

# The Term "Use-Value" in Economics

## For the Defence

"USE-values," says Marx, "become a reality only by use or consumption." That is to say, the utility of an object depends on its power to satisfy some human want and that there is thus established an actual relationship between these external objects and human beings. There is the useful thing and the individual who uses it. We may therefore consider use-values from two points of view. First, the objective, which refers to the properties and qualities, chemical and physical, of the object, its form and its position in space and time. Secondly, the subjective, which concerns the wants and desires of man and the satisfaction he experiences in the use of the object. It may be well to note here that it is the first point of view which will be emphasized, where it is a question of production. In capitalist society the manufacturer is not concerned about the individual satisfaction or desires of people; he is producing for profit, not use. True enough, the things he produces must have some use, real or imaginary, so that people will buy them; but this is a secondary consideration so far as he is concerned. On the other hand, the subjective point of view naturally connects itself with the idea of consumption. For this reason many bourgeois economists begin their study of economics by a consideration of the facts of consumption rather than production, believing, as many of them apparently do, that this particular point of departure is of advantage to them in their role of apologists for capitalism. As a matter of convenience, I shall use the term "utility" to signify "use-values," subjectively considered.

Necessities and wants, every individual has. These wants are back of his desires, his efforts and his satisfactions. It may be said that the want gives rise to the desire; the desire leads to the effort, and satisfaction follows the successful effort to appropriate the material things of nature. It is usual at this point to enumerate the various characteristics of these wants.

(1) They are unlimited in number and, considered as a whole, are never satisfied. This is increasingly true as man progresses in knowledge and culture. Civilization may be said to consist of just this multiplication of wants and the development of the means of satisfying them.

(2) Wants are limited in capacity. That is to say that, at any given time, only a given quantity of any one object is enough to satisfy any particular want. Further, the want becomes less intense in proportion as it approaches the point of satiety. Upon this particular characteristic is founded the law of "diminishing utility." This law I shall take up presently.

(3) Wants compete with one another, that is to say that a man has a certain choice among those things he desires and may distribute his efforts in such a way as to obtain the greatest possible satisfaction commensurate with the effort expended. Upon this characteristic is founded the "Law of Substitution" which is somewhat important in that it acts as a limit on monopoly prices. In case these prices become oppressive one utility may be substituted for another, as, for instance, coal-oil for electricity.

(4) Wants are complementary, that is, they necessitate others and lead to the development of still others. For example, the automobile has brought about the introduction of a number of subsidiary utilities and industries for supplying them.

(5) Wants tend to become habitual. Even when more or less artificial they become fixed and pass into habits. In this way we may account for the growth and stability of the standard of living which is so important a factor in the determination of wages.

Desirable things, things which satisfy wants are called "utilities." I shall here quote from Prof. Stanley Jevons.

"Utility, though a quality of things, is no inherent quality. We can never, therefore, say absolutely that some objects have utility and others have not. The ore lying in the mine, the diamond escaping the eye of the searcher, the wheat lying unreaped, the fruit ungathered for want of consumers, have no utility at all. The most wholesome and necessary kinds of food are useless unless there are hands to collect and mouths to eat them sooner or later."

Now then, as the utility of the object depends upon the want, it follows that it must vary according to the intensity of the desire occasioned by that want.

This is where Jevons brings in his famous water illustration which, as I have not his book by me, I shall give in the words of Prof. Charles Gide of Paris.

"Let us suppose, for example, that the quantity of water that I have at my disposal daily is distributed into a number of buckets. The first bucket is to serve for quenching my thirst; it will have a maximum utility. The second is to serve for cooking purposes; its utility will be less, but still great. The third I shall use for washing myself; its utility will be less still. The fourth is to be given my horse to drink, the fifth is to water my dahlias, the sixth to wash my kitchen floor, and the seventh is of no use to me at all. I shall not even trouble to draw it from the well. And if some evil genius were to amuse himself by bringing me a tenth, twentieth or hundredth bucket, till I was nearly deluged, not only would these last not be useful, but they would be a positive nuisance. These buckets, therefore, offer a complete gamut of diminishing utility, from infinity to zero and even below. Now then, no one of these buckets of water can have a higher value (use-value) than is measured by the utility of the last one which it was worth while to draw, so long as they are freely obtainable. . . . Let us now, therefore, put out of our minds all idea of the order of the buckets, as the numbering of them was resorted to only to help out our proof, and is no longer of any use. For it is evident now that all the buckets are identical and interchangeable, and that consequently they have all the same value, (use-value!) This value is precisely that which corresponds to the last want satisfied or frustrated."

Each unit, in this case a bucket of water, of the product or commodity consumed is called an increment of supply. The utility of the first unit, which in this case is absolute is called the initial utility. The potential utility of an increment not actually possessed or consumed is called the marginal utility. It will be noted, however, that in the example, we have assumed that the consumption of water is carried to a point beyond which further consumption would give no satisfaction, and therefore the marginal utility in this case is 0. But if we had assumed that the consumption had stopped at bucket 3 or 4, as the case maybe, then the marginal utility of the consumption would be represented by the utility of that particular unit.

Final or marginal utility must be carefully distinguished from total utility. The latter consists in the sum of the utilities, added together, of all the buckets of water, and is, therefore, always much greater than the utility of the last alone. This is why the total utility of water is immense, although the utility of a single bucket of water may be very small. I shall wind up this part of the proceeding by stating the law of diminishing utility in the words of Prof. R. T. Ely of Wisconsin. "At any given time the marginal utility of any commodity to its owner decreases with every increase in the stock of it."

Next week I shall take up the alleged connection between this concept of utility and exchange value.

GEORDIE

THREE of the men, Pritchard, Johns and Soldier Bray, charged with seditious conspiracy by the Canadian Government are at present in British Columbia, and will address meetings at various places in order to put their case before the people. In fairness to these men and the rest of their comrades, all who can should attend their meetings, because their case has been most vilely misrepresented by the capitalist press as part of an organized campaign, fostered by capitalist interests, to prejudice the people against them. The movement to convict these workers is but a part of a larger, more ambitious program to reduce the working class movement in Canada to impotence; to shear its strength and virility at a time when strength and virility were never more needed.

The present day British law has been built up gradually on hundreds of years of experience. During this time, purely bourgeois parliaments, jealous for the safety of all the prerogatives of their class, have labored to add measure upon measure and amendments to measures to the statute books. The greatest legal minds for centuries have been exercised in eliminating weaknesses and establishing the strength of the legal structure by building precedent upon precedent. In addition to all this accumulated composite structure of thou shalt and thou shalt nots, the bourgeoisie government in Ottawa have at their command all the coercive power of the centralized capitalist state. This power they have used, overstepping even their legal powers ruthlessly, in their anxiety to procure evidences to secure conviction. Arrests without legal warrants, searches of premises without warrants, the seizure of literature, account books and correspondence without request or acknowledgement, the secret examination of the mails, the intrusion of stool pigeons into the confidence of those in the working class movement for the purpose of reporting every scrap of private conversation or of public address which might be construed against them, with all these advantages and more in the hands of the prosecution, yet the case against these men is so weak that the interests seeking their conviction must trample under foot every last canon of fair dealing that associated men must observe to preserve that status of existence. The almighty power of the press is invoked and even the farming district from which the jurymen must be drawn is flooded with anonymous leaflets, villifying the men and the ideals for which they stand. How then shall these men escape the toils woven around them? The only way is for the people to move in their behalf. But to reach the people, to correct their misconceptions! The Socialist and labor press reaches but a fraction of the people. And yet withal in spite of obstacles, we can not desert these workers in the working class cause. To do that would be an assault on the fundamental principle of class solidarity. Let us look back over the pages of history for our guide. Who are those whom we most delight to honor? Is it not those who fought bravely even against great odds; those who attacked their problems with energy and courage? For those who were laggard or laid down in the fight, they have our contempt and condemnation. Be assured these sentimental regards are sound and true, because they are man's serviceable reactions to the conditions of his age-long successful struggle for existence. Support these men by spreading the truth about all the circumstances surrounding their case. Support them in every way possible.

