a scientific mind engaged in analysis is to be allowed to deflect him from his preconceived conclusion—"Socialism will not work," not any kind of Socialism. It is bad medicine, all of it, all kinds of it, everything tinged with, associated with or suggestive of it is no good. Even if it isn't, it is. By reason of the fact that many of the Russian Bolshevik leaders are Marxians and many Marxians are in sympathy with the Bolsheviks, the Bolshevik regime is associated with Socialism. Enough said! "The unspeakable savagery of Bolshevism," says the professor.

Is it possible that Mr. Leacock has not read the literature emanating from those who have had personal experience of recent happenings in Russia? Has he not read the writings of Arthur Ransome, of John Reed, of Bessie Beattie, of Louise Bryant, of Rhys Williams and a host of others, and, last and perhaps most illuminating, of Colonel Raymond Robins of the American Red Cross? If he has not read these, then he has no moral right to speak to a subject upon which he is not informed pro and con. If he has, then he knows well what kind of literary prostitution he is committing when he writes of the "unspeakable savagery of Bolshevism."

Colonel Robins, a pronounced anti-bolshevik, but a man with the courage and honesty to speak the truth as he sees it, had this to say recently to a gathering of American business men: "There is more law and order, gentlemen, in Petrograd and Moscow under the Bolshevik Nicolai Lenine, than under the anti-Bolshevik Kerensky.—A population as orderly, fully as orderly, as the population of New York or San Francisco. Gentlemen, the people who tell you that the Soviet system is nothing but riots and robberies, and mobs, and massacres, are leading you to your own destruction. Bolshevism is a system which, in practice, on its record, can put human beings, in millions, into an ordered social group, and can get loyalty from them, and obedience, and organized consent."

Might we be permitted to wonder why Mr. Leacock should choose to focus his attention upon any savagery which may have occurred in far away Russia while the thrice unspeakable savageries of Capitalism are thrust right under his nose? Has he never heard of the race riots, or rather massacres, which take place every so often in the United States, and the unspeakable atrocities which occur therein? Has anything more unspeakably savage ever occurred than the bloody shambles which persisted on the battlefields of Europe for over four years? What kind of a man is this who, in the face of such facts as these, can find it in his heart to traduce the duly elected leaders of a lonely people who are defending themselves against half the profit-mad nations in the world and, by the evidence of disinterested observers, keeping order within their own house at the same

(Continued on Page Eight)

Concerning Conduct of Economic Classes

THERE is, at the present time, a very noticeable increase in the number of classes and in the interest displayed in the study of economics. This is the more gratifying, as it has always been recognized in well-informed Socialist circles that the systematic study of Political Economy and kindred subjects was the most effective, if not the most attractive method of propaganda.

Now, this being the time of year when classes are in process of formation it has occurred to the writer, who has had some little experience in this matter, that it would be well, for the guidance of classes forming for the first time, to give here some of the results of that experience. I am the more impelled to do this because I am strongly of opinion that the method of study is of as great, if not greater, importance than the subject matter, so far as beginners are concerned. That is to say, that one of the main objects to be attained is the development of a certain attitude of mind—the scientific method. Possessing this attitude of mind, believing nothing, questioning all things, insisting on clear and accurate definitions, testing every statement by an appeal to the facts, the student is in a position to securely pick his way through the mess of lies, misrepresentation and clotted nonsense which is modern popular literature.

The matter of class-organization and methods may, I take it, be left to the commonsense of the class itself, but the procedure will, in general, consist of reading in turn from the text book, followed by questions and comment by the members. As to the text-book, "Wage-labor and Capital" will probably be the best for a start but, if this book is used, it will be well to get a sufficient number of the revised edition recently issued by the S. P. of C., as most editions of this book are very defective. For advanced students, the first nine chapters of "Capital" could be studied. "Value, Price and Profit," starting at the sixth chapter, is also very good. Other standard works ought to be at hand and the class should possess a really good dictionary. Every word has, and every statement ought to have, a meaning, and it is the business of this class to find it. No portion read from the text-book ought to be passed up unsifted and the chairman should, so far as possible, see that every member of the class is satisfied before proceeding. Many controversies and most arguments will be found at the bottom to consist of a question of definition. Many words and terms in general use have so wide an application or may mean so many different things that for the purpose of scientific statement they must be limited to invariably indicate one thing or category of things. Such words as "Wealth," "Commodity," "Value," are of this nature and will often be found used to indicate very different things by different Economists. Where the consensus of authorities has given any term a definite signification that meaning should be ascertained and the term used in that way but in any case some definite meaning should be attached to it and the word or phrase used invariably in that sense. While this method may be followed in the case of a word, the case is very different when we come to a statement of fact. The statement or proposition is true or it is not true, that is to say, it agrees with the facts or it does not and no amount of authority will help it in any case.

It is customary to quote strings of authorities in support of this, that or the other proposition, and it is a weakness with many Socialists to quote a tag from say, Capital, and to imagine that the question is thereby finally settled. The opinion of an accurate observer and painstaking investigator such as Darwin or Marx has, of course, due weight but should always be accepted with the reservation that an appeal to the facts is the only proof of which any proposition is susceptible.

No statement is worth considering that can not be expressed in good, plain, simple English, and the class should be encouraged to use this mode of expression rather than the cryptic and exotic terminology so much affected by many members of the Marxian School.

The selection of a chairman is rather important. It is his business to see that the discussion does not wander from the matter in hand; that no one, including himself, monopolizes the time of the class; to encourage timid, bashful members to take part and to see that the discussions are carried on courteously and in regular form. I do not, for one, approve of the appointment of a teacher or instructor but the class would be as well to have a director whose function it would be to be responsible for the work done. It would be his business to look up in advance the matter liable to come up, to verify the definitions, etc., and be prepared to initiate and carry on the discussion. This office may be combined with that of chairman or if there is no one willing to act permanently, individual students should be made responsible for the proceedings at each meeting of the class. That is to say, that, the work of each meeting should be laid out in advance and some one member made responsible for it.

It has been my experience that classes of this kind are liable to be infested with a variety of freaks and cranks of one kind and another. These people, of course, should have a courteous hearing in discussion, but should not be allowed to monopolize the time of the class and, if necessary, should be firmly suppressed; a little verbal brutality will do them no harm and will be helpful if they are any good. Such people are generally interested in the propagation of certain political or religious theories and it should be remembered that the object of the class is the study of Political Economy, that is to say, the science of the production and distribution of wealth under Capitalism and not to draw plans for the New Jerusalem.

I am reminded that I promised to continue the discussion of "use-value" this week. This I have not had time to take up and have substituted the foregoing which I had by me and which is, in any case, timely. I hope to go on to the other next week D. V.

GEORDIE.

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.....OCTOBER 4, 1919

Education---A Comparison

A pamphlet has come into our possession on education in Soviet Russia. Just as we received it, the ratepayers of Vancouver turned down the appropriation asked for by the school board.

This is the situation as it stands in Vancouver. No new schools have been erected for four years; the number of school children have increased at the rate of 800 to 1000 annually. At present the children are being taught in basements and ill-ventilated and increasingly crowded class rooms. The double shift is in practice, one lot of scholars attending from 7 to 12, and another from 1 to 5. Imagine this condition. That "dread visitant," the black plague, is considered a possibility during the cold winter months, and the medical health officer is sounding his warning, "avoid crowding and colds this winter." In order to meet current expenses fees for attendance at high school are charged, hence the children of the poor are denied that class of education. Part of the sum asked for was for a technical school and its equipment towards which the government was to grant $50,000, should the by-law pass. The industrial metropolis of the West is without a technical school. Only a modest sum was asked for in all equal to twenty-five cents on every one thousand dollars assessment or for the general householder about one dollar a year. The pleaders for the cause of the children had a good case. Probably the sum asked for was less than what was spent during the recent day's visit of a personage. Probably the pecuniarily enlightened ratepayers thought that after that, splurge retrenchment was in order when they turned the school bylaw down. These ratepayers of Vancouver are almost to a man and woman anti-Bolshevik. After reading the pamphlet containing the Soviet educational program and comparing it with their action on the school appropriation there remains no shred of doubt that they are anti-Bolshevik as they are also anti-education. The two antis evidently go together. Bolshevism in Russia is synonomous with education, intensive education. The pamphlet we have been reading contains 34 documents, decrees promulgated by the Soviet of People's Commissaires and the Commissaires of Education. They are concerned with all forms of education, artistic, scientific, vocational, and general and are an astonishing tribute to the energy and idealism of the leaders of the educational movement in proletarian Russia.

We give two clauses of Document No. 8. (1) "Every person, regardless of citizenship and sex, reaching the age of 16, can be admitted as a member of the student body to any of the higher institutions of learning (universities) without submitting a diploma or testimonial papers attesting graduation from a secondary or other school. (5) "Tuition fees in higher educational institutions of the Russian Socialist Federative Soviet Republic are henceforth abolished. Tuition fees already paid for the first half of the academic year, 1918-1919, shall be refunded accordingly."

The salaries of teachers are based on a four-hour day, all extra work is paid as overtime. The teaching body in Russia now holds frequent conventions and congresses, and expresses itself freely on the conduct of the schools, a condition of affairs that will arouse the envy of their colleagues in this country. The pamphlet we refer to "Education and Art in Soviet Russia," may be had for 15 cents from the Socialist Publishing Society, 15 Spruce street, New York City.