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# "THE UNSOLVED RIDDLE"

## IV.

Professor Leacock in the fourth installment of his papers on the social problem continues his analysis of the capitalist method of production. He argues on the theme that the capitalist system as at present organized does not furnish a basis of justice between man and man. He shows that far from each man getting what he produces, he gets instead "what he can extort or exact under the rules of the game." The race is to the economically swift and strong. He abundantly shows that this is not due to the wickedness of men, but is due to the basis upon which the present social organization of production and exchange is raised, i.e., production for sale. He explains that all men live by selling something, the capitalist his commodities, the wage worker his labor power. In former articles he has denied the existence of an effective law of value governing the production and exchange of commodities and has substituted for it, bargaining power based on economic strength. Instead of each man getting what he was worth as a contributor to the productive process as the bourgeois classical economists said he would get under the regime of "natural liberty" and free competition, he on the contrary gets what he can. The result is a perpetual internecine conflict of interests between all the individuals and again between all the various groups in society, and this obtains whether under absolute free competition or whether under monopoly control of economic elements, as of means of production by trusts or, on the other hand, of labor power by labor organizations. We may point out again that the law of value which he says is ineffective, is the defective or undeveloped one of the classical economists, the fundamental possibilities of which, in the hands of Marx, he seems to be unaware of. Unconsciously, though, he, in his argument, acknowledges the law, for as a result of the higgling on the market, he says, "One party, in the transaction, arrives at a point where a limit is reached of what the other party to the bargain can exact." This statement, on examination, can only mean that over a period of time, allowing for the fluctuations of prices, that, on the whole, the parties to the bargain must get value for value or they must cease production. What actually happens is, that in those spheres of production where profits fall, capital begins to withdraw out of them to be reinvested where profits are higher. The resultant withdrawal of capital causes a reduction of supply and consequently an increase of price and so higher profits. In the case where profits are already high the influx of new capital increases supply and reduces prices and profits. Thus the whole of the reaction in this process tends toward an equilibrium of prices approximating value, or to an equality of exchange in values based upon the socially necessary labor time involved in the production of the commodities.

Referring to the generality of his frank criticism of the capitalist system of production, and specifically that part where he explains that production under it must necessarily be curtailed at the point of the selling price of profit and short of the satisfying of human wants, he says: "The socialist reads such criticisms as the above with impatient approval. 'Very well,' the socialist says, 'the whole social organization is wrong and works badly. Now let us abolish it altogether and make a better one.' But in doing so he, the socialist, begs the whole question at issue. The question at issue is, 'Can we make a better one or must we be content with patching up the old one?'"

The professor then presents an analogy, to the defective social organization, from the point of view of optics, in the defective organization of the human eye, and implies that the socialist offers in his social program total blindness as against the

spectacles of the social reformers. All of which, we may say, is begging the question with a vengeance. No doubt the professor realizes the limitations of an analogy and that it is merely illustrative of an argument and does not in itself take issue with the points in dispute. And granting the Socialist does say abolish the old system and make a new one, which by the way he does not say, how does he beg the question, when as Professor Leacock states, the making of a new order is the question to be considered in conjunction with the alternative possibility of patching the present system up? Does he presume to think, or is he just peddling vulgar anti-Socialist propaganda and he wishes other people to think so, that Socialists urge the abolition of the present system without having first considered the possibility of reforming it? If he does so, it is a baseless assumption and he knows it. Take away the contribution of the Socialists during the last hundred years, both of the modern scientific school and the earlier Utopian school, so-called, from our present body of critical thought, and you have nothing left but a few sycophant shreds and patches of apologies for human slavery. He knows that, and so do the scores of professors and teachers of economics who have, in the last year or two, been fired from the universities and colleges of the United States alone for being intellectually honest enough to refuse to teach other than Marxian economics. He also knows that students are refusing, in always greater numbers, to take up that profession in preference to sacrificing their intellectual integrity.

Referring to the statement that Socialists propose that society "make" a new social organization, we deny that we say any such thing. On the contrary, we say that social organizations are things of organic growth and development. The

social theories of the early classical economists were approximate truths to the stage of development of their day. The mistake they made was in ascribing to them eternal validity. They mistook merely temporary social laws of a fluid form of society for the eternal laws of the comparatively static natural world. Their eternal truths have, with the advancing development of the means of production and because of that, become monstrous untruths. Could it be correctly stated of the bourgeoisie in their some two hundred year contest with the beneficiaries of the feudal order that they proposed to "make" the social organization of today. Yet what was it they accomplished? In effect they freed the economic processes, means of production, trade and commerce, from feudal restrictions and monopolies, and instituted such measures as favored their development. To do this latter, they had first to seize political power from the landed interests. From our day, viewing the historical changes which took place as a result of this in the political superstructure of society, they present themselves as adaptations to the needs of the changing economic base. And that is all that can be done insofar as conscious and voluntary effort towards social progress is concerned. Capitalist control, as formerly the feudal lords, is now a fetter on the productive processes, as Professor Leacock has himself abundantly shown and this last five years experience also more abundantly still. Socialists say that to force the productive processes, the means of production must be socially owned for use and not as at present, owned by a class for the anti-social exploitation of man by man and of which springs poverty, economic and political subjection and such wars as the world has just passed through. In his next installment, Professor Leacock deals with the proposals of the Socialists and the Revolutionaries.

## The Abolition of Class Control

(From the "Communist Manifesto.")

The immediate aim of the Communists is the same as that of all the other proletarian parties; formation of the proletariat into a class, overthrow of the bourgeois supremacy, conquest of political power by the proletariat.

The theoretical conclusions of the Communists are in no way based on ideas or principles that have been invented, or discovered, by this or that would-be universal reformer.

They merely express, in general terms, actual relations springing from an existing class struggle, from a historical movement going on under our very eyes. The abolition of existing property relations is not at all a distinctive feature of Communism.

All property relations in the past have continually been subject to historical change consequent upon the change in historical conditions.

The French Revolution, for example, abolished feudal property in favor of bourgeois property.

The distinguishing feature of Communism is not the abolition of property generally, but the abolition of bourgeois property. But modern bourgeois private property is the final and most complete expression of the system of producing and appropriating products, that is based on class antagonism, on the exploitation of the many by the few.

In this sense, the theory of the Communists may be summed up in the single sentence: Abolition of private property.

We Communists have been reproached with the desire of abolishing the right of personally acquiring property as the fruit of a man's own labor, which property is alleged to be the ground work of all personal freedom, activity and independence.

Hard-won, self-acquired, self-earned property! Do you mean the property of the petty artisan and

of the small peasant, a form of property that preceded the bourgeois form? There is no need to abolish that; the development of industry has to a great extent already destroyed it, and is still destroying it daily.

Or do you mean modern bourgeois private property?

But does wage-labor create any property for the laborer? Not a bit. It creates capital, i.e., that kind of property which exploits wage-labor, and which can not increase except upon condition of getting a new supply of wage-labor for fresh exploitation. Property, in its present form, is based on the antagonism of capital and wage-labor. Let us examine both sides of this antagonism.

To be a capitalist, is to have not only a purely personal, but a social status in production. Capital is a collective product, and only by the united action of many members, nay, in the last resort, only by the united action of all members of society, can it be set in motion.

Capital is therefore not a personal, it is a social power.

When, therefore, capital is converted into common property, into the property of all members of society, personal property is not thereby transformed into social property. It is only the social character of the property that is changed. It loses its class-character.

### MANIFESTO OF THE SOCIALIST PARTY OF CANADA

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# Two Basic Ideas

(The Socialist Standard, London)

The ruling idea in society today is accumulation: Production for the sake of further production.

Everything is subordinated to this great end. New machines are invented, new methods devised and introduced so that wealth may be produced in still greater abundance. Brains, muscles, lives and honors (!) are all thrown into the melting-pot in the feverish rush to produce and accumulate.

The scientist spends his life enquiring into and systematizing the laws of nature, and the fruits of his industry is applied to the stimulation of commercial development. All discoveries of the laws of nature become levers to increase wealth production.

With the introduction of the machine came the almost complete extinction of a workman's pride in his work. The machine did everything and man became only the feeder, the slave, that jumped here and there according to the requirements of the colossus.

Instead of lightening the labor of the worker, machinery has intensified his toil. It has brought him to work at all hours, and kept him working at full pressure all the time. For it has provided the unemployed.

In times gone by, men produced the vast bulk of the wealth, but the coming of the machine harnessed the whole family—men, wives and children—in the process of wealth production. The oft-repeated phrase, "the sanctity of the family hearth" is a myth circulated by the scribblers and henchmen of our masters.

At all costs the rush and hurry of production must be kept up. A breakdown in machinery is the only thing that permits a suspension of the process, from the point of view of our employers. When an accident occurs in a mill or factory, involving the injury or death of workmen, do the works close down temporarily for consideration of the catastrophe that extinguished for ever the trials and troubles of certain workpeople? The injured are (sometimes!) taken away to the infirmary, but the work goes ahead as before—machinery must not be idle for a single moment longer than is absolutely essential, as idle machines lessen the amount of wealth produced, and hence the amount of profit. In modern production workers' lives are of no account. The death of one workman but leaves a vacancy for another to fill, and there are always plenty at the factory gate to fill any vacancy that occurs.

Now what is the reason for this fever on produce and accumulate? What is the reason at the bottom that gives the stimulus to the industrial rush?

The answer is given in the reports in the press relating to dividends. Here you find so much per cent. dividend distributed by various concerns. These dividends are titles to certain proportions of the wealth produced. These dividends go into the pockets of a certain class. Broadly speaking, the greater the amount of wealth produced, the greater is the quantity available for distribution to the dividend holders.

The people entitled to dividends are those who invest money in a concern. Do the workers invest? Of course not. The worker receives in the form of wages only what will keep him in varying degrees of comfort—or poverty, to enable him to continue working and reproduce his kind.

The people who draw the dividends are those who by ownership and control of the means and instruments for producing and distributing wealth reap the fruit of the workers' toil, viz., the capitalists.

In spite of the profusion of wealth resulting from the application of machinery to production, there is, as a notorious Welshman once said, "a

greater poverty in the aggregate in the land today than there has ever been." The rich grow richer and the poor poorer. The greater the wealth the greater and more widespread the poverty. The poor are the wealth-producers—the working class. The rich are the wealth owners and idlers—the capitalist class. The workers are poor because the capitalists own the wealth produced.

We read in reports of the business at the Coal Enquiry that certain individuals draw hundreds of thousands a year in Royalties—for what? For working? No! They haven't soiled their hands in that vulgar pursuit all their lives. They drew the royalties because they chanced to be the offspring of certain landowners. In other words, because they were born into the charmed circle of the capitalist class.

As wealth is privately owned today, then the greater the accumulation of wealth, the more luxury and splendour there will be for the private owners—the capitalists. This is the cause of the ceaseless whirr of the machine; this is the reason accumulation is the prevailing idea or aim throughout Capitalism.

The ruling idea of the system advocated by the Socialist is production for the sake of consumption; production organized to satisfy the requirements of all the members of society. Instead of aiming at "an immense accumulation of commodities," the Socialist aims at an immense accumulation of comfort and happiness distributed over the whole of society.

In the existing state of things there is social production but individual appropriation. The Socialist would abolish this contradiction and substitute Social appropriation of the Social products.

Under Capitalism the laws of nature have been harnessed to industry. Steam, gas, and electricity have shown their capacities as prime movers. The transmitting mechanism and the tool have been developed to a marvellous pitch of perfection. The development in the co-operation and division of labor have reached a point where each need only perform a simple function in the vast and complicated mechanism of production.

Capitalism has shown us that wealth can be produced in abundance with a comparatively small expenditure of time and energy on the part of each of us. It has, therefore, performed its historic mission and signed its death warrant. It remains for us to profit by the lesson it has taught.

An organism must adapt itself to its environment or perish; the same is true of a given state of society. Capitalism can not control the forces it has brought into being, therefore it must perish, and a new society will arise out of its ruins. The various commercial crises that occur at intervals due to the breakdown of the gigantic system of credit; the increasing vastness of each succeeding war; the multitude of varying devices that fail to assuage the seething mass of (largely blind) discontent; and the many other incidents of common knowledge, all show that Capitalism is steadily staggering to the breaking-point.

So long as the vast capacities of modern production are under the control of one class, and are used for the aggrandisement of that class alone, we will have the strange spectacle of poverty in the midst of plenty—a society of wealthy idlers and poverty-stricken workers.

We must, therefore, take advantage of the lesson Capitalism teaches, organize for its overthrow and the introduction of Socialism if we would abolish poverty for ever. The means lie ready to our hand provided by the capitalists themselves—the capture of the political machinery which sustains the capitalists in their privileged position.

GILMAC.

## PRODUCTION FOR DIVIDENDS.

(From "Justice," August 21.)

Under the company form of production, profits are nowadays expressed in terms of dividends. The company form makes it an easy matter to hide real profits, and the ignorance of the general public on financial matters makes it still more easy to show that not much "per cent." is being made. It may be said that, on the contrary, public companies have to disclose their balance-sheets. Just so. But the facts lie hidden, not so much in the amount of the net profit, but in the amount of the "subscribed capital." How this capital is made up may be ascertained at Somerset House; but how many people have the facilities to obtain this, or even the knowledge of how to go about getting it? The only thing the public as a rule sees, or knows, is how much "per cent." is being paid.

A large proportion of subscribed capital is usually paper capital, being described as "vendor's" shares. There are any number of companies who pay an innocent-looking 6 per cent.; but if this were reckoned on the actual cash capital put into the concern, it would represent anything from 50 per cent. to 100 per cent. It is only the small shareholder the man who invests his \$250 or \$500, whose return is but 6 per cent. The big holder, often the founder of the company, trading on the money of these small investors, draws 6 per cent. on his thousands of paper shares.

Socialists always have the case of the small shareholder put to them when dealing with the matter of nationalizing industry. But the small holder's interest is more bound up with the interest of the workers than it is with the big capitalist. He is just as much a victim as the employee. His small capital is used to trade with, and for it he gets but a small return, while the big holder draws his thousands.

### Hoodwinking the Workers.

Profits have increased, and are still increasing to such an extent that even the capitalists are getting alarmed. To keep the knowledge of this from reaching the public, bigger efforts are being made to hide the real facts. In the June issue of "The Secretary" appears the following in an article entitled "Capitalizing Reserves:"—

"There has in recent years been a marked tendency among industrial and certain other companies to dispose of large reserve funds . . . by their capitalization in the form of bonus shares, issued to shareholders pro rata to their holdings.

"Why should there be this change of view towards a principle which . . . was frequently the subject of adverse comment by financial critics?

"In the first place, the instinct of self-preservation has undoubtedly been a contributing factor.

High rates of dividend naturally have the effect of attracting competition to the industry concerned; but this is a minor matter by comparison with the envy which big dividends excite in the breast of Labor, which ignores the fact that past reinvestment of shareholders' profits alone made the high rate possible. In this respect, therefore, the capitalization of reserves is a movement in the direction of least resistance. It is much more simple to keep the rate of dividend low than to attempt to prove to a body of employees that a high rate of dividend is really a low one."