One last quotation from the preface before we close. It is a quotation taken from the Appendix of John Reed's book, "Ten Days That Shook the World," and is a paragraph from a decree of the Commissaire of Education, Lunacharsky: "One must emphasize the difference between instruction and education. Instruction is the transmission of ready knowledge by the teacher to his pupil. Education is a creative process. The personality of the individual is being 'educated' throughout life, is being formed, grows richer in content, stronger and more perfect.

"The toiling masses of the people—the workmen, the peasants, the soldiers—are thirsting for elementary and advanced instruction. But they are also thirsting for education. Not the Government, nor the intellectuals, nor any other power outside themselves, can give it to them. The school, the book, the theatre, the museum, etc., may here be only aids. They have their own ideas formed by their social position, so different from the position of those ruling classes and intellectuals who have hitherto created culture. They have their own ideas, their own emotions, their own ways of approaching the problems of personality and society. The city laborer after his own fashion, the rural toiler according to his, will each build his clear world—concept permeated with the class idea of the workers. There is no more superb or beautiful phenomenon than the one of which our nearest descendents will be both witness and participants: the building by collective Labor of its own general, rich and free soul."

"The problems that face us are great, responsible and pressing," says the appeal of the Proletarian Cultural Organization, "but we believe that the forces which will come to our assistance are also great."

While the pecuniary minded ratepayers of Vancouver have saved a dollar, it is so these Bolsheviks, these educators, their country surrounded by a world in arms against it, with shortage of food, amid difficulties incalculable, shoulder the burden of the children's future generously, courageously and joyously. "The school," they cry, "is the laboratory of the man."

"The Unsolved Riddle"

PROFESSOR Leacock in his fifth article strives to convey the impression that Socialism had at one time discreditable connections. As a matter of fact, it was only those ignorant of its history who have considered it to be associated with the "propaganda of the deed" or the advocating of the destruction of the family or breaking the marriage tie. Neither St. Simon, Fourier, or Robert Owen of the so-called Utopian school, or Marx, and Engels of the later scientific school ever advocated such things. They did postulate change however. They, in fact, could not escape their time, for scientific enquiry in the domain of history and sociology revealed that society and its institutions are the products of an evolutionary process and, as such, can not escape in the future the implications entailed by that process. The Materialist conception that the changing means of production are the factors which determine the form and nature of social institutions and the prevailing ideas of any particular time Professor Leacock has himself in his articles amply demonstrated, though without acknowledgement to Marx and Engel, who first formulated the theory, and to whom acknowledgement was due. The professor himself showed us that the machine-age has produced new conditions of life today, new human relationships, legal and otherwise, and new concepts and ideas to those that prevailed even so late as the eighteenth century. Consequently, he who is so beholden to that fruitful method of enquiry, should be last to characterize it as a "wooden materialism." He objects to the materialist conception invading the field of philosophy and religion. But if the introduction of a new method of production has produced such changes in the material conditions and in the ideas of men which he says the machine method has, how then can he object to Socialists invading the fields of philosophy and religion in order to see to what extent those fields have been influenced in this and in other ages by this fundamental factor. Whatever Professor Leacock says, Socialism is, we assert, as Socialists, that it is first and foremost a critique of the present social order. It is this, first, because of necessity, for how can men rid society of the evils afflicting it unless first they understand their causes, and also understand the nature of those institutions which may tend to alleviate social evils or which, on the other hand, may foster, or be used to foster, the perpetuation of those evils. He, himself, has shown us that the wealth and power of one section of society today exists by virtue of the impoverishment and misery of another. He has practically said that that condition is the status quo. Can he assert with truth, that neither philosophy or religion have ever been used to preserve a status quo? We think not. For these reasons, as well as in the ever present social necessity of testing the truth of all doctrines and ideologies which affect the lives of men, no social institution or doctrine can ever be sacrosanct from our critical examination. The professor says that Socialism "has become a purely economic doctrine." This is but in part true, and like many other of his assertions shows a sad lack of acquaintance with the Socialist Philosophy or else—something else. The importance and time given to economic factors by Socialists follows as a matter of course from their materialistic conception.

In this fifth article he states that the Socialists say that the fault of the present order lays in the waste of energy due to duplication of labors and services, as for instance, in too many milkmen and bakers delivery rigs, etc., running over the same ground. Eheu! We are at a loss what to think of him. He, himself, in his former articles related to us of the elimination of the multitude of small scattered textile producers of the handicraft days by the competition of the co-operative method of labor in the factories, and that this labor-saving method has resulted in no improvement of the condition of the laboring masses. With this new method of production, he said, "we are now probably a hundred times more productive than formerly." Socialists have been pointing this condition out for fifty years at least, and also that though the machinery of production and the system of distribution were brought to perfection it would not result in any benefit to the wage-working class under the capitalist system of production for sale. On the contrary, fewer of them would be needed in the industries owned by the capitalist class in order to supply the market. In his fourth article, Professor Leacock himself pointed out that increased productivity in itself did not mean a higher return to the laborers for their labor. The increase belongs to the capitalist owners of the machinery of wealth production.