Here we have the policy of making the dividends appear small advocated openly and unblushingly. "It is easy to make the dividends appear small." Quite so. And some of the big companies are already doing it. Two big shipping firms have recently held meetings for the purpose of converting accumulated reserves into shares for distribution among the shareholders. The percentage of dividend will thus remain low, but the actual profit paid will be bigger in proportion to the increase of paid-up capital allotted to the holders.

## LITERATURE'S ECONOMIC SUBJECTION

On noting the articles and illustrations in the capitalist press, one is unpleasantly reminded of that class dependence which has produced mental prostitution in all times. Throughout the ages this form of servility has assumed various forms, some of which are now almost extinct, while others, some new and some old, still bloom in all their vigor like fungus rooted in decaying matter. Buckle tells us that, "in England the practice of dedicating books to wealthy patrons fell away about the middle of the eighteenth century. The gratuities to authors used to vary from forty shillings to about one hundred pounds, and the grosser the flattery, the larger the sum. The cause of the dedication was the lack of support capable of being received from the common people, who were too ignorant to take advantage of the uses of literature, whose style moreover was then so cumbersome and difficult to understand that only the very highly educated could enjoy it. But about this time political newspapers arose and a sharp struggle broke out between them and the two Houses of Parliament, regarding the right of publishing the debates. In the end, both Houses, though aided by the Crown were totally defeated and the people were able for the first time to gain some acquaintance with national affairs. Hence through this expansion of the literary market authors could now afford to be more virile and independent.

"In Scotland, Robert Burns (1759-96) much as he desired to, was unable to free himself of the practice, (of appealing for patronage.) Under pressure of poverty he was obliged to accept a situation in Jamaica, but money being lacking for the expenses of the voyage, he had decided on publishing his poems by subscription. In this edition of his poems, the author, while most sincerely thanking his subscribers, advises them that this is his genuine gratitude and "not the mercenary bow over a counter." A copy of this edition having reached an eminent Edinburgh literary man, he prevailed on Burns to try his fortune in the Scottish capital, and bring out a larger edition of his works. This he did and again was compelled by circumstances to submit to the dedication degradation. This time it was "the noblemen and gentlemen of the Caledonia hunt," whom, however, he assured "though much indebted to your goodness, I do not approach you, my Lords and Gentlemen in the usual style of dedication, to thank you for past favors; that path is so hackneyed by prostituted learning, that honest rusticity is ashamed of it. Nor do I present this address with the venal soul of the servile author, looking for or continuation of those favors: "I was bred to the plough and am independent." With part of the £500 he gained by this step he finally settled down to family life on the farm. But his past experiences as a celebrity, combined with the Bohemianism that goes with the true poetic temperament, hampered his success as a farmer, while as a literary man with influential patrons, a soft Government job was the then natural sequence of affairs. However, the poet's political independence stood in the way, this, indeed, nearly resulted in his losing even the paltry situation he finally obtained, that of an exciseman or gauger at fifty pounds a year. In one of his political epistles to the man who was instrumental in drawing him to the capital, and informing him of this position he says, "I ha'e a wife and twa wee luddies" and shamefacedly adds, "Ye ken that strang necessity supreme is among sons o' men."

That is the root of the trouble, "Strang necessity." From the big city capitalist daily to the village weekly "Disturber" or "Painkiller," the sinking of individuality that must be endured to capture the elusive Advt. and the acceptance of witless local "news" and tactless personalities that

## WHY A LABOR COLLEGE?

(Continued From Page One.)

torn away from its true function, education is one of the forces by means of which the capitalist class is able to enforce its dictatorship over the masses. Every educational body in this country subsidized, directly or indirectly, by the ruling class to teach social science is a weapon of reaction. And in the measure that the class consciousness of the workers is stimulated to revolutionary action, and is guided and balanced by our educational activity, so in the same measure the ruling class will frantically build up opposing educational movements to oppose us. Herein lies the explanation why the press, the parliamentary profiteers, the financiers and their Laborist dupes are now booming Buskin College and the Workers' Educational Association. These two institutions deny the existence of the class struggle and contend that in the conflict between Labor and Capital they occupy a neutral position. In so far as they adopt this posture, they are dangerous instruments of reaction. Neutrality is the argument used by the present Government every time it smashes a strike and drafts troops into strike areas during a struggle between Capital and Labor. There can be no neutrality between Capital and Labor. Every politician, newspaper or educational body which proclaims its neutrality regarding the class struggle merely uses that term as an ambushade from which to attack the working class. The ruling class is much too cunning to proclaim its opposition to Labor, consequently it camouflages its hostility behind the phrase—neutrality.

The modern revolutionary movement of the Third International has devised its own code of tactics in the political and educational field. It carries its revolutionary tactics into the sphere of education, too. It refuses on the industrial and political field to compromise with the traditional policy of the masters or their allies in the Labor movement. As an avowed and uncompromising revolutionary movement it has, therefore, created its own industrial and political policy. And it must, in sheer consistency to its revolutionary outlook, and in keeping with its methods and tactics, create its own educational policy. That educational policy realizes that history has been but the record of class struggles. That educational policy shows that there can be no harmony of interests in modern society between Labor and Capital. The revolutionary working class movement has a true and scientific conception of history and economics. We challenge the other educational institutions to deny that their teaching of history and economics is biased in favor of the present property-holding system. And we need not go far in order to prove our case. The Saturday Review (July 26, 1919,) indicates our position. It attacks a mild and inoffensive Laborist intellectual, one who opposes Marxism as much as he dreads revolution, because he has been appointed as a lecturer in economics in one of the Oxford

fill the columns so efficiently at little or no expense, while the boss tells the two-thirds to "set up that junk"—enough on that subject it is too painful.

And the moral of it all? Well, whether or not they have the right, they who pay the piper will insist in calling the tune, and in ninety-five cases out of a hundred, the piper will play to please them. But, if it was a limited change in both mental and material conditions that emancipated British authors from one form of prostitution—the dedication—may we not hope, that, when socialism with its general higher education and sane economic conditions has completely freed the writing class from all forms of subjection, that an improved standard of knowledge, literary honor and production will result.

"PROGRESS."

Colleges. It says, in proof of our argument:

"We learn with surprise, bordering on dismay, from some college papers that have reached us, that Mr. R. H. Tawney has been appointed Lecturer in Economics at Balliol College. The politics of a professor of Poetry, of Greek, of Latin, of Law, or of Chemistry, matter to no one but himself. But History and Political Economy lie at the root of society. . . Mr. R. H. Tawney and Mr. Sidney Webb are openly associated with the extreme wing of the Labor Party. . . They signed the Smillie Reports which have landed us on the brink of an industrial revolution, if not civil war.

"To appoint a gentleman thus closely linked with Mr. Smillie to lecture on political economy to the Balliol College undergraduates appears to us a grave mistake. The Master and Fellows of Balliol may be communists to a man, if they chose; but they have no business to teach Socialism to the sons of the proprietary classes. Some regard should surely be paid to the views of the parents. We hazard the assertion that nine-tenths of the parents who send their sons to Oxford or Cambridge regard the political and economic doctrines of Messrs. Tawney, Webb, Smillie and Co., with dread and detestation."

We can assure the Saturday Review that Mr. Tawney is not such a rapid revolutionary as it imagines. Nevertheless, its attack upon such a "safe" Laborist regarding his appointment to lecture on economics and history triumphantly exposes the fallacy of neutrality so far as Labor and Capital are concerned.

In the part of the Saturday Review's quotation which we italicized, attention is drawn to history and political economy, which, it contends, "lie at the roots of society." In other words, history and economics examine social relations. Therein lurks their danger. Latin, Greek, or any of the classical subjects are not dangerous. Chemistry, or any of the natural sciences are safe studies. But hands off history and economics! These subjects are socially dangerous because they deal with society and the relations of classes. Hence, these must be dealt with by intellectuals who can be depended upon to interpret them in a "neutral" manner—that is to say, from the standpoint of the propertied interests.

As revolutionists our educational policy is quite clear. We must keep extending our Marxian educational classes. Wherever possible we must create Labor Colleges in order to rescue economics and history from the venal scholars who would fain utilize these subjects to prolong class rule. We may not manage to pass the whole of the working class through our educational classes; but the more we attract so the greater will be the number of stalwart and courageous thinkers who will head Labor's column and guide it when the revolutionary army hurls itself against the capitalist citadel.

This is the time of the year when classes should be organized. It is part of the agitational work of the Socialist Parties to organize and conduct such classes. If classes are already organized we must either rally to them or extend their sphere of influence. Hard work during the next few weeks will have far-reaching effects in the immediate future. Our educational movement does not seek to create proletarian "intellectuals" or mental dilettantes. Our educational work has for its object the creation of a band of workers able to understand what modern society is and whither it is drifting; a band of courageous thinkers capable of clearly understanding what the social revolution is and why it is historically necessary; a band of dauntless fighters who will pursue their straight course heedless of the sophistries of subsidized scholars, heedless of the cowardice and apologies of emotional Laborists.

On then with the educational work.

Marxian knowledge is all powerful for the international proletariat.

# THE RED FLAG

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

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Editor ..... C. Stephenson

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## On Poets and Poetry

SINCE the D'Annunzio-Fiume episode burst clamantly on a nerve-wracked world's attention, we have been eagerly scanning the columns of the press for denunciations of this, what appeared to us, unconstitutional activity, but in vain. We have been educated by the press on what is constitutional and what is not until we thought we knew. We are frankly bewildered. No reproof have we seen is more drastic than a mild suggestion that D'Annunzio is extremely foolish, but even this reproof is palliated. Here is a man taking action, which again may plunge a war-sick world into strife again and all our hitherto constitutional pedants palliate the offence on the inane excuse that he is a poet.

We never professed to be a judge of poets or poetry, but we are now "eddicated," thanks to the scribes of the press, who evidently know a good alibi when they see one. The next time we are up for murder we shall instruct the magistrate and plead cause. The Canadian conspirators waiting trial in October may also take note.

Sir Edward Carson, known in Great Britain as "king of insurrections" must also be a poet, but must look to his laurels. A mere Italian getting ahead of an Irishman. Then there is Dr. Jamieson of South African fame, he of course got two years, even if he did put it in on velvet, but probably he was only a minor poet. Probably he improved. Anyway he was appreciated better later on, for we later went in and carried the aims of his abortive raid to a successful conclusion.

In these fundamental considerations, a light is thrown on other matters. We can now account for Dennikin, Kolchak and Winston Churchill and the support they receive from all the cultured people. They are poets, and by the same token so were Captain Kydd, Morgan the freebooter, Charlie Peace, Sweeney Todd the demon barber, the brothers James, Jack the Ripper, and other heroes too horrible to mention of our boyhood days. Only the fate that overtook these latter must have been because they lived in a darker age when genius was not appreciated at its true worth. Or stay, a second consideration comes to hand.

Perhaps it is true after all what the Socialists say, that there are two classes in society. In that case, what is genius in one class may be considered something else in another. If that is so, how about the labor officials for trial. The question now arises what is poetry? Our first consideration suggested that it was just the plain loot, loot, celebrated in song by another poet, Rudyard Kipling. The second consideration, however, seems to point to the fact that a quantitative alteration results in a qualitative difference. For instance, a starving proletarian taking a loaf of bread which isn't his'n is just a plain thief. A bourgeois leading armed forces against constituted government or for the forcible acquisition of other sovereign peoples domain is—what is he?—Shall we say, a benefactor. Of course, in secret, is it permissible for a Bolshevik to ask himself, a benefactor to whom?

## The Conditions for Social Change

(From "Socialism, Utopian and Scientific.")  
(See Literature Advertisement)

Since the historical appearance of the capitalist mode of production, the appropriation by society of all the means of production has often been dreamed of, more or less vaguely, by individuals, as well as by sects, as the ideal of the future. But it could become possible, could become a historical necessity, only when the actual conditions for its realization were there. Like every other social advance, it becomes practicable, not by men understanding that the existence of classes is a contradiction of justice, equality, etc., not by the mere willingness to abolish these classes, but by virtue of certain new economic conditions. The separation of society into an exploiting and an exploited class, a ruling and an oppressed class, was the necessary consequence of the deficient and restricted development of production in former times. So long as the total social labor only yields a produce which but slightly exceeds that barely necessary for the existence of all; so long, therefore, as labor engages all or almost all the time of the great majority of the members of society—so long, of necessity, this society is divided into classes. Side by side with the great majority, exclusively bond slaves to labor, arises a class freed from directly productive labor, which looks after the general affairs of society; the direction of labor, State business, law, science, art, etc. It is, therefore, the law of division of labor that lies at the basis of the division into classes. But this does not prevent this division into classes from being carried out by means of violence and robbery, trickery and fraud. It does not prevent the ruling class, once having the upper hand, from consolidating its power at the expense of the working-class, from turning their social leadership into an intensified exploitation of the masses.

But if, upon this showing, division into classes has a certain historical justification it has this only for a given period, only under given social conditions. It was based upon the insufficiency of production. It will be swept away by the complete development of modern productive forces. And, in fact, the abolition of classes in society presupposes a degree of historical evolution, at which the existence, not simply of this or that particular ruling class, but of any ruling class at all, and, therefore, the existence of class distinction itself has become an obsolete anachronism. It presupposes, therefore, the development of production carried out to a degree at which appropriation of the means of production and of the products, and, with this, of political domination, of the monopoly of culture, and of intellectual leadership by a particular class of society, has become not only superfluous, but economically, politically, intellectually a hindrance to development.

This point is now reached. Their political and intellectual bankruptcy is scarcely any longer a secret to the bourgeoisie themselves. Their economic bankruptcy recurs regularly every ten years. In every crisis, society is suffocated beneath the weight of its own productive forces and products, which it can not use, and stands helpless, face to face with the absurd contradiction that the producers have nothing to consume, because consumers are wanting. The expansive force of the means of production bursts the bonds that the capitalist mode of production had imposed upon them. Their deliverance from these bonds is the one pre-condition for an unbroken, constantly accelerated development of the productive forces, and therewith for a practically unlimited increase of production itself. Nor is this all. The socialized appropriation of the means of production does away, not only with the present artificial restrictions upon production, but also with the positive waste and devastation of productive forces

and products that are at the present time the inevitable concomitants of production, and that reach their height in the crisis. Further, it sets free for the community at large a mass of means of production and of products, by doing away with the senseless extravagance of the ruling classes of today, and their political representatives. The possibility of securing for every member of society, by means of socialized production, an existence not only fully sufficient materially, and becoming day by day more full, but an existence guaranteeing to all the free development and exercise of their physical and mental faculties—this possibility is now for the first time here, but it is here.

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### In Last Week's Nation It Is Recorded.

I found that Somerset House records the following entries of investment with their dates:

Sissert Mining Company:		
	Shares.	Date.
Rt. Hon. A. Chamberlain	1000	4/8/14
Ditto	1000	30/12/16
Ditto	1000	8/5/18
Anglo-Russian Trust:		
	Shares.	Date.
Rt. Hon. Walter Long	500	12/4/12
Ditto	3000	31/12/18
Spasky Copper Company:		
	Shares.	Date.
Lord Reading	213	5/2/18
Kyshtim Corporation:		
	Shares.	Date.
Geddes, Auckland	300	2/1/19
Geddes, Eric	440	2/1/19

The holdings of the Geddes Brothers date, it will be seen, from this year, that is, after the war with Germany was ended, and we were openly treating the Government of Russia as an enemy. What have these gentlemen to say!