A SOLDIER'S LETTER.

In giving vent to his feelings on his discharge, an old soldier wrote to his late colonel: "Sir,—After what I have suffered, you can tell the army to go to hell."

In due course he received the following: "Sir,—Any suggestions or inquiries as to movements of troops must be entered on Army Form 123, XYZ, a copy of which I enclose."

On Sunday evening, Oct. 5, W. A. Pritchard will speak from the Socialist Party of Canada platform at the Empress Theatre.

IS THE SOVIET GOVERNMENT A TYRANNY?

Much has been said in the press which is hostile to the Russian Soviet Government about, the so-called tyrannical methods of that government, and exaggerated accounts are presented of the dictatorial power of the chairman of the Soviet of People's Commissaires, Nikolai Lenin. The truth concerning the Congress of Soviets, as well as the influence of Nikolai Lenin, is given by Arvid Hansen in his new book, "Arbeidernes Rusland" ("The Russia of the Workers," Christiania, 1919;)

"The condition that restricts admission to this Parliament to a certain portion of the nation is of course only temporary. It is presumed that ultimately the entire Russian people will support the ideals of the revolution, and that the very conception of counter-revolution will pass away. Gradually the entire nation will be come a nation of workers, united by one common interest; the permanence of the achievements of the Revolution. As this attitude spreads, the right to a participation in parliamentary work will be extended, until it embraces the entire population. When no one is any longer sabotaging the Revolution, when all recognize their solidarity with the new society—then also, all will be admitted to the legislative body. But as long as the Revolution, the new germinating system, is struggling for its existence, no one can accept the heavy responsibility of placing weapons in the hands of its enemies.

"The myth as to the despotic, dictatorial power of Lenin in Communist Russia has almost become hardened into an 'axiom' in the consciousness of many persons who have not had an opportunity to acquaint themselves with the real constitution of the Soviet Republic, its spirit and its provisions. And yet it is perfectly clear from the wording of the Soviet Constitution, as well as from its application in practice, that the following is the case:-

"1. Not Lenin, but the All-Russian Congress of Soviets, which is convoked by the All-Russian Central Executive Committee at least twice a year, is the supreme power and authority in the Russian, Socialist, Federal, Soviet Republic.

"2. This All-Russian Congress elects a Central Executive Committee of not more than 200 members.

"3. This Executive Committee is responsible in every respect to the Congress of Soviets.

"4. Between sessions of the Congress, the Executive Committee is entrusted with the supreme legislative, administrative, and supervisory authority.

"5. The eople's Commissaries are appointed by the Central Executive Committee.

"6. The decrees and propositions of the People's Commissaries must be approved by the Executive Committee.

"7. The Executive Committee has the right to pass decrees of its own and to postpone or annul any action of the Soviet of People's Commissaries.

"Although Lenin is the President of the Soviet of People's Commissaries—there being no President of the Soviet Republic as such, and certainly no 'imperator'—and although Lenin, by reason of his political genius, has a very great personal influence, he has no despotic power of any kind, and certainly has never asked for such power. The relations between the People's Commissaries and the All-Russian Central Executive Committee are somewhat like those existing between the Government and the Storthing (Parliament) in Norway. Dictatorship in Russia does not signify the absolute power of any individual dictator, but that of a whole class, the class of the producers, carried out, on a democratic basis, against the bourgeoisie and the big landowners.

"A recent editorial article in Izvestya (official organ of the Russian Government) declares: 'We who have been trained in the sublime teaching (Marxism) of Germany's greatest genius, consider all institutions to be provisional, and we know very well that even the Soviet Government is provisional. The government by a Dictatorship of the Proletariat will later yield to a government by the whole Communistic Society, in which there shall be no division into classes, and in which a cast-iron dictatorship will therefore be unnecessary.'"

The Fall of the British Pound

(From the "Justice," September 4.)

THE British £1 has not fallen and is in no way changed in its value relation to the U. S. A. gold dollar. As all the newspaper outcry is made on a false basis, it may be worthwhile to explain the real facts of the financial crisis.

The direct statement made in the newspapers that the British £1 is only worth 17s., etc., in American gold dollars is not true. Both coins are of the same relative value that they were before and during the war; both are quantities of gold of which equal weights and fineness are of equal value in the same place, as they always were.

What really has fallen is the value of British accepted bills of exchange in relation to American bills. The evil, so far as it is an evil, is the necessary result of international trade being conducted by private enterprise.

The exchange of goods between this country and America is in reality a national business of the country as a whole. Under a rational system based on the facts the account would be a simple debit and credit affair kept by bookkeepers of average ability who could strike the balance weekly, daily, or hourly, as required, without taking up the valuable time of bankers, bill brokers, and an army of telegraphists and newspaper financial experts.

Capitalist "Working In the Dark."

The capitalist system breaks up the business of each nation into fragments; each fragment in charge of an enterprising person or firm; each firm working for its own personal gain in enmity with the other firms, or, at the best, in the dark as to what the others are doing. The true national nature of the business is proved by the fact that accounts must be balanced and then the private enterprise which has been bested in the gamble begs or bullies its Government to help it out of the mess.

When Mr. Lloyd George says that production is the only remedy, his meaning really is this: "Our bankers and bill brokers have been heavily bested by the American men of the same ilk. If British working men will work harder or for less pay in making goods for export the crisis will pass away." It might pass away, and the same evil would generate again. But even so far the statement is not correct, because the United States is the only country to which we are seriously in debt and is also the only country that does not want our exports to any serious value.

Finance and Statesmanship of No Avail.

First, note the general admission that the only way to balance the account is by labor producing goods for export. Finance and statesmanship are of no avail; only Labor can save the situation. In that case the laborers should see that their business is better managed in future.

The difficulty is not hard to understand if the facts are clearly stated. The theory of capitalism requires each export of goods to be paid for by an import of gold. That is impossible in practice, and therefore bills of exchange are created which are supposed to represent the goods, and in many cases have in fact the bills of lading or warehouse receipts pinned to them. A genuine bill is a kind of pawnticket for goods in transit with this difference—that the pawnbroker has not lent actual money on the goods, but has promised to pay for them on demand or in 60 days, etc., and he is not to get the goods till he does pay. Capitalism—in its financial department—makes these bills into commodities, or ghost-commodities, and buys and sells them for a time as if they were real commodities. The employer-capitalist who supplied the goods gets immediate cash for a bill which only promises cash in, say, three months, and for this advantage he pays away part of his profit. The bills are then bought and sold between brokers and bankers until they become due for settlement.

The "Bill" Process.

Various other evils are grafted on this system; for instance, the bills are renewed—that is, endowed with another 60 days of ghost-commodity life, etc. Bills are also created for which no goods are in existence. Apart from these evils there is the fact that British and American capitalists are creating claims against each other without knowing what the total national claims on each side amount to. The system illustrates the latter half of H. M. Hyndman's saying, "Order in the workshop, anarchy in the market."

As the bills come due for payment they cancel each other in so far as the claims of each country are equal, and the bankers adjust the individual accounts in their books. If the difference is slight—up to a few millions—gold is shipped to pay the deficit. In the meantime the general mass of bills rise and fall in price, and new bills can only be taken into the game accordingly. The capitalists who export and import goods lose, or sell, any control they might have in the matter, and become the creatures of the finance capitalists who have no concern with the production or use of the goods which form the real substance of international trade.

Rate of Exchange Not An Isolated Problem.

International exchange of goods is a relation between two or more national bodies of producers, and as such is capable of simple management. It is now carried on as a series of private adventures. Bankers and bill brokers are nice, intelligent people who would be useful at some kind of productive work, but their present occupation is merely a necessity of a bad system.

The rate of exchange crisis is not an isolated problem and can not be settled by itself; on the contrary, it is part of a great readjustment of international trade which must be considered as a whole.

S. D. F.

HALF-A-MILLION IDLE IN GREAT BRITAIN.

The unemployment figures have an important bearing on the problem of the question of production.

If increased output is desired, the plain man would assume at least that all available labor would be employed.

Yet the Board of Trade reports that in the engineering trades alone there were 75,960 workpeople drawing out-of-work pay on July 25 last.

In the shipbuilding trade 12,039 were out of work.

The numbers of workpeople unemployed in the insured trades on the same date were 460,511 men and boys, and 80,373 women and girls, a total of 540,884.

ITALIAN SOCIALIST CONGRESS.

It is safe to forecast, wires a Rome correspondent, that adhesion to the Communist International of Moscow will be voted by a great majority at the next Congress of the Italian Socialists. An intransigent fraction will strongly oppose the participation of the Party in the next elections. It is headed by three members of the present executive—namely, Serrati, Gennari and Bordiga.

Ten Minutes' Talk With the Workers

(From the "Socialist," August 21, 1919.)

The Rate of Exchange Bogy.

BANKS are institutions which you and I have very little occasion to use, and short of the penny savings banks attached to the temperance clubs or Sabbath schools of our youth—institutions which our parents were encouraged to patronize—our experience may be said to be practically nil. So far as pound notes are concerned our acquaintance with them is purely a "passing" one, and as for cheques, "bills of discount," "bill on 'Change," etc., these are entirely "foreigners" in the fullest sense of the word. Nevertheless, though as an ironmoulder, a miner or an engineer, your purpose in life is supposed to begin and end with work, leaving such questions as rates of exchange, bills on London, etc., to the collar-and-tie brigade, there are occasions when a slight acquaintance with such things would not be entirely out of place.