# The Problem of the Working Class

"But this much at least ought to appear clear if the line of argument indicated above is accepted, namely, that there is no great hope for universal betterment of society by the mere advance of technical industrial progress and by the unaided play of the motive of every man for himself.

"The enormous increase in the productivity of industrial effort would never of itself have elevated by one inch the lot of the working class. The rise of wages in the nineteenth century and the shortening of hours that went with it was due neither to the advance in mechanical power, nor to the advance in diligence and industriousness, nor to the advance, if there was any, in general kindness. It was due to the organization of labor. Mechanical progress makes higher wages possible. It does not, of itself, advance them by a single farthing. Labor-saving machinery does not, of itself, save the working world a single hour of toil; it only shifts it from one task to another.

"Against a system of unrestrained individualism, energy, industriousness and honesty might shatter itself in vain. The thing is merely a race in which only one can be first no matter how great the speed of all; a struggle in which one, and not all, can stand upon the shoulders of the others. It is the restriction of individualism by the force of organization and by legislation that has brought to the world whatever social advance has been achieved by the great mass of the people. . . ."

The above is from Professor Leacock's article in the Vancouver Daily Province, Sept. 20 issue. His statement that an increase of productivity does not of itself elevate the lot of the wage-working class is correct. As a factor it merely provides an increased social fund out of which labor may, providing the labor market conditions are favorable secure an advance in its standard of living. The working class is divorced from both the ownership of the means of production and the products. These belong to the capitalist class. The struggle on the labor market decides the amount the wage-working class shall receive of the social product. With regard to what he says about the organization of labor being solely responsible for the shortening of hours, the raising of wages and the improvement of the conditions of the laboring masses during the nineteenth century this must be taken with some reservation. The rush and strain of modern mechanical processes of production in themselves demanded that those laboring in those processes receive a higher standard of living than their forefathers of the more leisurely occupations of pre-machine industry days. The new industry also demanded a better educated working class. Whatever gains have accrued to the workers on account of these factors, they have, however, not been gained without tremendous and continuous struggle. The "Industrial Revolution" took the world by surprise as it were. The advent of the machine and its rapid development put new and drastic powers into the hands of the manufacturing capitalists while, on the other hand, with the workers, it shattered for generations all their powers of resistance. Handicraft processes were killed in the competitive struggle with the new machine and the handicraftsmen lost their independence and were driven onto the wage-labor market. Women and children were now for the first time, on a large scale, also to be found to still further add to the rigors of the competition on that market. Individual resistance was put up against this last new factor but without avail. It was a new intervention into the habits and customs of the working class and they were repugnant to sending their women and children into the

factories. But competition for a living became keener and wages continued to fall until it was no longer possible for the head of the household to support the family. For information on this particular period we recommend Gibbins' "Industrial History of England," advertised among our literature. He records that it was not until the wages of the work men had been reduced to a starvation level that they consented to their children and wives being employed in the mills. There is no record of man's inhumanity to man more terrible than those years succeeding the introduction of the factory and machine processes. What makes it the more terrible is that the effect was not manifested in isolated instances or in one generation, but was general to the new order. To such an extent had the resistance of the workers been broken down that, as many others besides Gibbins record, "their children were often working sixteen hours a day, the hours of their labor were only limited by exhaustion after many modes of torture had been unavailingly applied to force continued work." Samuel Kydd, the author of "The History of the Factory Movement," writes: "In stench, in heated rooms, amid the constant whirling of a thousand wheels, little fingers and little feet were kept in ceaseless action, forced into unnatural activity by blows from heavy hands and feet of the merciless overlooker, and the infliction of bodily pain by instruments of punishment invented by the sharpened ingenuity of insatiable selfishness." The above may appear incredible to those brought up under happier circumstances, but the writer of the present article can remember himself as a small child, in a Yorkshire mill, knocked sprawling into a whirling spinning frame by one of these overlookers. And that was no solitary instance even in that day of considerable improvement. In my case, as in others, such treatment was not for childish pranks—we had no time nor energy for that—but because I could not keep the pace of the machine as a "bobbin ligger." Speaking of the practice of procuring children for the factories from the work-houses of dear old England, Gibbins says, "they were fed upon the cheapest and coarsest food, often the same as that served out to the pigs of their master. They slept by turns and in relays, in filthy beds which were never cool; for one set of children were sent to sleep in them as soon as the others had gone off to their daily or nightly toil. . . . Some tried to run away. Those suspected of this tendency had irons riveted to their ankles with long links reaching to the hips. . . ." Many died, and committed suicide, from this brutal treatment "and were buried secretly at night. . . ." In a speech delivered in the British House of Lords many years after the agitation for factory legislation first started, Lord Shaftesbury said: "In the earlier periods of the factory movement, I waited at the factory gates to see the children come out, and a set of sad, dejected, cadaverous creatures they were. In Bradford especially the proofs of long and cruel toil were most remarkable. The cripples and distorted forms might be numbered by hundreds, perhaps by thousands. A friend of mine collected a vast number together for me, the sight was most pitous, the deformities incredible. They seemed to me, such were their crooked shapes, like a mass of crooked alphabets."

Such was the state which the working class of England, agricultural as well as industrial, had been reduced to, generation by generation, in the forties of the nineteenth century. But the inevitable happened, the destruction of life and degeneration entailed by such a process began to alarm sections of the community other than those directly interested in the dreadful exploitation, and the resistance offered by the enfeebled and demoralized workers to the impositions of the manufacturing capitalists and the legal prohibitions (it

## LEON TROTSKY ON MILITARY SITUATION.

(From "Christian Science Monitor," Sept. 4.)

LONDON, England, (Wednesday).—A Moscow wireless message states that at an extraordinary meeting of the Petrograd Soviet on Sept. 1, Leon Trotsky reported on the military situation, dwelling fully on the situation on the Western Front which hitherto, he said, had been of secondary importance.

"After crushing Koltchak and dealing with Denikin, whose army already shows signs of dissolution, we shall concentrate our forces and deal with our enemies in turn," Mr. Trotsky continued, adding that in the West there was one sector where they could not retreat an inch, that being on the Petrograd front.

He concluded with the threat of an overwhelming Bolshevik advance into Finland if that country persisted in making constant raids into Russia or in collecting hostile forces on its territory. "We cannot," he said, "permit Finland to remain a permanent threat to us."

The wireless message further states that, after hearing Mr. Trotsky's report, the Petrograd Soviet passed a resolution approving of the Moscow Government's peace offer to Estonia and declaring its readiness to advance against Reval and Helsingfors, should the Estonian and Finnish bourgeoisie "obey the directions of the Anglo-French Imperialists" and advance against Petrograd.

## SOCIALIST BULGARIA.

### Militarists' Election Defeat.

(From the "Daily Herald.")

PARIS, August 24.—The Bulgarian elections just over show a greater gain for Socialism than in any European country save Russia.

The Communists have increased their seats from 10 to 47, and the Moderate Socialists—divided between two leaders representing the small farmers and the middle classes in the towns—have increased theirs from 59 to 124.

Of the 200 seats in the Bulgarian Parliament, nearly half were occupied by the military party until this election. That party retains only one seat.

Complete Socialism is probable in Bulgaria at an early date, according to prophecies that are being made in Paris.

is significant to us in Canada that they were called "Conspiracy Laws") against combinations of workers, began to receive support. Combined with this factor of outside help to the workers' movement for improved conditions, the movement also received indirect impetus through a new condition of great expansion of trade and commerce by the increased use of steam power in production, and also in transportation over land and sea. This increased the demand for labor, and in conjunction with the emigration movement, improved the conditions somewhat on the labor market. Various factors, therefore, assisted in the successes of the organized labor movement in Great Britain, such as they have been.