Consider for a moment the industrial and commercial mess the war has left behind it. There isn't a newspaper in the country outside of the Socialist Press but has articles or the reports of politicians' speeches setting forth what they would have you believe to be the reasons for the present inability to get the industrial machine a-running. The one blames it on foreign "dumping," others blame it on our unionism, on ca'canny principles, on our method of time-wages payment, etc. But while most of them put the blame on you and I, you will notice they are all agreed that we hold the key to the solution. What that key is we shall see presently, meantime a question of interest to you deserves your attention.

You may have noticed in your newspaper the other day quite a lot of talk about the "rate of exchange" between America and this country and how that a British sovereign was only now worth 17s. 6d. The Food Controller, Mr. Roberts, who used to belong to our ranks, is reported to have said that when he sent a sovereign to America he only got food to the value of 17s 6d., the reason being that the New York Exchange was heavily against this country.

What Is a "Bill On London?"

Now, consider for a moment how this "exchange business works out and you may then be in a position to judge whether or not the question is of importance to you or I, and if so to what extent.

Strictly speaking, when the Food Controller talked about sending a "sovereign" to America, he was using what teachers of grammar call a figure of speech, i.e., he did not mean that he actually sent over a sovereign, because imports are generally paid by exporting other goods in exchange, differences being balanced by "bills" and only rarely liquidated with gold.

It works out, something like this: A capitalist in New York named, we will say, A, sells on a certain date goods to the value of £500 to a merchant in this country named B.

Having dispatched the goods, A writes out a document addressed to B, advising that the £500 be placed to his account, say three months from the date of dispatch.

B has got the goods and on writing his name on the back of the document sent by A (what is called endorsing it) returns it to A, who now has written claim on B for 500 British sovereigns. A, however, may sell this bill to someone else in New York, who places it into his bank. The bank may sell it to somebody else in New York, who perhaps posts it on to Paris. Here it finds its way into the Bank of France, the manager of which sells it say, to C. C having bought goods from D, in London, posts it to him in payment. D finally presents it, on the date due, to B, who pays the cash.

The Parasites On Finance.

When you consider that thousands of these documents or "bills" are passing to and fro every day, many of them undergoing more complicated movements than such as we have just described, you can realize what delicate institutions banks really are. These bills accumulate by the hundreds in the hands of brokers, who buy them at a figure below their face value and either sell them at a profit or wait until they are due and get their full value. Thus the bill on London for £500 might be bought for £450 if A was anxious for immediate cash or credit (that is what is called discounting,) the buyer either selling it again, say for £475, or waiting till the date was due and making £50 profit.

Now note, because these bills cancel each other, i.e., paying imports with exports and vice versa, those who deal in such bills are held up to you, and as benefactors to labor. But surely it is no exaggeration to say that such bill-brokers are parasites on our class, differing only in degree from those who deal directly with your labor power and mine. How many of them actually are in existence would prove very interesting to know.

You can now, I hope, see through this one of the many bogies being raised before us at present to serve our masters' interests, viz., the problem of the rate of exchange in America being against our British capitalists.

Because in New York there are many more parasites with bills on London to sell than there are others who want to buy them, reams of paper and gallons of ink are used to try and prove to us that not only is the remedy in our hands, but that it is to our interest to remove this difference.

Increased Exports No Remedy.

And how is this to be done? Obviously if buyers could be created for those bills then the rate of exchange might be equalized. To do that, or reverse the situation, more foreign buyers for British-made goods are wanted. But since the capitalists in other countries are all more or less in the same boat, the question finally resolves itself into a competition for cheapness, since only by cheapness can the foreigners be induced to buy.

Here then is where we come in. As things are arranged *today, production is carried on for profit.* Each capitalist or group of capitalists—and, this applies in all countries—wants to be the only sellers of the commodities which our class produce, but which our masters own. To be able to do so they must be continually devising methods of reducing the cost of production, hence the desire for more and more machinery, the opposition to trade unionism, the slandering of you and I and our fellows generally because we refuse to allow them to use us like doormats or horses.

But even if we did so, and by reason of our stupidity and docility, exports so increased as to turn the scales against the "foreigners," would it in any way solve our problem? Not a bit of it. As a matter of fact we would be cutting off our noses to spite our faces.

Cheap production for you and I and the class to which we belong means cheap food, clothing, etc. That means in the competition for jobs we can sell ourselves cheaper. In any case the badge of slavery remains as pronounced and degrading as the red patch on the back of a German prisoner of war.

Our problem does not begin or end with rates of exchange, bills on London or other difficulties of capitalism. You can leave these gentlemen to look after their own business. What you would be well advised to do is to pay attention to YOUR own business, and that is the problem of wages slavery. Not how you can merely ease it, but how you can abolish it. To abolish the wages-system of capitalism is the only remedy, and it is in your own hands.

T. B.

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

AN ATTEMPT TO REACH MOSCOW.

Impressions of Soviet Rule.

On the Esthonian Front.

I send through Reval the bare outlines of my attempt to reach Moscow with two other men, which ended at Velike Luke, one train stage from Moscow, where we were turned back through what I believe to be the incredible folly of our leader, a Finn. It was a trying experience, but very useful, and I hope the next attempt will be completely successful.

Finding difficulty at Pskoff, we returned to Isborski, got to the lines with much toil, crossed, and were sent to Ostrov, Rezhitsa, and finally Velike Luke. Going and returning we crossed over a good half of the government of Pskoff. We passed through the out post lines and brigade and divisional headquarters, stayed in one town, and travelled on foot, by lorry, by horse, and used the railway for hundreds of versts. I talked to commissaries, officers, soldiers, istvostchiks, peasants, and women. For nine days we were prisoners of the Bolsheviks; yet we were treated with the greatest consideration.

Amused at Western Opinion.

The soldiers in this sector were mostly Communists, and were in hard condition, well fed, equipped and armed. The officers of the outpost company and the brigade were men of the intellectual class, with the manners of gentlemen and the sympathetic consideration of men of the world. To us, who had dropped on them from the clouds, they were kindly, even generous, and they were intensely amused at the opinion of them held by the Western world. No British officer could have behaved better, and the responsibility for our failure does not lie at their door.

Discipline seemed weak at the outpost, but an attack was made while we were there, and in a few minutes every man was at his post without comment. Elsewhere the discipline was stiffer, and the old military tribunals are re-established. Men conscripted from the land go unwillingly, and are the weak spot in the Bolshevik army, which yet contains two million well-trained men.

Food in Pskoff is bad and very dear, but elsewhere the people are not in bad condition, in spite of food prices, and beggars are no more numerous than in pre-war days. The story that the peasants refuse to work the land is in this sector quite untrue. The crops are vast, in excellent order, and nearly ripe. There is clearly resentment among the peasants, but they work even in the lines with complete indifference. In Ostrov, the bourgeois are hostile, but submit, and all work for the Soviet.

Well-Managed Railways.

The railways are well managed, and the permanent way and stations are in good order. The rolling stock and engines are worn but carefully mended and used. Military traffic amounts to 95 per cent. of the whole. It is a triumph of organization, pointing to able and constructive administration both of the railways and the military. The private shops in Ostrov are largely closed, but there are two stores of the Soviet, formerly co-operative stores. A bath costs nothing. The theatre is open, and is packed with townsfolk.

The whole appearance of this countryside is so different from the fantastic descriptions given in the West that the shock of disillusion is great. The general impression I gained is that the governing administration is a strongly organized Communistic system, changing according to force of circumstances. The weak points are the land question and the unwilling conscripts, but the ring of enemies only stiffens the internal resistance and helps Bolshevism. Petrograd will never be taken by the North Russian Corps nor Moscow by Kolchak or Denikin.

Wm. T. Goode.

The League of Nations *Ten Minutes' Talk With the Workers*
The Fall of the British Pound

THE RED FLAG

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

VOL. 1 NO. 37 VANCOUVER, B. C., SATURDAY, OCTOBER 4, 1919 FIVE CENTS

PROFESSOR LEACOCK RIDDLED

His Straw Socialism Exposed

"WHO is there," says Professor Leacock, "that has not turned at times from the fever and fret of the world we live in, from the spectacle of its wasted energy, its wild frenzy of work and its bitter inequality, to the land of dreams, to the pictured vision of the world as it might be.

"This vision," continues the professor, "is the outcome of that divine discontent which raises man above his environment."

Divine Fiddlesticks! This practice of attributing the cause of certain observed phenomena to the interposition of a "divine" something or other is feeble enough in all conscience even in those cases where the sought for cause is not evident. But in such an instance as quoted above it becomes rank nonsense. If the professor is really concerned with discovering the cause of the vision he refers to, he need look no further than his own opening sentence. This "vision" of a better state of affairs to which the professor refers is very aptly so described. It is a vision, a mental vision. It is something which, so far as we know, has never existed save in its mental visionary form. It is an idea, an ideal, and as such is the direct outcome, the reflex; not of any "divine discontent," whatever that may be, but of those very material conditions which, in the professor's own words, are a complex of "wasted energy," "wild frenzy of work" and "bitter inequality." Such a vision experienced by a few isolated individuals might be the outcome of a disordered mind or an overworked stomach. But a vision as widespread as the one in question is admitted to be a social vision, a social ideal, and forecasts just such a social movement as the professor has ere this, in an unguarded moment, perhaps, ventured to interpolate in the light of the Materialistic Interpretation of History.

We are inclined to be indulgent toward Mr. Leacock. He is better known to us as humorist than as a sociologist, and we feel free to confess to a fondness for his quaint humor, traces of which we seem to discern in some of his remarks on economics. But this "divine discontent" stuff is beyond a joke.