The position is different today, however. Any further progress the working class may make is conditioned alone on their own efforts, on their own understanding of the social problem and the energy with which they work towards its solution. They must realize that no expansion of trade and commerce can be conceived of that will allow a general improvement in the conditions of the labor market. We are too productive for that. Curtailment of the productive powers of society is now the normal mode of capitalist production for profit. The bourgeoisie are all thrown into one camp by that fact. By that fact, the workers will also be driven into another opposing camp by taking up the revolutionary position, that industry, production in general, must be carried on for livelihood, i.e., production for use.

# Ten Minutes' Talk With the Workers

## Foreign Competition.

NO doubt it is "like carrying coals to Newcastle" to remind you that you are only allowed to work when it is profitable for your employer to permit you to do so and that so soon as he ceases to make a profit, or not as large a profit as he expected, out you go on the street in search of another "boss."

But while you instinctively know that, and certainly don't like it, if you paid more attention to economics—that study which deals with the manner in which wealth is produced and distributed—many of the difficulties that beset your paths to-day could be overcome or at least explained.

As you may have observed—at least it is to be hoped you have—there is a complete failure on the part of our politicians and "industrial captains" to make good their pledges about reconstruction. Nearly a twelve-month has elapsed since the first blast of the peace-trumpet was heard, yet there is no indication of that unbounded prosperity which was promised would accrue from the rebuilding of Belgium, France and the other devastated regions of the war; in fact, there is nothing but industrial chaos at present, and no prospect of anything else for the immediate future.

## A Decoy-duck.

Of course, your good sense will teach you to laugh at the frantic efforts of the press to try and put the blame on our chaps who work in the mines, railways and elsewhere, and who are manly enough to resist being reduced to the coolie stage. I refer, of course, to the silly talk of German gold and "Red agitators,"—Bolsheviks they call us, with the suggestion that the term means the same as "Hun." This cry of "Bolshevik" at present is akin to the decoy-duck which is used by those who go duck-hunting—i.e., it is a deception to divert your attention away from the things that matter.

A more sinister excuse, however, which is offered, and one not so highly colored, though just as false, is to be found in the present talk about Foreign Competition. They used to tell us our natural enemy was the German; now the song has changed to Yankee competition. The same tale is now being told about the Yankee worker as was told about the German, viz. an infinite capacity for hard work, increasing output, and, above all, allegiance (another name for docility) to the American boss. The worker in America is now being applauded to the sky and offered as an example for you and I to follow; otherwise we in this country shall all go to the "dogs."

## An Effect or a Cause?

Certainly the question of "foreign competition" can not be ignored, but what you would do well to consider for a moment is whether foreign competition is not more an effect than a cause when considering the present state of industrial and commercial anarchy.

Previous to 1914, the capitalists of Great Britain held a very strong position in the markets of the world. They were the premier exporters. It was reckoned that exports from this country were greater by far than any other country in the world, and were made up in the main of manufactured goods to the value of some 600 million pounds.

From these exports there came back, in addition to the interest from capital invested abroad, imports to the value of nearly 500 million pounds in the shape of all kinds of food, raw materials, such as oil, cotton, timber, etc., and the many things needed for manufacture.

But, thanks to the war, conditions have somewhat altered. It is said that foreign investments have been realized to such an extent that from the balance being against the capitalists of America the scales are tipped the other way, and are now in their favor, so far as relations with the capitalists of this country are concerned. Not

only so, but the Yankees are now exporting into Europe upon a scale undreamt of before the war. This, in addition to the efforts of the capitalists in other countries to get rid of their exports, has raised the question of foreign competition, and brought it to the front.

## Its Basis.

Now when you recollect the tremendous changes that were made in the workshop practice of this country during the war, the enormous amount of machinery, etc., that was introduced (practically revolutionizing industry,) and consider that other countries were doing the same, you can have some faint idea of what is really at the bottom of all the immediate trouble. You can see at a glance the forces that underlie the immediate situation, and why our great "captains" of industry are unable to lead us out of the morass. It is because the capitalists of all countries not only have exhausted their home markets but have each a surplus for world consumption.

When, of course, we talk of the home markets being exhausted it must not be assumed that we are all in affluence and comfort. It simply means that, thanks to our perverted system of producing for profit, there are no customers to be found, and so production is held up. That is why eyes are turned abroad for contracts and orders.

You may have often been puzzled, when reading in your newspaper about "our" exports and imports going up and down, and wondered what it all meant. Your common "horse-sense" teaches you that commodities don't come of themselves to this country from the other end of the globe. Nor are goods sent out from this country to other countries except with a purpose.

## In Quest of Cheapness.

Obviously, if commodities can be produced cheaper in America, Japan or elsewhere they will cut out all others from the markets. The most recent illustration of this, and how cheapness is the god of capital and no respecter of countries, was the placing the other day by the Birmingham Corporation of a contract for 1000 tons of steel rails in America. A similar case happened in Glasgow a few weeks ago. This search for cheapness is undoubtedly one of the potent causes of international trade from which we get our terms "exports and imports."

These trade returns, then, classed under the heading of "exports and imports," simply represent the sum of the trading business of capitalists as individuals or companies.

Here you would do well to put on your thinking cap and hold it tight.

When our employers talk about "industrial efficiency" you must not imagine they are animated by disinterested motives, so far as your welfare is concerned. And if he boasts the Yankee worker for his patriotism, how he never works on the "ea'-canny" principle, and all the rest of it, you can bet your boots "Mr. Employer" has some fish to fry.

When, however, he is unable to dupe you and I by such soft words as he frequently uses—nay, even while he uses them—he schemes and plans to gain his ends by other means. He becomes interested, for instance, in technical education; in welfare work; in Whitley Committees; sane Trade Unionism, and all the devices he can think of, to reduce to a minimum the unit-cost of production. All these things he will plead are in the national interest. It is but the old game of playing upon your credulity and getting you to do a bit more for the same wage.

But supposing, as workers, we took our master's advice and "did our damndest," worked until our finger-nails came off, so to speak; allowed unlimited machinery to be introduced; worked all the hours God sends; gave free scope for non-unionists, and as a result we cut the Yankees or the Japs out. What would it all mean

to us? What would be the net result for you and I? It would simply mean that, thanks to our precious system of profit-making, after a brief period of prosperity, i.e., over-work, we would be as we were.

Looked at from a class point of view, this must be so, since you and I and the class to which we belong always as a class get less than we produce, with the result that sooner or later there is bound to be a glut of products, with the consequent slackening down and the old game of looking around for a job.

You can not escape from this dilemma under capitalism. In any case, and from our standpoint, it is morally wrong to allow a small class—a minority in the community—to so dictate and order the lives of the majority, to which you and I belong, as to turn what would otherwise be a pleasant world into a perfect jungle.

In the suffering which our class is enduring at present we are paying the penalty for our neglect of economic science. And when Mr. Hoover said, the other day, that Europe must work or starve, he uttered a plain truth. But he might have gone further and explained to us how those who do all the work in Europe, and elsewhere are always on the verge of starvation, while those who perform no social service whatever can riot in luxury and ease.

The cry of foreign competition is a bogey, a decoy-duck, and you would be wise to turn a deaf ear to those who would set you against our fellows in other countries. You and I have more in common with our mates in America, Japan, Russia, etc., and in Germany than we have with our native capitalists of Britain. When we appreciate that and clasp hands across our fictitious national boundaries we shall be on the right road to gaining the world for the world's workers. T. B.

## LENIN'S PEACE TERMS.

### A Wireless Interview.

(From the "Manchester Guardian," Aug. 8)

PARIS.—What the "Humanite" claims to be a full report of the recent interview by wireless between the United Press representatives and M. Lenin, is published this morning. In the course of his statement, M. Lenin states that he is prepared to hold to his agreement with Mr. Bullitt as regards making peace with Kolchak and Mannerheim. He recalls to the attention of the world that one of the clauses in this agreement, to which he still holds in its entirety, is to provide for the full payment of the debts of Russia to France and to other States; this on condition that the peace is a full one, signed and formally confirmed by the five Great Powers.

The correspondent asked him: "What is the real nature of the activity of the Soviet Government in the Mohammedan countries outside Russia?" M. Lenin answered: "This propaganda is exactly the same as we are carrying on in the Mohammedan Republics of our own territory. We help with all our power every growing nationality which offers a resistance to the Japanese and American brigands of capitalism. Further, our political aim is to spread the knowledge of our own Soviet Constitution which is unfortunate enough to be more to the taste of upwards of forty million inhabitants of the earth, among all colonial subject nationalities who are oppressed and without rights, both in Eastern Europe and America, over whom the bourgeois "democratic" constitutions hold the yoke of small capitalistic minorities—that is, the great mass of working natives in the colonies of Asia, Africa and so on."

Lenin is confident, however, that his system will win in the mere course of events, and therefore has no hesitation in offering fair terms of peace to his attackers, whoever they may be.

# THE RED FLAG

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## Col. Kelly's Letter WHY A LABOR COLLEGE?

In the "Daily Express" of Saturday last appears a letter from Lieut-Colonel Sherwood Kelly, V.C., C.M.G., D.S.O., who has just returned from North Russia, where he went at the call for volunteers, and was in command of the 2nd Battalion of the Hampshire Regiment.

This is what he says about the "Relief Expedition:"

Sir,—I have just returned from North Russia under circumstances which compel me to seek the earliest possible opportunity of making known in England certain facts in connection with North Russia, which otherwise might never come to light.

I wish to state that in so doing I am actuated by no personal motives, but solely by considerations of public policy. I know that my action will render me liable to professional penalties, and will prejudice my future in the army, but I am prepared to take all risks in carrying out what I know to be my duty to my country and to my men.

I volunteered for service with the North Russian Relief Force in the sincere belief that relief was urgently needed in order to make possible the withdrawal of low category troops, in the last stages of exhaustion, due to fierce fighting amid the rigors of an Arctic winter.

The wide advertisement of this relief expedition led myself and many others to believe that affairs in North Russia were about to be wound up in an efficient and decisive manner. And we were proud to be accorded the privilege of sharing in such an undertaking. I was placed in command of the 2nd Battalion of the Hampshire Regiment, in the brigade commanded by Brigadier-General Grogan, V.C., C.B., C.M.G., D.S.O.

### Disillusionment.

Immediately on arrival at Archangel, however, towards the end of May, I at once received the impression that the policy of the authorities was not what it was stated to be. This impression hardened as time went on, and during the months of June and July I was reluctantly but inevitably driven to the following conclusions:

That the troops of the Relief Force, which we were told had been sent out purely for defensive purposes, were being used for offensive purposes, on a large scale and far in the interior, in furtherance of some ambitious plan of campaign the nature of which we were not allowed to know. My personal experience of those operations was that they were not even well conducted, and that they were not calculated to benefit in a military or any other sense a sound and practical British policy in Russia. They only entailed useless loss and suffering on troops that had already made incalculable sacrifices in the great war.

### The Puppet "Democracy."

I discovered, what is now a matter of common knowledge even in England, that the much vaunted "loyal Russian army," composed largely of Bolshevik prisoners dressed in khaki, was utterly unreliable, always disposed to mutiny, and that it always constituted a greater danger to our troops than the Bolshevik armies opposed to them. This

(By William Paul, from the "Socialist," Glasgow)

HERE are many signs which indicate that the forthcoming winter is going to be a record one for Marxian educational classes. The proof that we are going to eclipse all our previous efforts next winter has caused a great deal of consternation in the ranks of the ruling class. During the past few weeks the press has been instructed to write up special articles on "Labor and Education." These articles have been written as a counterblast to the many Marxian classes which are at present being organized throughout the land by the Plebs League, the several Labor Colleges, the S.L.P., and many other kindred organizations. In addition to the Labor College, which reopens this year in London, there are several other colleges opening in provincial industrial centres. Manchester has now its Labor College, Liverpool, Glasgow and Newcastle expect to have their colleges in full swing in a few weeks. With a little effort Labor Colleges should be established this winter in Sheffield and Leeds. In South Wales there were so many applications received from young Socialist miners to undertake a two years' course of study in Marxian economics and history that the Aberdare Miners' Federation decided to send an additional student to the London Labor College this year.

These facts have deeply impressed our financiers and their parliamentary automatons. Hence their sudden awakening to the fact that revolutionary education—"Bolshevik education" they correctly term it—is sweeping its way through the ranks of the wage-earning masses. And in its sweep it is gathering into its net the most acute and brilliant minds of the younger workers in the Labor movement. This modern successful educational movement on behalf of independent working class education has been the work of the young men of the Marxian school. For over ten years they have had a terrific struggle against the capitalist enemy, and their task has been made doubly arduous by the sneering opposition of the "intellectual assets"

was tragically demonstrated early in July, when the Russians mutinied and murdered their British officers.

I formed the opinion that the puppet Government set up by us in Archangel rested on no basis of public confidence and support, and would fall to pieces the moment the protection of British bayonets was withdrawn.

At the same time I saw British money poured out like water and invaluable British lives sacrificed in backing up this worthless army and in keeping in power this worthless Government, and I became convinced that my duty to my country lay not in helping to forward a mistaken policy, but in exposing it to the British public.

I ask you, Sir, to publish this letter, so that people in England may know the truth about the situation in Archangel and may be able to take steps to right it.

J. SHERWOOD-KELLY, Lt.-Col.

Late Commanding 2nd Batt. Hampshire Regt.

inside the Labor movement. The sentimental Parliamentarians of the Labor Party have chided the Marxian educational enthusiasts as "impossibilists." They have, in stinging invectives, sought to humiliate them by disparaging what they call their "scientific" conceptions of Socialism. A good example of their ignorant impertinence may be seen in last month's Socialist Review, in which Mr. Ramsay MacDonald criticises our friend Noah Ablett's little book on "Elementary Economics." It is a potent fact that neither Mr. MacDonald nor any of his ilk has lifted a finger to assist the now vigorous and successful educational movement on behalf of independent working class education.

Nevertheless, the work has succeeded even better than the most optimistic had dared to hope. Regarding the demand for education on the part of the workers, we have last Sunday's Observer admitting that:

"We are, in fact, in the midst of a profound educational ferment, the results of which will be very far-reaching. When public attention is being drawn to disputes and rumors of disputes, it is well to remember that there is another side to the Labor movement. Amid the turmoil of the industrial world and removed from public gaze there is in progress an educational movement amongst working men and women of a very considerable size. It is probably not an exaggeration to say that the number of adult students who are taking advantage of educational facilities provided through numerous voluntary agencies and pursuing a systematic course of study is greater than the number of undergraduates in the Universities of Great Britain. People are afraid of violent revolution; but this educational ferment is the real revolution which is taking place at the present time."

So far as our educational movement is concerned we are only interested in the mental revolution as the first step in a process which will culminate in revolutionary activity. The press is perfectly aware of our aims and objects. And the surprising success of our work compels even a Conservative journal like the Observer to acknowledge our influence as a power amidst the educational forces of today. While recounting the work of various educational agencies, the Observer says:

"Nor can we omit the work of the Labor College and its propagandist side, the Plebs League. The teachings of the Labor College are based upon the theories of Marx and the activities of the Plebs League have been more particularly successful in such districts as South Wales and on the Clyde where many classes have been held. Recently it was decided to establish a Scottish Labor College on the lines of the Labor College in London and financed by Labor organizations."

The vital difference between the Marxist educational bodies and every other educational organization in this country lies in the difference between reaction and revolution. It is a popular notion that education means progress. But under capitalism, wherein everything is perverted and

(Continued on Page Five.)