It would seem that in this fifth chapter of his series, in which he at last comes to close grips with what he apparently imagines to be Socialism. Professor Leacock is more than ever inclined to merge the professor of economics in the writer of short stories. No small part of the art of the fictionist is the writing of enphonious nothings, smoothly flowing sentences and well-rounded periods which mean—nothing. "The earlier Socialism," says the professor, "was a plan to make all poor together. Modern Socialism is a plan to make all rich together." This certainly sounds very nice. It is just the sort of epigramic utterance which certain types of writers so delight in. But does it mean anything? If it correctly describes the old Socialism and the new, then the difference which Mr. Leacock seems to see between them does not exist. If he had given the matter just a little thought he would have seen that "rich" and "poor" are relative terms, that there can be no poor without rich, and no rich without poor, any more than there can be a north without a south, or a south without a north, or a top without a bottom, or a left without a right. So that obviously if all the members of society were on a level financially there would be no rich and no poor, and thus the good professor's statement turns out to be utter nonsense.

Apparently Mr. Leacock desires to create the impression that the Socialists propose to reduce all the members of society to a dead, monotonous level. Nothing could be farther from the truth. In the first place the Socialists do not propose to reorganize society in any way. They do, however, predict that the time is close at hand when society will be compelled to reorganize itself. And they hope that, when that reorganization has taken place, those "bitter inequalities," which even Professor Leacock can not bring himself to deny, will be conspicuous by their absence. They are confident, moreover, that if society is sufficiently informed as to the causes of those "inequalities" that the reorganization will indeed have the effect they hope for. Consequently, the Socialists stand for the fullest and widest dissemination of knowledge concerning social laws and phenomena. Professor Leacock, judging by his efforts to date, is disposed to hinder rather than to help in this. For reasons best known to himself he does not think the public are to be trusted with the truth.

After telling us that the "vision" which he conceives to be Socialism is the outcome of "divine discontent," the professor, in the very next paragraph proceeds to completely stultify himself. "Modern Socialism is the direct outcome of the age of machine production. It takes its first inspiration from the glaring contrasts between riches and poverty presented by the modern era, from the strange paradox described above between human power and its failure to satisfy human want."

Indeed! This is a very different thing from "divine discontent." Does the professor really know what impression he wishes to convey? Does he wish to convey anything at all intelligible, we wonder, by the whole of chapter five, except that Socialism is no good? If, as it would seem, he is concerned only with discrediting that peculiar hotch-potch of befuddled nonsense which he presents as Socialism, we could supply him with a number of excellent arguments for that purpose none of which he appears to have any knowledge of.

Modern Socialism is indeed the outcome of the machine-age, and all that that age brought with it. But this is Materialistic Interpretation with a vengeance. What can the good professor be thinking of? Or perhaps he says these things without thinking. Murder will out.

Again, referring to the passing of Feudalism, he says, "the rise of the new machine-power had dislocated the old system." Not the selfish aspirations of the rising bourgeoisie, mark you, nor their plots and intrigues and incitements to rebellion against the old order, but the "rise of machine-power." In that short sentence the professor reveals an ability to look beneath the surface of events and a complete endorsation of the Materialistic Interpretation, which is truly remarkable—remarkable, that is, in a man who can so easily cast it aside when it endangers his argument. "The writings of Marx and Engels," admits the professor, "were inspired by what they saw around them," and not—mark well—not by "divine discontent."

There are occasionel passages in these articles by Mr. Leacock which suggest that he could write some really good stuff if he were not a professor with a certain social standing to lose by writing the truth as opposed to the prospect of financial gain for writing nonsense.

In other passages he contents himself with merely suggesting, implying by a sort of taken-for-granted attitude, that certain things are other than Socialists conceive them to be. For instance: "the Christian churches were to them (the early Socialists) merely the parasitic servants of the tyrannous power of a plutocratic state." If Mr. Leacock were more sure of himself or of the confiding simplicity of his readers, he might tell us how, in view of the attitude of the Christian churches during the recent war, he would go about rebutting the charge that they are "parasitic servants of the tyrannous power of a plutocratic state." If he could find no fault in the attitude of the Christian churches in Allied countries what does he think of the attitude of those same churches in enemy countries? Mr. Leacock makes no attempt to clear up this point. And he is wise. For he is without a doubt quite well aware that the attitude of the Christian churches not only during the recent war but throughout the whole of their history as state religions, pleads guilty, unblushingly, to the charge. Might we suggest that it would have been if not wiser at

(Continued on Page Five.)

For the Defence

A Mass Meeting will be held in the Avenue Theatre, Main Street, Vancouver, on Tuesday, Oct. 7, at 8 p.m. Johns, Bray and Pritchard will be the speakers.

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